AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON JULY 11, 2003

REGISTRATION NO.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-4
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

RENT-A-CENTER, INC.
COLORTYME, INC.
GET IT NOW, LLC
RENT-A-CENTER EAST, INC.
RENT-A-CENTER TEXAS, L.L.C.
RENT-A-CENTER TEXAS, L.P.
RENT-A-CENTER WEST, INC.
(Exact name of co-registrants as specified in its charter)

DELAWARE	7359	45-0491516
TEXAS	6794	75-2651408
DELAWARE	7359	16-1628325
DELAWARE	7359	48-1024367
NEVADA	7359	45-0491520
TEXAS	6794	45-0491512
DELAWARE	7359	48-1156618
(State or other jurisdiction of incorporation or organization)	(Primary standard industrial classification code number)	(I.R.S. Employer Identification No.)

RENT-A-CENTER, INC. 5700 TENNYSON PKWY., THIRD FLOOR PLANO, TEXAS 75024 (972) 801-1100	COLORTYME, INC. 5700 TENNYSON PKWY., FIRST FLOOR PLANO, TEXAS 75024 (972) 608-5376	GET IT NOW, LLC 5700 TENNYSON PKWY., THIRD FLOOR PLANO, TEXAS 75024 (972) 801-1100

RENT-A-CENTER, INC. 5700 TENNYSON PKWY., THIRD FLOOR PLANO, TEXAS 75024 (972) 801-1100	RENT-A-CENTER EAST, INC. 5700 TENNYSON PKWY., THIRD FLOOR PLANO, TEXAS 75204 (972) 608-5376

RENT-A-CENTER TEXAS, L.L.C. 429 MAX COURT, SUITE C HENDERSON, NEVADA 89015 (702) 558-0016	RENT-A-CENTER TEXAS, L.P. 5700 TENNYSON PKWY., THIRD FLOOR PLANO, TEXAS 75204 (972) 801-1100	RENT-A-CENTER WEST, INC. 5700 TENNYSON PKWY., THIRD FLOOR PLANO, TEXAS 75204 (972) 801-1100

(Address, including zip code, and telephone number, including area code of each Registrant's principal executive offices)

MARK E. SPEESE CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER RENT-A-CENTER, INC. 5700 TENNYSON PKWY., THIRD FLOOR PLANO, TEXAS 75024 (972) 801-1100 (Name, address, including zip code, and telephone number, including area code, of Agent for service)	WITH COPIES TO: THOMAS W. HUGHES, ESQ. WARREN M.S. ERNST, ESQ. D. FORREST BRUMBAUGH, ESQ. WINSTEAD SECHREST & MINICK P.C. 5400 RENAISSANCE TOWER 1201 ELM STREET DALLAS, TEXAS 75270 (214) 745-5400

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: As soon as practicable after the effective date of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. [ ]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration number for the same offering. [ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier, effective registration statement for the same offering. [ ]

CALCULATION OF REGISTRATION FEE

TITLE OF EACH NOTE OF AMOUNT TO BE REGISTERED	PROPOSED OFFERING PRICE PER NOTE(1)	PROPOSED AGGREGATE OFFERING PRICE(1)	AMOUNT OF REGISTRATION FEE(1)
7 1/2% Senior Subordinated Notes due 2010, Series B	100%	$300,000,000	$24,270
Guarantees of Senior Subordinated Notes(2)	--	--	-- (3)

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o).

(2) Rent-A-Center East, Inc., a direct, wholly-owned subsidiary of Rent-A-Center, Inc., and ColorTyme, Inc., Get It Now, LLC, Rent-A-Center, L.L.C., Rent-A-Center Texas, L.P. and Rent-A-Center West, Inc., each an indirect, wholly-owned subsidiary of Rent-A-Center, Inc., have each guaranteed the notes being registered pursuant hereto.

(3) Pursuant to Rule 457(n), no separate fee is payable with respect to the guarantees of the notes being registered.

THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED JULY 11, 2003

PROSPECTUS

(RENT-A-CENTER, INC. LOGO)

EXCHANGE OFFER FOR $300,000,000 7 1/2% SENIOR SUBORDINATED NOTES DUE 2010, SERIES B

GUARANTEED BY
COLORTYME, INC.
GET IT NOW, LLC
RENT-A-CENTER EAST, INC.
RENT-A-CENTER TEXAS, L.L.C.
RENT-A-CENTER TEXAS, L.P.
RENT-A-CENTER WEST, INC.

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Terms of Exchange Offer

- Expires 5:00 p.m., New York City time, , 2003, unless extended
- The notes to be issued shall be exchanged for up to all of our outstanding 7 1/2% Senior Subordinated Notes due 2010, Series A, issued under an indenture we entered into in May 2003
- All outstanding notes that are validly tendered and not validly withdrawn will be exchanged
- Tenders of outstanding notes may be withdrawn any time prior to the expiration of this exchange offer
- The exchange of notes should not be a taxable exchange for U.S. federal income tax purposes
- We will not receive any proceeds from this exchange offer
- The terms of the exchange notes to be issued are substantially identical to the outstanding old 7 1/2% notes, except for certain transfer restrictions, registration rights and liquidated damages provisions relating to the outstanding old 7 1/2% notes
- Subject to the condition that this exchange offer not violate applicable law or any applicable interpretation of the staff of the Securities and Exchange Commission and certain other conditions

SEE "RISK FACTORS" BEGINNING ON PAGE 11 FOR A DISCUSSION OF CERTAIN RISKS THAT YOU SHOULD CONSIDER BEFORE DECIDING WHETHER TO PARTICIPATE IN THIS EXCHANGE OFFER.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED THE NOTES TO BE DISTRIBUTED IN THIS EXCHANGE OFFER, NOR HAVE ANY OF THESE ORGANIZATIONS DETERMINED THAT THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY RENT-A-CENTER. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE SECURITIES TO WHICH IT RELATES OR ANY OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SUCH SECURITIES IN ANY CIRCUMSTANCES IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF RENT-A-CENTER SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE.

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THIS PROSPECTUS INCORPORATES IMPORTANT BUSINESS AND FINANCIAL INFORMATION ABOUT US THAT IS NOT INCLUDED IN OR DELIVERED WITH THIS PROSPECTUS. THIS INFORMATION IS AVAILABLE WITHOUT CHARGE TO YOU UPON WRITTEN OR ORAL REQUEST TO THE CORPORATE SECRETARY OF RENT-A-CENTER, INC., 5700 TENNYSON PARKWAY, THIRD FLOOR, PLANO, TEXAS 75024, TELEPHONE (972) 801-1100. TO OBTAIN TIMELY DELIVERY, YOU MUST MAKE YOUR REQUEST NO LATER THAN FIVE DAYS BEFORE THE DATE YOU MUST MAKE YOUR DECISION TO PARTICIPATE IN THIS EXCHANGE OFFER, OR , 2003.

FORWARD-LOOKING STATEMENTS

The statements, other than statements of historical facts included in this prospectus are forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "would," "expect," "intend," "could," "estimate," "should," "anticipate" or "believe." We believe that the expectations reflected in such forward-looking statements are accurate. However, we cannot assure you that such expectations will occur. Our actual future performance could differ materially from such statements. Factors that could cause or contribute to such differences include, but are not limited to:

- uncertainties regarding the ability to open new stores;
- our ability to acquire additional rent-to-own stores on favorable terms;
- our ability to enhance the performance of these acquired stores;
- our ability to control store level costs;
- our ability to realize benefits from our margin enhancement initiatives;
- the results of our litigation;
- the passage of legislation adversely affecting the rent-to-own industry;
- interest rates;
- our ability to collect on our rental purchase agreements;
- our ability to effectively hedge interest rates on our outstanding debt;
- changes in our effective tax rate;
- changes in our stock price and the number of shares of common stock that we may or may not repurchase under our common stock repurchase program;
- the aggregate amount of old 7 1/2% notes tendered for exchange notes in this exchange offer;
- the liquidity of our exchange notes; and
- the other risks detailed from time to time in our SEC reports.

Additional factors that could cause our actual results to differ materially from our expectations are discussed under the section entitled "Risk Factors" and elsewhere in this prospectus. You should not unduly rely on these forward-looking statements, which speak only as of the date of this prospectus. Except as required by law, we are not obligated to publicly release any revisions to these forward-looking statements to reflect events or circumstances occurring after the date of this prospectus or to reflect the occurrence of unanticipated events.

PROSPECTUS SUMMARY

This summary highlights the information contained elsewhere in this prospectus. Because this is only a summary, it does not contain all material features of this exchange offer or all of the information that may be important to you. For a more complete understanding of this exchange offer, we encourage you to read the entire prospectus and the documents to which we refer you. You should read the following summary together with the more detailed information and consolidated financial statements and the notes to those statements elsewhere in this prospectus. Unless the context otherwise requires, all information in this prospectus which refers to "Rent-A-Center," "we," "us" or "our" means Rent-A-Center, Inc. and its wholly-owned subsidiaries. The term "old 7 1/2% notes" refers to our outstanding 7 1/2% Senior Subordinated Notes due 2010, Series A, which we issued under an indenture we entered into in May 2003. The term "exchange notes" refers to the 7 1/2% Senior Subordinated Notes due 2010, Series B, which are offered for exchange in this prospectus. The old 7 1/2% notes are to be exchanged for exchange notes in this exchange offer.

THE EXCHANGE OFFER

Exchange Notes..... The form and terms of the exchange notes are identical in all material respects to the form and terms of the old 7 1/2% notes, except for certain transfer restrictions, registration rights and liquidated damages provisions relating to the old 7 1/2% notes. These are described elsewhere in this prospectus under "Description of Notes" and "Registration Rights Agreement."

Old 7 1/2% Notes..... On May 6, 2003, we sold in a private transaction the old 7 1/2% notes. The old 7 1/2% notes were issued under an indenture and contain certain transfer restrictions and registration rights. The old 7 1/2% notes are the notes to be tendered in exchange for the exchange notes offered by this prospectus.

The Exchange Offer..... We are offering to exchange up to $300,000,000 of exchange notes for up to $300,000,000 of old 7 1/2% notes. Old 7 1/2% notes may be exchanged only in $1,000 increments.

Expiration Date; Withdrawal of Tender..... Unless we extend this exchange offer, it will expire at 5:00 p.m., New York City time, on , 2003. We will not extend this time period to a date later than , 2003. You may withdraw any old 7 1/2% notes you tender pursuant to this exchange offer at any time prior to , 2003. We will return, as promptly as practicable after the expiration or termination of this exchange offer, any old 7 1/2% notes not accepted for exchange for any reason without expense to you.

Certain Conditions to the Exchange Offer..... This exchange offer is subject to the following conditions, which we may waive. These conditions permit us to refuse acceptance of the old 7 1/2% notes or to terminate this exchange offer if:

- a lawsuit is instituted or threatened in a court or before a government agency which may impair our ability to proceed with this exchange offer;
- a law, statute, rule or regulation is proposed or enacted or interpreted by the SEC which may impair our ability to proceed with this exchange offer; or
- any governmental approval is not received which we think is necessary to consummate this exchange offer.

Procedures for Tendering Old Notes.....	If you wish to accept this exchange offer, you must complete, sign and date the letter of transmittal in accordance with the instructions, and deliver the letter of transmittal, along with the old 7 1/2% notes and any other required documentation, to the exchange agent. By executing the letter of transmittal relating to the old 7 1/2% notes, you will represent to us that, among other things: - any exchange notes you receive will be acquired in the ordinary course of your business; - you are not engaged in, and do not intend to engage in, and have no arrangement or understanding with any person to participate in a distribution of the exchange notes; and - you are not an affiliate of Rent-A-Center. If you hold your old 7 1/2% notes through the Depository Trust Corporation and wish to participate in this exchange offer, you may do so through the Depository Trust Corporation's Automated Tender Offer Program. By participating in this exchange offer, you will agree to be bound by the appropriate letter of transmittal as though you had executed such letter of transmittal.
Interest on the Exchange Notes.....	Interest on the exchange notes accrues from May 6, 2003 at the rate of 7 1/2% per annum.
Payment of Interest on the Exchange Notes.....	Interest is payable semi-annually in arrears on each May 1 and November 1, commencing on November 1, 2003. Interest on the old 7 1/2% notes is also payable semi-annually in arrears on each May 1 and November 1, commencing on November 1, 2003.
Special Procedures for Beneficial Owners.....	If you are a beneficial owner whose old 7 1/2% notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and wish to tender such old 7 1/2% notes in this exchange offer, please contact the registered holder as soon as possible and instruct them to tender on your behalf and comply with our instructions set forth elsewhere in this prospectus.
Guaranteed Delivery Procedure.....	If you wish to tender your old 7 1/2% notes, you may, in certain instances, do so according to the guaranteed delivery procedures set forth elsewhere in this prospectus under "The Exchange Offer -- Guaranteed Delivery Procedures."
Registration Rights Agreement.....	On May 6, 2003, we sold the old 7 1/2% notes and the related guarantees to the initial purchasers in a transaction exempt from the registration requirements of the Securities Act. At that time, we entered into a registration rights agreement with the initial purchasers that grants the holders of the old 7 1/2% notes certain registration rights. This exchange offer satisfies those rights, which terminate upon consummation of this exchange offer. You will not be entitled to any exchange or registration rights with respect to the exchange notes. Old 7 1/2% notes that are not tendered in this exchange offer may experience a significantly more limited trading market, which might adversely affect the

	liquidity of any remaining old 7 1/2% notes. See "Risk Factors -- The market value of your old 7 1/2% notes may be lower if you do not exchange your old 7 1/2% notes or fail to properly tender your old 7 1/2% notes for exchange -- Consequences of Failure to Exchange."
Certain Federal Tax Considerations.....	With respect to the exchange of the old 7 1/2% notes for the exchange notes: - the exchange should not constitute a taxable exchange for U.S. federal income tax purposes; - you should not recognize gain or loss upon receipt of the exchange notes; - you must include interest in gross income to the same extent as the old 7 1/2% notes; and - you should be able to tack the holding period of the exchange notes to the holding period of the old 7 1/2% notes. The ownership and disposition of the exchange notes will have certain U.S. federal tax consequences. See "Material U.S. Federal Tax Consequences."
Use of Proceeds.....	We will not receive any proceeds from the exchange of notes pursuant to this exchange offer.
Exchange Agent.....	We have appointed The Bank of New York as the exchange agent for this exchange offer. The address and telephone number of the Exchange Agent are The Bank of New York, 101 Barclay Street, Reorganization Unit -- 7 East, New York, New York 10286, Attn: Enrique Lopez -- 7E, facsimile (212) 298-1915, telephone (212) 815-2742.

TERMS OF THE EXCHANGE NOTES AND GUARANTEES

Pursuant to this exchange offer, we are offering to exchange up to $300.0 million aggregate principal amount of the exchange notes for up to an equal aggregate principal amount of the old 7 1/2% notes. The form and terms of the exchange notes are the same as the form and terms of the old 7 1/2% notes, except that the exchange notes will have been registered under the Securities Act and will not bear legends restricting their transfer. The holders of exchange notes will not be entitled to certain rights of holders of the old 7 1/2% notes under the registration rights agreement, which rights will terminate upon the consummation of this exchange offer.

The exchange notes will evidence the same debt as the old 7 1/2% notes and will be issued under, and be entitled to the benefits of, the indenture, dated May 6, 2003, between us, our Subsidiary Guarantors and The Bank of New York.

Issuer.....	Rent-A-Center, Inc.
Guarantors.....	ColorTyme, Inc., Get It Now LLC, Rent-A-Center East, Inc., Rent-A-Center Texas, L.L.C., Rent-A-Center Texas, L.P. and Rent-A-Center West, Inc.
Securities Offered.....	$300,000,000 aggregate principal amount of 7 1/2% Senior Subordinated Notes due 2010, Series B.
Maturity.....	May 1, 2010.
Interest Payment Dates.....	May 1 and November 1 of each year, commencing November 1, 2003. Interest on the old 7 1/2% notes will also be paid on May 1 and November 1 of each year, commencing November 1, 2003.
Sinking Fund.....	None.
Optional Redemption.....	Except as described below and under "Change of Control," as well as in certain other limited circumstances, we may not redeem the exchange notes prior to May 1, 2006. After May 1, 2006, we may redeem any amount of the exchange notes at any time at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest to the redemption date, if redeemed during the twelve-month period beginning on May 1 of the years indicated below:

REDEMPTION YEAR	PRICE
2006.....	103.750%
2007.....	102.500%
2008.....	101.250%
2009 and thereafter.....	100.000%

Change of Control.....	Upon the occurrence of a change of control, we may be required to repurchase the exchange notes at a price equal to 101% of the original aggregate principal amount, together with accrued and unpaid interest, if any, to the date of repurchase. See "Description of Notes -- Change of Control."
Ranking.....	The exchange notes will be unsecured and will be subordinated to all existing and future senior indebtedness. The exchange notes will rank pari passu with all existing and future senior subordinated indebtedness and will rank senior to all existing and future subordinated obligations. The exchange notes will be fully and unconditionally guaranteed on an unsecured, senior subordinated basis by our existing and future restricted subsidiaries.

Guarantees.....	The exchange notes will be guaranteed by all of our current and future subsidiaries, unless we designate the subsidiary as an "unrestricted subsidiary."
Restrictive Covenants.....	The indenture under which the exchange notes will be issued, and under which the old 7 1/2% notes were issued, limits: - the incurrence of additional indebtedness by us and our restricted subsidiaries; - the payment of dividends on, and redemption of, our capital stock and our restricted subsidiaries' capital stock and the redemption of certain subordinated obligations of ours and our restricted subsidiaries; - investments; - sales of assets and subsidiary stock; - transactions with affiliates; - sale and leaseback transactions; and - liens. In addition, the indenture limits our ability to engage in consolidations, mergers and transfers of substantially all of our assets and also contains certain restrictions on distributions from our subsidiaries. However, all of these limitations and prohibitions are subject to a number of important qualifications and exceptions. See "Description of Notes -- Certain Covenants."
Absence of a Public Market for the Exchange Notes.....	In general, you may freely transfer the exchange notes. However, there are exceptions to this general statement. Holders may not freely transfer the exchange notes if: - they acquire the exchange notes outside of their ordinary course of business; - they are engaged in, or intend to engage in, or have an arrangement or understanding with any person to participate in a distribution of the exchange notes; or - they are an affiliate of Rent-A-Center. Further, the exchange notes will be new securities for which there will not initially be a market. As a result, the development or liquidity of any market for the exchange notes may not occur. At the time of the private offering, the initial purchasers of the old 7 1/2% notes advised us that they intended to make a market in the exchange notes. However, you should be aware that the initial purchasers are not obligated to do so. In the event such a market may develop, the initial purchasers may discontinue it at any time without notice. We do not intend to apply for a listing of the exchange notes on any securities exchange or on any automated dealer quotation system.

COMPANY OVERVIEW

We are the largest operator in the United States rent-to-own industry with an approximate 31% market share based on store count. At June 30, 2003, we operated 2,567 company-owned stores nationwide and in Puerto Rico, including 23 stores in Wisconsin operated by our subsidiary Get It Now, LLC under the name "Get It Now." Another of our subsidiaries, ColorTyme, Inc., is a national franchisor of rent-to-own stores. At June 30, 2003, ColorTyme had 321 franchised stores in 40 states, 309 of which operated under the ColorTyme name and 12 of which operated under the Rent-A-Center name. These franchise stores represent a further 4% market share based on store count.

Our stores generally offer high quality, durable products such as home electronics, appliances, computers and furniture and accessories under flexible rental purchase agreements that generally allow the customer to obtain ownership of the merchandise at the conclusion of an agreed upon rental period. These rental purchase agreements are designed to appeal to a wide variety of customers by allowing them to obtain merchandise that they might otherwise be unable to obtain due to insufficient cash resources or a lack of access to credit. These agreements also cater to customers who only have a temporary need or who simply desire to rent rather than purchase the merchandise. Get It Now offers our merchandise on an installment sales basis in Wisconsin. We offer well known brands such as Philips, Sony, JVC, Toshiba and Mitsubishi home electronics, Whirlpool appliances, Dell, IBM, Compaq and Hewlett-Packard computers and Ashley, England, Berkline and Standard furniture.

Our customers often lack access to conventional forms of credit. We offer products such as big screen televisions, computers and sofas, and well known brands that might otherwise be unavailable without credit. We also offer high levels of customer service at no additional charge, including repair, pick-up and delivery. Our customers benefit from the ability to return merchandise at any time without further obligation and make payments that build toward ownership. We estimate that approximately 62% of our business is from repeat customers.

The principal offices of Rent-A-Center, Inc. are located at 5700 Tennyson Parkway, Third Floor, Plano, Texas 75024. Our telephone number is (972) 801-1100.

INDUSTRY OVERVIEW

According to industry sources and our estimates, the rent-to-own industry consists of approximately 8,300 stores, and provides approximately 7.0 million products to over 2.8 million households each year. We estimate the six largest rent-to-own industry participants account for approximately 4,700 of the total number of stores, and the majority of the remainder of the industry consists of operations with fewer than 20 stores. The rent-to-own industry is highly fragmented and, due primarily to the decreased availability of traditional financing sources, has experienced, and we believe will continue to experience, increasing consolidation. We believe this consolidation trend in the industry presents opportunities for us to continue to acquire additional stores on favorable terms.

STRATEGY

Our strategy includes:

Enhancing Store Operations. We continually seek to improve store performance through strategies intended to produce gains in operating efficiency and profitability. We believe we will achieve further gains in revenues and operating margins in both existing and newly acquired stores by continuing to:

- use focused advertising to increase store traffic;

- expand the offering of upscale, higher margin products, such as Philips, Sony, JVC, Toshiba and Mitsubishi home electronics, Whirlpool appliances, Dell, IBM, Compaq and Hewlett-Packard computers and Ashley, England, Berkline and Standard furniture, to increase the number of product rentals;

- employ strict store-level cost control;

- closely monitor each store's performance through the use of our management information system to ensure each store's adherence to established operating guidelines; and

- use a revenue and profit based incentive pay plan.

Opening New Stores and Acquiring Existing Rent-to-Own Stores. We intend to expand our business both by opening new stores in targeted markets and by acquiring existing rent-to-own stores. We intend to open 80 to 100 new stores in 2003. On February 8, 2003, we acquired substantially all of the assets of 295 stores located throughout the United States from Rent-Way, Inc. and certain of its subsidiaries. Of the 295 stores, 176 were merged with existing locations. Furthermore, during the first six months of 2003, we acquired 11 additional stores, accounts from 14 additional locations, opened 38 new stores, and closed eight stores. All of the closed stores were merged with existing store locations. In addition, we selectively acquire customer accounts and merge them into our existing store locations.

We will focus new market penetration in adjacent areas or regions that we believe are underserved by the rent-to-own industry, which we believe represents a significant opportunity for us. In addition, we intend to pursue our acquisition strategy of targeting under-performing and under-capitalized chains of rent-to-own stores. We have gained significant experience in the acquisition and integration of other rent-to-own operators and believe the fragmented nature of the rent-to-own industry will result in ongoing consolidation opportunities. Acquired stores benefit from our administrative network, improved product mix, sophisticated management information system and purchasing power. In addition, we have access to our franchise locations, which we have the right of first refusal to purchase.

Building Our National Brand. We have implemented a strategy to increase our name recognition and enhance our national brand. As part of that strategy, we utilize television and radio commercials, print, direct response and in-store signage, all of which are designed to increase our name recognition among our customers and potential customers. We believe that as the Rent-A-Center name gains in familiarity and national recognition through our advertising efforts, we will continue to educate the customer about the rent-to-own alternative to merchandise purchases as well as solidify our reputation as a leading provider of high quality branded merchandise.

RECENT EVENTS

Recapitalization. Commencing in April 2003, we recapitalized a portion of our financial structure in a series of transactions. On May 6, 2003, we issued $300.0 million principal amount of 7 1/2% senior subordinated notes due 2010. Using a portion of those proceeds, on the same date, we repurchased approximately $183 million principal amount of 11% senior subordinated notes due 2008 pursuant to our tender offer for all of the $272.25 million principal amount of 11% notes. We will also use a portion of those proceeds to optionally redeem the remaining outstanding 11% notes on August 15, 2003. On May 28, 2003, we refinanced our senior debt by entering into a new $600.0 million senior credit facility, consisting of a $400.0 million term loan, a $120.0 million revolving credit facility and an $80.0 million additional term loan. On June 25, 2003, we repurchased approximately 1.77 million shares of our common stock at $73 per share pursuant to a modified "Dutch Auction" tender offer. On July 11, 2003, we purchased approximately 775,000 shares of our common stock at $73 per share pursuant to an agreement with Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P. The purchases of our common stock were financed by a portion of the proceeds of our new senior credit facilities.

SUMMARY HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The summary consolidated financial data for the three years ended December 31, 2002 have been derived from our audited consolidated financial statements included in this prospectus. The summary consolidated financial data as of and for the three months ended March 31, 2002 and 2003 have been derived from our unaudited consolidated financial statements which were prepared on the same basis as our audited consolidated financial statements and include, in our opinion, all adjustments necessary to present fairly the information presented for the interim periods. Interim period results are not necessarily indicative of results that will be obtained for the full year. The summary historical consolidated financial data are qualified in their entirety by, and should be read in conjunction with, the financial statements and the notes thereto, the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial information included in this prospectus. "Adjusted for The Offering" information presented below gives effect to the completion of the offering of the old 7 1/2% notes and the application of the net proceeds received from the offering and the "Adjusted for Recapitalization" information presented below gives effect to completion of the recapitalization. Because the exchange notes represent the same debt as the old 7 1/2% notes, completion of this exchange offer will not affect the information presented below.

	THREE MONTHS ENDED DECEMBER 31,	TWELVE MONTHS ENDED MARCH 31,		THREE MONTHS ENDED MARCH 31,		
	2000	2001	2002	2002	2003	2003
	(UNAUDITED)	(DOLLARS IN THOUSANDS)				
STATEMENT OF OPERATIONS DATA:						
Revenues						
Store Rentals and fees	$1,459,664	$1,650,851	$1,828,534	$443,705	$493,419	$1,878,248
Installment sales	--	--	6,137	--	6,045	12,182
Merchandise sales	81,166	94,733	115,478	39,605	52,664	128,537
Other	3,018	3,476	2,589	614	715	2,690
Franchise Merchandise sales	51,769	53,584	51,514	13,253	12,072	50,333
Royalty income and fees	5,997	5,884	5,792	1,433	1,491	5,850
Total revenue	1,601,614	1,808,528	2,010,044	498,610	566,406	2,077,840
Operating expenses						
Direct store expenses						
Depreciation of rental merchandise	299,298	343,197	383,400	92,223	106,660	397,837
Cost of installment sales	--	--	3,776	--	3,231	7,007
Cost of merchandise sold	65,332	72,539	84,628	26,982	36,548	94,194
Salaries and other expenses	866,234	1,019,402	1,070,265	262,619	292,496	1,100,142
Franchise cost of merchandise sold	49,724	51,251	49,185	12,653	11,551	48,083
	1,280,588	1,486,389	1,591,254	394,477	450,486	1,647,263
General and administrative expenses	48,093	55,359	63,296	15,117	16,756	64,935
Amortization of intangibles	28,303	30,194	5,045	720	2,873	7,198
Non-recurring litigation settlements	(22,383)(1)	52,000(2)	--	--	--	--
Total operating expenses	1,334,601	1,623,942	1,659,595	410,314	470,115	1,719,396
Operating profit	267,013	184,586	350,449	88,296	96,291	358,444
Interest expense, net	72,618	59,780	62,006	15,075	12,752	59,683
Earnings before income taxes	194,395	124,806	288,443	73,221	83,539	298,761
Income tax expense	91,368	58,589	116,270	29,658	32,580	119,192
Net earnings	103,027	66,217	172,173	43,563	50,959	179,569
Preferred dividends	10,420	15,408	10,212	4,992	--	5,220
Net earnings allocable to common						

stockholders.....
$ 92,607 $ 50,809 $ 161,961 $ 38,571 $
50,959 $ 174,349 ========== ==========
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	THREE MONTHS ENDED DECEMBER 31,	TWELVE YEARS ENDED MARCH 31,					MONTHS ENDED MARCH 31,					
	2000	2001	2002	2002	2003	2003						
	(UNAUDITED)	(DOLLARS IN THOUSANDS)										
OTHER OPERATING AND FINANCIAL DATA												
Number of owned stores (end of period)	2,158	2,281	2,407	2,284	2,542	2,542						
Same store revenue growth(3)	12.6%	8.0%	6.0%	7.7%	6.2%	N/A						
Franchise stores (end of period)	364	342	318	338	317	317						
Adjusted EBITDA(4)	$ 306,077	$ 304,690	$ 395,854	$ 98,482	$109,284	$ 404,655						
Adjusted EBITDA margin	19.1%	16.8%	19.7%	19.8%	19.3%	19.5%						
Depreciation and amortization(5)	61,447	68,104	43,404	10,186	12,993	46,211						
Capital expenditures	37,937	57,532	37,596	8,100	9,245	38,741						
Cash interest expense(6)	70,978	57,420	57,383	14,772	12,924	55,535						
Ratio of adjusted EBITDA to cash interest expense(6)	4.3x	5.3x	6.9x	N/A	N/A	7.3x						
Ratio of total net debt to adjusted EBITDA	2.3x	2.0x	1.1x	N/A	N/A	1.6x						
Ratio of earnings to fixed charges(7)	2.9x	2.3x	3.9x	N/A	N/A	4.1x						

	THREE MONTHS ENDED MARCH 31, 2003	YEARS ENDED DECEMBER 31,				
	AS ADJUSTED AS ADJUSTED FOR 2000	2001	2002	ACTUAL FOR THE OFFERING(8)	RECAPITALIZATION(9)	
	(UNAUDITED) (DOLLARS IN THOUSANDS)					
BALANCE SHEET DATA (AT THE END OF PERIOD):						
Cash and cash equivalents	$ 36,495	$ 107,958	$ 85,723	$ 103,151	$ 103,151	$ 60,996
Rental merchandise, net	587,232	653,701	631,724	693,324	693,324	693,324
Total assets	1,486,910	1,619,920	1,616,052	1,729,618	1,729,618	1,687,463
Total debt	741,051	702,506	521,330	521,349	546,831	700,000
Convertible preferred stock	281,232	291,910	2	2	2	2
Stockholders' equity	309,371	405,378	842,400	887,929	871,770	678,142

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(1) Includes the effects of a pre-tax legal reversion of $22.4 million associated with the 1999 settlement of three class action lawsuits in the state of New Jersey.

(2) Includes the effects of a pre-tax legal settlement of $52.0 million associated with the 2001 settlement of class action lawsuits in the states of Missouri, Illinois, and Tennessee.

(3) Same store revenue for each period presented includes revenues only of stores open and operated by us throughout the full period and the comparable prior period.

(4) EBITDA is defined as earnings before income taxes plus interest expense net of interest income, depreciation of property assets (exclusive of depreciation of rental merchandise) and amortization of intangibles. Adjusted EBITDA is defined as EBITDA plus litigation settlements. EBITDA and Adjusted EBITDA are not measures of operating income, operating performance or liquidity under generally accepted accounting principles. Although EBITDA and Adjusted EBITDA are frequently used as measures of operations and the ability to satisfy debt service requirements, these terms are not necessarily comparable to other similarly titled captions of other companies due to the potential inconsistencies in the method of calculation.

Reconciliation to reported items:

	THREE MONTHS ENDED DECEMBER 31, 2003	TWELVE YEARS ENDED MARCH 31,				MONTHS ENDED MARCH 31, 2003
		2000	2001	2002	2002	2003
	(UNAUDITED)	(DOLLARS IN THOUSANDS)				
Reported Earnings before income taxes	$194,395	$124,806	$288,443	$73,221	$ 83,539	$298,761
Add back: Interest expense net of interest income	72,618	59,780	62,007	15,075	12,752	59,683
Depreciation of property assets	33,144	37,910	38,359	9,466	10,120	39,013
Amortization of intangibles	28,303	30,194	5,045	720	2,873	7,198
EBITDA	328,460	252,690	393,854	98,482	109,284	404,655
Add back: Class action litigation settlements	(22,383)	52,000	2,000	--	--	--
- Adjusted EBITDA	$306,077	$304,690	$395,854	$98,482	$109,284	$404,655

This prospectus contains information regarding EBITDA, which is a non-GAAP financial measure as defined in Item 10(e) of Regulation S-K. This prospectus also contains a reconciliation of EBITDA to our reported earnings before income taxes. We believe that the presentation of EBITDA is useful to investors, as, among other things, this information impacts certain financial covenants under our senior credit facilities and the indentures governing our outstanding subordinated notes. While we believe this non-GAAP financial measure is useful in evaluating us, this information should be considered as supplemental in nature and not as a substitute for or superior to the related financial information prepared in accordance with GAAP. Further, the non-GAAP financial measure may differ from similar measures presented by other companies.

(5) Excludes depreciation of rental merchandise and amortization other than amortization of intangible assets.

(6) Cash interest expense is defined as interest expense less amortization of financing fees.

(7) For purposes of computing the ratio of earnings to fixed charges, earnings consist of earnings before income tax expense, plus fixed charges. Fixed charges consist of interest expense (which includes amortization of deferred financing costs) whether expensed or capitalized and one-fourth of rental expense, deemed representative of that portion of rental expense estimated to be attributable to interest.

(8) Gives effect to the offering of old 7 1/2% notes and the application of the net proceeds.

(9) Gives effect to the offering of old 7 1/2% notes and the new senior secured credit facilities and the application of the net proceeds to effect the recapitalization.

RISK FACTORS

Our business, operations and financial condition are subject to various risks. Some of these risks are described below, and you should take these risks into account in evaluating us or any investment decision involving us or in deciding whether to participate in this exchange offer. This section does not describe all risks applicable to us, our industry or our business, and it is intended only as a summary of certain material factors.

RISKS RELATING TO THE EXCHANGE OFFER

THE MARKET VALUE OF YOUR OLD 7 1/2% NOTES MAY BE LOWER IF YOU DO NOT EXCHANGE YOUR OLD 7 1/2% NOTES OR FAIL TO PROPERLY TENDER YOUR OLD 7 1/2% NOTES FOR EXCHANGE.

Consequences of Failure to Exchange. To the extent that the old 7 1/2% notes are tendered and accepted for exchange pursuant to this exchange offer, the trading market for old 7 1/2% notes that remain outstanding may be significantly more limited, which may adversely affect the liquidity of the old 7 1/2% notes not tendered for exchange. The extent of the market and the availability of price quotations for the old 7 1/2% notes would depend upon a number of factors, including the number of holders of old 7 1/2% notes remaining at such time and the interest in maintaining a market in such old 7 1/2% notes on the part of securities firms. An issue of securities with a smaller outstanding market value available for trading, or float, may command a lower price than would a comparable issue of securities with a greater float. Therefore, the market price for the old 7 1/2% notes that are not exchanged in this exchange offer may be affected adversely to the extent that the amount that old 7 1/2% notes exchanged pursuant to this exchange offer reduces the float. The reduced float also may tend to make the trading price of the old 7 1/2% notes that are not exchanged more volatile.

Consequences of Failure to Properly Tender. Issuance of the exchange notes in exchange for the old 7 1/2% notes pursuant to this exchange offer will be made following the prior satisfaction, or waiver, of the conditions set forth in "The Exchange Offer -- Conditions to the Exchange Offer" and only after timely receipt by the exchange agent of such old 7 1/2% notes, a properly completed and duly executed letter of transmittal and all other required documents. Therefore, holders of old 7 1/2% notes desiring to tender such old 7 1/2% notes in exchange for exchange notes should allow sufficient time to ensure timely delivery of all required documentation. Neither we, the exchange agent nor any other person is under any duty to give notification of defects or irregularities with respect to the tenders of old 7 1/2% notes for exchange. The old 7 1/2% notes that may be tendered in this exchange offer but which are not validly tendered will, following consummation of this exchange offer, remain outstanding. Any old 7 1/2% notes that remain outstanding following consummation of this exchange offer will continue to be subject to the same transfer restrictions currently applicable to the old 7 1/2% notes.

IF YOU FAIL TO TENDER YOUR OLD 7 1/2% NOTES FOR EXCHANGE, YOUR ABILITY TO TRANSFER SUCH OLD 7 1/2% NOTES WILL BE LIMITED.

We issued the old 7 1/2% notes in a private offering. As a result, the old 7 1/2% notes have not been registered under the Securities Act, and may not be resold by purchasers thereof unless the old 7 1/2% notes are subsequently registered or an exemption from the registration requirements of the Securities Act is available. The old 7 1/2% notes that are not tendered in this exchange offer will continue to be subject to the existing restrictions upon their transfer. Following the completion of this exchange offer, we will have no obligation to provide for the registration under the Securities Act of unexchanged old 7 1/2% notes.

THERE IS NO PUBLIC MARKET FOR THE EXCHANGE NOTES AND WE CANNOT BE SURE AN ACTIVE TRADING MARKET FOR THE EXCHANGE NOTES WILL DEVELOP.

The exchange notes will be new securities for which there will not initially be a market. Accordingly, we cannot assure you as to the development or liquidity of any market for the exchange notes, and we will have no obligation to create such a market. At the time of the private placement of the old 7 1/2% notes, the initial purchasers of the old 7 1/2% notes advised us that they intended to make a market in the old

7 1/2% notes and, if issued, the exchange notes. However, the initial purchasers are not obligated to make a market in any of the notes, and they may discontinue at any time in their sole discretion.

The liquidity of any market for the exchange notes will depend upon the number of holders of the exchange notes, the overall market for high yield securities, our financial performance or prospects or in the prospects for companies in our industry generally, the interest of securities dealers in making a market in the exchange notes and other factors.

RISKS RELATING TO THE EXCHANGE NOTES

OUR DEBT AGREEMENTS IMPOSE RESTRICTIONS ON US WHICH MAY LIMIT OR PROHIBIT US FROM ENGAGING IN CERTAIN TRANSACTIONS. IF A DEFAULT WERE TO OCCUR, OUR LENDERS COULD ACCELERATE THE AMOUNTS OF DEBT OUTSTANDING, AND HOLDERS OF OUR SECURED INDEBTEDNESS COULD FORCE US TO SELL OUR ASSETS TO SATISFY ALL OR A PART OF WHAT IS OWED.

Covenants under our senior credit facilities and the indentures governing our outstanding subordinated notes restrict our ability to pay dividends, engage in various operational matters, as well as require us to maintain specified financial ratios and satisfy specified financial tests. Our ability to meet these financial ratios and tests may be affected by events beyond our control. These restrictions could limit our ability to obtain future financing, make needed capital expenditures or other investments, repurchase our outstanding debt or equity, withstand a future downturn in our business or in the economy, dispose of operations, engage in mergers, acquire additional stores or otherwise conduct necessary corporate activities. Various transactions that we may view as important opportunities, such as specified acquisitions, may be subject to the consent of lenders under the senior credit facilities, which may be withheld or granted subject to conditions specified at the time that may affect the attractiveness or viability of the transaction.

If a default were to occur, the lenders under our senior credit facilities could accelerate the amounts outstanding under the credit facilities, and our other lenders could declare immediately due and payable all amounts borrowed under other instruments that contain certain provisions for cross-acceleration or cross-default. In addition, the lenders under these agreements could terminate their commitments to lend to us. If the lenders under these agreements accelerate the repayment of borrowings, we may not have sufficient liquid assets at that time to repay the amounts then outstanding under our indebtedness or be able to find additional alternative financing. Even if we could obtain additional alternative financing, the terms of the financing may not be favorable or acceptable to us.

The existing indebtedness under our senior credit facilities is secured by substantially all of our assets. Should a default or acceleration of this indebtedness occur, the holders of this indebtedness could sell the assets to satisfy all or a part of what is owed. Our senior credit facilities also require that we redeem the 11% notes on or before August 15, 2003, and contain provisions limiting our ability to modify or refinance our outstanding subordinated notes.

A CHANGE OF CONTROL COULD ACCELERATE OUR OBLIGATION TO PAY OUR OUTSTANDING INDEBTEDNESS, AND WE MAY NOT HAVE SUFFICIENT LIQUID ASSETS TO REPAY THESE AMOUNTS.

Under our senior credit facilities, an event of default would result if a third party became the beneficial owner, either directly or indirectly, of 35% or more of our voting stock or upon certain changes in the constitution of Rent-A-Center's Board of Directors. As of June 30, 2003, we were required to make principal payments under our senior credit facilities of $2.0 million in 2003, $4.0 million in 2004, $4.0 million in 2005, $4.0 million in 2006, $4.0 million in 2007, $192.0 million in 2008 and $190.0 million after 2008. These payments reduce our cash flow. If the lenders under our debt instruments accelerate these obligations, we may not have sufficient liquid assets to repay amounts outstanding under these agreements.

Under the indentures governing our outstanding subordinated notes, in the event that a change of control occurs, we may be required to offer to purchase all of our outstanding subordinated notes at 101% of their original aggregate principal amount, plus accrued interest to the date of repurchase. A change of

control also would result in an event of default under our senior credit facilities, which could then be accelerated by our lenders.

FEDERAL AND STATE STATUTES ALLOW COURTS, UNDER SPECIFIC CIRCUMSTANCES, TO VOID GUARANTEES AND REQUIRE NOTE HOLDERS TO RETURN PAYMENTS RECEIVED FROM GUARANTORS.

Under the federal bankruptcy laws and comparable provisions of state fraudulent transfer laws, a guarantee could be voided if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee, received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee, and either:

- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

In addition, any payment by that guarantor pursuant to its guarantee could be voided and required to be returned to the guarantor, or to a fund for the benefit of the creditors of the guarantor.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;
- if the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

On the basis of historical financial information, recent operating history and other factors, we do not believe that any guarantor, after giving effect to its guarantee of these notes, will be found to: (i) be insolvent, (ii) have unreasonably small capital for the business in which it is engaged, or (iii) have incurred debts beyond its ability to pay such debts as they mature. We cannot assure you, however, as to what standard a court would apply in making these determinations or that a court would agree with our conclusions in this regard.

RISKS RELATING TO OUR BUSINESS

WE MAY NOT BE ABLE TO SUCCESSFULLY IMPLEMENT OUR GROWTH STRATEGY, WHICH COULD CAUSE OUR FUTURE EARNINGS TO GROW MORE SLOWLY OR EVEN DECREASE.

As part of our growth strategy, we intend to increase our total number of stores in both existing markets and new markets through a combination of new store openings and store acquisitions. We increased our store base by 83 stores in 2000, 123 stores in 2001 and 126 stores in 2002. During the first quarter of 2003, we completed the acquisition of 295 stores from Rent-Way and certain of its subsidiaries. Furthermore, during the first six months of 2003, we acquired 11 additional stores, accounts from 14 additional locations, opened 38 new stores, and closed eight stores. Our growth strategy could place a significant demand on our management and our financial and operational resources. This growth strategy is subject to various risks, including uncertainties regarding our ability to open new stores and our ability to acquire additional stores on favorable terms. We may not be able to continue to identify profitable new store locations or underperforming competitors as we currently anticipate. If we are unable to implement our growth strategy, our earnings may grow more slowly or even decrease.

Our continued growth also depends on our ability to increase sales in our existing stores. Our same store sales increased by 12.6%, 8.0% and 6.0% for 2000, 2001 and 2002, respectively. As a result of new store openings in existing markets and because mature stores will represent an increasing proportion of our store base over time, our same store sale increases in future periods may be lower than historical levels.

IF WE FAIL TO EFFECTIVELY MANAGE OUR GROWTH AND INTEGRATE NEW STORES, OUR FINANCIAL RESULTS MAY BE ADVERSELY AFFECTED.

The benefits we anticipate from our growth strategy may not be realized. The addition of new stores, both through store openings and through acquisitions, requires the integration of our management philosophies and personnel, standardization of training programs, realization of operating efficiencies and effective coordination of sales and marketing and financial reporting efforts. In addition, acquisitions in general are subject to a number of special risks, including adverse short-term effects on our reported operating results, diversion of management's attention and unanticipated problems or legal liabilities. Further, a newly opened store generally does not attain positive cash flow during its first year of operations.

THERE ARE LEGAL PROCEEDINGS PENDING AGAINST US SEEKING MATERIAL DAMAGES. THE COSTS WE INCUR IN DEFENDING OURSELVES OR ASSOCIATED WITH SETTLING ANY OF THESE PROCEEDINGS, AS WELL AS A MATERIAL FINAL JUDGMENT OR DECREE AGAINST US, COULD MATERIALLY ADVERSELY AFFECT OUR FINANCIAL CONDITION BY REQUIRING THE PAYMENT OF THE SETTLEMENT AMOUNT, A JUDGMENT OR THE POSTING OF A BOND.

Some lawsuits against us involve claims that our rental agreements constitute installment sales contracts, violate state usury laws or violate other state laws enacted to protect consumers. We are also defending a class action lawsuit alleging we violated the securities laws and lawsuits alleging we violated state wage and hour laws. Because of the uncertainties associated with litigation, we cannot estimate for you our ultimate liability for these matters, if any. The failure to pay any judgment would be a default under our senior credit facilities and the indentures governing our outstanding subordinated notes.

RENT-TO-OWN TRANSACTIONS ARE REGULATED BY LAW IN MOST STATES. ANY ADVERSE CHANGE IN THESE LAWS OR THE PASSAGE OF ADVERSE NEW LAWS COULD EXPOSE US TO LITIGATION OR REQUIRE US TO ALTER OUR BUSINESS PRACTICES.

As is the case with most businesses, we are subject to various governmental regulations, including specifically in our case regulations regarding rent-to-own transactions. There are currently 47 states that have passed laws regulating rental purchase transactions and another state that has a retail installment sales statute that excludes rent-to-own transactions from its coverage if certain criteria are met. These laws generally require certain contractual and advertising disclosures. They also provide varying levels of substantive consumer protection, such as requiring a grace period for late payments and contract reinstatement rights in the event the rental purchase agreement is terminated. The rental purchase laws of nine states limit the total amount of rentals that may be charged over the life of a rental purchase agreement. Several states also effectively regulate rental purchase transactions under other consumer protection statutes. We are currently subject to outstanding judgments and other litigation alleging that we have violated some of these statutory provisions.

Although there is no comprehensive federal legislation regulating rental-purchase transactions, adverse federal legislation may be enacted in the future. From time to time, legislation has been introduced in Congress seeking to regulate our business. In addition, various legislatures in the states where we currently do business may adopt new legislation or amend existing legislation that could require us to alter our business practices.

OUR BUSINESS DEPENDS ON A LIMITED NUMBER OF KEY PERSONNEL, WITH WHOM WE DO NOT HAVE EMPLOYMENT AGREEMENTS. THE LOSS OF ANY ONE OF THESE INDIVIDUALS COULD DISRUPT OUR BUSINESS.

Our continued success is highly dependent upon the personal efforts and abilities of our senior management, including Mark E. Speese, our Chairman of the Board and Chief Executive Officer, and Mitchell E. Fadel, our President and Chief Operating Officer. We do not have employment contracts with

or maintain key-person insurance on the lives of any of these officers and the loss of any one of them could disrupt our business.

A SMALL GROUP OF OUR DIRECTORS AND THEIR AFFILIATES HAVE SIGNIFICANT INFLUENCE OVER THE OUTCOME OF CERTAIN CORPORATE TRANSACTIONS AFFECTING US, INCLUDING POTENTIAL MERGERS OR ACQUISITIONS, THE CONSTITUTION OF OUR BOARD OF DIRECTORS AND SALES OR CHANGES IN CONTROL.

Affiliates of Apollo Management IV, L.P. hold all of our outstanding Series C preferred stock. Pursuant to the terms of the stockholders agreement among us, Apollo, Mark E. Speese and certain other parties, which was put in place following the repurchase of shares of our common stock from Apollo on July 11, 2003, Apollo has the right to designate up to three individuals to be nominated to our Board of Directors. The terms of our Series C preferred stock as well as the stockholders agreement also contain provisions requiring Apollo's approval to effect certain transactions involving us, including repurchasing shares of our common stock, declaring or paying any dividend on our common stock, increasing the size of our Board of Directors, selling all or substantially all of our assets and entering into any merger or consolidation or other business combination.

These documents also provide that one member of each of our audit committee, compensation committee and finance committee must be a director who was designated for nomination by Apollo. In addition, the terms of our Series C preferred stock and the stockholders agreement restrict our ability to issue debt or equity securities with a value in excess of $10 million without the majority affirmative vote of our finance committee, and in most cases, require the unanimous vote of our finance committee for the issuance of our equity securities with a value in excess of $10 million.

USE OF PROCEEDS

This exchange offer is intended to satisfy our obligations under the Registration Rights Agreement dated as of May 6, 2003, by and between Rent-A-Center, Inc., Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P. and Rent-A-Center Texas, L.L.C., and Lehman Commercial Paper Inc., J.P. Morgan Securities Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., UBS Warburg LLC and Wachovia Securities, Inc., as initial purchasers. We will not receive any cash proceeds from the issuance of the exchange notes. We will only receive the old 7 1/2% notes with a total principal amount equal to the total principal amount of the exchange notes issued in this exchange offer. The old 7 1/2% notes tendered for exchange will be retired and canceled and cannot be reissued. Accordingly, the issuance of the exchange notes will not result in any increase in our debt.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of March 31, 2003 (i) on an actual basis, (ii) as adjusted to give effect to the offering of the old 7 1/2% notes and application of the net proceeds of the old 7 1/2% notes and (iii) as adjusted to give effect to the offering of the old 7 1/2% notes and the new senior credit facilities, and the application of the net proceeds of the offering of the old 7 1/2% notes and of the new senior secured credit facilities to repay our then existing senior credit facilities and repurchase approximately $188 million of our common stock. This table should be read in conjunction with our financial statements and related notes and the other financial information contained in our financial statements included in this prospectus. Because the exchange notes represent the same debt as the old 7 1/2% notes, completion of this exchange offer will not affect the information presented below.

AS OF MARCH 31, 2003		
	AS ADJUSTED AS ADJUSTED FOR ACTUAL FOR THE OFFERING AND RECAPITALIZATION	
	(UNAUDITED) (IN MILLIONS)	
Cash and cash equivalents	$ 103.2	$ 103.2
	$ 61.0	
Debt:		
Then existing revolving credit facilities(1)	$ --	$ --
	$ --	
Then existing term loans	249.5	246.8
	--	
New revolving credit facility(2)	--	--
	--	
New term loan(3)	--	--
	400.0	
11% notes due 2008(4)	271.8	--
	--	
Old 7 1/2% notes due 2010	--	300.0
	300.0	
	521.3	546.8
	700.0	
Convertible preferred stock(5)	--	--
	--	
Total stockholders' equity(6)	887.9	871.8
	678.1	
Total capitalization	$1,409.2	$1,418.6
	$1,378.1	

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(1) We had commitments to borrow up to $120 million under our then existing revolving credit facilities. Availability under the revolving credit facilities is reduced by commitments on letters of credit. As of March 31, 2003, we had approximately $5.7 million letters of credit outstanding.

(2) We have $120 million of commitments under our new revolving credit facilities.

(3) We have, under our new senior secured credit facilities, an additional term loan of up to $80 million. As of June 30, 2003, no portion of the additional term loan was outstanding but we have the ability to draw down the remaining $80 million prior to August 5, 2003.

(4) On March 31, 2003, the aggregate principal amount outstanding of our 11% notes was $272.3 million. On May 6, 2003, we repurchased approximately $183 million principal amount of 11% notes. On June 17, 2003, we announced that we were going to optionally redeem on August 15, 2003, in accordance with the terms of the underlying indenture, all of the 11% notes then outstanding at the applicable redemption price.

(5) We have outstanding convertible preferred stock with stated equity of $2,000.

(6) In connection with the offering of the old 7 1/2% notes, we expect to record expenses of $16.2 million, net of tax, consisting of costs related to retirement of our 11% notes. In connection with the recapitalization, we expect to record additional expenses of $5.6 million, net of tax, consisting of costs related to retirement of our then existing senior credit facilities and associated interest rate swap agreements.

PURPOSE AND EFFECT OF THE EXCHANGE OFFER

At the time we issued the old 7 1/2% notes, we agreed to file a registration statement to register the exchange of the old 7 1/2% notes for the exchange notes on or prior to August 4, 2003, and to cause the registration statement to become effective under the Securities Act on or prior to November 2, 2003. In the event that this exchange offer is not permitted by applicable law, or if certain holders of the old 7 1/2% notes notify us in writing within 20 business days following the consummation of this exchange offer that they were prohibited by law or SEC policy from participating in this exchange offer or that they may not resell the exchange notes acquired in this exchange offer to the public without delivering a prospectus and this prospectus is not appropriate or available for such resales, we will cause to be filed, on or prior to 30 days after the earlier of the date we determine that we are not permitted to effect this exchange offer and the date we receive the notice described in the previous sentence, a shelf registration statement with respect to the resale of the old 7 1/2% notes, and we will use all commercially reasonable efforts to cause the shelf registration statement to become effective within 90 days and to keep the shelf registration statement effective until May 6, 2005 or such earlier time as all of the old 7 1/2% notes have been sold or become eligible for resale without volume restrictions pursuant to Rule 144(k) of the Securities Act. If this exchange offer registration statement is not effective on November 2, 2003, we will be obligated to pay liquidated damages to holders of the old 7 1/2% notes. See "Registration Rights Agreement."

Each holder of old 7 1/2% notes that wishes to exchange old 7 1/2% notes for exchange notes will be required to represent that:

- any exchange notes received will be acquired in the ordinary course of its business;

- it is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any person to participate in a distribution of the exchange notes; and

- it is not an "affiliate," as defined in Rule 405 of the Securities Act, of Rent-A-Center.

Each broker-dealer that receives exchange notes for its own account in exchange for old 7 1/2% notes, where such old 7 1/2% notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See "Plan of Distribution."

RESALE OF EXCHANGE NOTES

Based on interpretations by the staff of the SEC set forth in no-action letters issued to third-parties, we believe that, except as described below, exchange notes issued in this exchange offer may be offered for resale, resold and otherwise transferred by any holder, other than a holder which is an "affiliate" of us within the meaning of Rule 405 under the Securities Act, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such exchange notes are acquired in the ordinary course of such holder's business and such holder is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any person to participate in a distribution of such exchange notes. Any holder who tenders in this exchange offer with the intention or for the purpose of participating in a distribution of the exchange notes cannot rely on such interpretation by the staff of the SEC and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction. Unless an exemption from registration is otherwise available, any such resale transaction should be covered by an effective registration statement containing the selling security holder's information required by Item 507 of Regulation S-K under the Securities Act. This prospectus may be used for an offer to resell, resale or other retransfer of exchange notes only as specifically set forth herein. Only broker-dealers who acquired the old 7 1/2% notes as a result of market-making activities or other trading activities may participate in this exchange offer. Each broker-dealer that receives exchange notes for its own account in exchange for old 7 1/2% notes, where such old 7 1/2% notes were acquired by such broker-dealer as a result of market-making activities or other trading activities,

must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See "Plan of Distribution."

TERMS OF THE EXCHANGE OFFER

Upon the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal, we will accept for exchange any and all old 7 1/2% notes properly tendered and not withdrawn prior to 5:00 p.m., New York City time, on , 2003, unless we extend this exchange offer. We will issue $1,000 principal amount of exchange notes in exchange for each $1,000 principal amount of outstanding old 7 1/2% notes surrendered pursuant to this exchange offer. Old 7 1/2% notes may be tendered only in $1,000 increments.

The form and terms of the exchange notes will be the same as the form and terms of the old 7 1/2% notes except that, with respect to the old 7 1/2% notes, the issuance of the exchange notes will have been registered under the Securities Act, and the exchange notes will not bear legends restricting their transfer. The exchange notes will evidence the same debt as the old 7 1/2% notes. The exchange notes will be issued under and entitled to the benefits of the indenture which authorized the issuance of the old 7 1/2% notes, such that the old 7 1/2% notes and the exchange notes will be treated as a single class of debt securities under the indenture. See "Description of Notes."

This exchange offer is not conditioned upon any minimum aggregate principal amount of old 7 1/2% notes being tendered for exchange.

As of the date of this prospectus, $300.0 million of the old 7 1/2% notes are outstanding. This prospectus, together with the letter of transmittal, is being sent to all registered holders of old 7 1/2% notes. There will be no fixed record date for determining registered holders of old 7 1/2% notes entitled to participate in this exchange offer.

We intend to conduct this exchange offer in accordance with the provisions of the registration rights agreement and the applicable requirements of the Securities Exchange Act of 1934, and the rules and regulations of the SEC thereunder. Old 7 1/2% notes that are not tendered for exchange in this exchange offer will remain outstanding and continue to accrue interest and will be entitled to the rights and benefits such holders have under the indenture and the registration rights agreement.

We will be deemed to have accepted for exchange properly tendered notes when, as and if we shall have given oral or written notice of acceptance to the exchange agent and complied with the provisions of Section 3 of the registration rights agreement. The exchange agent will act as agent for the tendering holders for the purposes of receiving the exchange notes from us. We expressly reserve the right to amend or terminate this exchange offer, and not to accept for exchange any old 7 1/2% notes not accepted for exchange, upon the occurrence of any of the conditions specified below under "-- Certain Conditions to the Exchange Offer."

Holders who tender old 7 1/2% notes in this exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the respective letters of transmittal, transfer taxes with respect to the exchange of old 7 1/2% notes pursuant to this exchange offer. Other than certain applicable taxes described below, Rent-A-Center will pay all charges and expenses in connection with this exchange offer. See "-- Fees and Expenses."

EXPIRATION DATE; EXTENSIONS; AMENDMENTS

The expiration date is 5:00 p.m., New York City time on , 2003, unless we, in our sole discretion, extend this exchange offer, in which case the expiration date will mean the latest date and time to which this exchange offer is extended.

In order to extend this exchange offer, we will notify the exchange agent of any extension by oral or written notice and will issue a press release notifying the registered holders of old 7 1/2% notes of such extension, each prior to 9:00 a.m., New York City time, on the next business day after the expiration date.

We reserve the right, in our sole discretion:

- to delay accepting any old 7 1/2% notes for exchange, to extend this exchange offer or to terminate this exchange offer if any of the conditions set forth below under "-- Certain Conditions to the Exchange Offer" have not been satisfied, by giving oral or written notice of such delay, extension or termination to the exchange agent; or

- to amend the terms of this exchange offer in any manner.

Any such delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by oral or written notice thereof to the registered holders of old 7 1/2% notes. If this exchange offer is amended in a manner we determine to constitute a material change, we will promptly disclose such amendment by means of a prospectus supplement that will be distributed to the registered holders, and we will extend this exchange offer, depending upon the significance of the amendment and the manner of disclosure to the registered holders, if this exchange offer would otherwise expire during such period.

Without limiting the manner in which we may choose to make a public announcement of any delay, extension, amendment or termination of this exchange offer, we have no obligation to publish, advertise or otherwise communicate any such public announcement, other than by making a timely release to an appropriate news agency.

If we extend the period of time during which this exchange offer is open, or if we are delayed in accepting for exchange of, or in issuing and exchanging the exchange notes for, any old 7 1/2% notes, or are unable to accept for exchange of, or issue exchange notes for, any old 7 1/2% notes pursuant to this exchange offer for any reason, then, without prejudice to our rights under this exchange offer, the exchange agent may, on our behalf, retain all old 7 1/2% notes tendered, and such old 7 1/2% notes may not be withdrawn except as otherwise provided below in "-- Withdrawal of Tenders." The right to delay acceptance for exchange of, or the issuance and the exchange of the exchange notes for, any old 7 1/2% notes is subject to applicable law, including Rule 14e-1(c) under the Exchange Act, which requires that we either deliver the exchange notes or return the old 7 1/2% notes deposited by or on behalf of the holders thereof promptly after termination or withdrawal of this exchange offer.

INTEREST ON THE EXCHANGE NOTES

The exchange notes will bear interest at a rate of 7 1/2% per annum, payable semi-annually, on May 1 and November 1 of each year, commencing on November 1, 2003. Holders of old 7 1/2% notes will receive an interest payment on the old 7 1/2% notes on November 1, 2003. Holders of exchange notes will receive interest on November 1, 2003 from the date of initial issuance of the exchange notes, plus an amount equal to the accrued interest on the old 7 1/2% notes through such date. Interest on the old 7 1/2% notes accepted for exchange will cease to accrue upon issuance of the exchange notes.

CERTAIN CONDITIONS TO THE EXCHANGE OFFER

Notwithstanding any other term of this exchange offer, we will not be required to accept for exchange, or exchange any exchange notes for, any old 7 1/2% notes, and may terminate this exchange offer before the acceptance of any old 7 1/2% notes for exchange, if:

- any action or proceeding is instituted or threatened in any court or by or before any governmental agency with respect to this exchange offer which, in our reasonable judgment, might materially impair our ability to proceed with this exchange offer;

- any law, statute, rule or regulation is proposed, adopted or enacted, or any existing law, statute, rule or regulation is interpreted by the staff of the SEC, which, in our reasonable judgment, might materially impair our ability to proceed with this exchange offer; or

- any governmental approval has not been obtained, which approval we shall, in our reasonable discretion, deem necessary for the consummation of this exchange offer as contemplated hereby.

If we determine in our sole discretion that any of these foregoing conditions are not satisfied, we may:

- refuse to accept any old 7 1/2% notes and return all old 7 1/2% notes to the tendering holders;

- extend this exchange offer and retain all old 7 1/2% notes tendered prior to the expiration of this exchange offer, subject, however, to the rights of holders to withdraw such old 7 1/2% notes; or

- waive such unsatisfied conditions with respect to this exchange offer and accept all properly tendered old 7 1/2% notes which have not been withdrawn.

If such waiver constitutes a material change to this exchange offer, we will promptly disclose such waiver by means of a prospectus supplement that will be distributed to the registered holders of the old 7 1/2% notes and we will extend this exchange offer for a period of five to ten business days, depending on the significance of the waiver and the manner of disclosure to the registered holders, if this exchange offer would otherwise expire during such five to ten day business period.

The foregoing conditions are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any such condition or may be waived by us in whole or in part at any time and from time to time in our sole discretion. Our failure at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right and each such right shall be deemed an ongoing right which may be asserted at any time and from time to time.

In addition, we will not accept for exchange any old 7 1/2% notes tendered, and no exchange notes will be issued in exchange for any such old 7 1/2% notes, if at such time any stop order shall be threatened or in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the indenture under the Trust Indenture Act of 1939.

PROCEDURES FOR TENDERING

Subject to the terms and conditions hereof and the letter of transmittal, only a holder of old 7 1/2% notes may tender such old 7 1/2% notes in this exchange offer. To tender in this exchange offer, a holder must complete, sign and date the letter of transmittal pertaining to their old 7 1/2% notes, or facsimile thereof, have the signature thereon guaranteed if required by the letter of transmittal, and mail or otherwise deliver such letter of transmittal or such facsimile to the exchange agent prior to 5:00 p.m., New York City time, on the expiration date or, in the alternative, comply with the Depository Trust Corporation's Automated Tender Offer Program procedures described below. In addition, either:

- old 7 1/2% notes must be received by the exchange agent along with the letter of transmittal; or

- a timely confirmation of book-entry transfer, which we call a book-entry confirmation, of such old 7 1/2% notes, if such procedure is available, into the exchange agent's account at the Depository Trust Corporation, which we call the Book-Entry Transfer Facility, pursuant to the procedure for book-entry transfer described below or properly transmitted agent's message, as defined below, must be received by the exchange agent prior to the expiration date; or

- the holder must comply with the guaranteed delivery procedures described below.

To be tendered effectively, the letter of transmittal and other required documents must be received by the exchange agent at the address set forth below under "-- Exchange Agent" prior to 5:00 p.m., New York City time, on the expiration date.

The tender by a holder that is not withdrawn prior to the expiration date will constitute an agreement between such holder and us in accordance with the terms and subject to the conditions set forth herein and in the letter of transmittal.

The method of delivery of old 7 1/2% notes, the letter of transmittal and all other required documents to the exchange agent is at the election and risk of the holder. Instead of delivery by mail, it is recommended that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure delivery to the exchange agent before the expiration date. No letter of transmittal or old

7 1/2% notes should be sent to us. Holders may request their respective brokers, dealers, commercial banks, trust companies or other nominees to effect the above transactions for such holders.

Any beneficial owner whose old 7 1/2% notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact the registered holder promptly and instruct such registered holder of old 7 1/2% notes to tender on such beneficial owner's behalf. If such beneficial owner wishes to tender on such owner's own behalf, such owner must, prior to completing and executing the letter of transmittal and delivering such owner's old 7 1/2% notes, either make appropriate arrangements to register ownership of the old 7 1/2% notes in such owner's name or obtain a properly completed bond power from the registered holder of old 7 1/2% notes. The transfer of registered ownership may take considerable time and may not be able to be completed prior to the expiration date.

Each broker-dealer that receives exchange notes for its own account in exchange for old 7 1/2% notes, where such old 7 1/2% notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See "Plan of Distribution."

Signatures on the letter of transmittal and a notice of withdrawal described below must be guaranteed by an eligible institution, as defined below, unless the old 7 1/2% notes are tendered (A) by a registered holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal, or (B) for the account of an eligible institution. In the event that signatures on the letter of transmittal or a notice of withdrawal are required to be guaranteed, such guarantor must be an eligible institution, which means a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act which is a member of one of the recognized signature guarantee programs identified in the letter of transmittal.

If the letter of transmittal is signed by a person other than the registered holder of any old 7 1/2% notes listed therein, such old 7 1/2% notes must be endorsed or accompanied by a properly completed bond power, signed by such registered holder as such registered holder's name appears on such old 7 1/2% notes with the signature thereon guaranteed by an eligible institution.

If the letter of transmittal or any old 7 1/2% notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and unless waived by us, provide evidence satisfactory to us of their authority to so act must be submitted with the letter of transmittal.

The exchange agent and the Depository Trust Corporation have confirmed that any financial institution that is a participant in the Depository Trust Corporation's system may utilize the Depository Trust Corporation's Automated Tender Offer Program to tender. Accordingly, participants in the Depository Trust Corporation's Automated Tender Offer Program may, in lieu of physically completing and signing the letter of transmittal and delivering it to the exchange agent, electronically transmit their acceptance of this exchange offer by causing the Depository Trust Corporation to transfer the old 7 1/2% notes to the exchange agent in accordance with the Depository Trust Corporation's Automated Tender Offer Program procedures for transfer. The Depository Trust Corporation will then send an agent's message to the exchange agent. The term "agent's message" means a message transmitted by the Depository Trust Corporation received by the exchange agent and forming part of the book-entry confirmation, which states:

- that the Depository Trust Corporation has received an express acknowledgment from a participant in the Depository Trust Corporation's Automated Tender Offer Program that is tendering old 7 1/2% notes which are the subject of such book entry confirmation;

- that such participant has received and agrees to be bound by the terms of the letter of transmittal, or, in the case of an agent's message relating to guaranteed delivery, that such participant has received and agrees to be bound by the applicable notice of guaranteed delivery; and

- that the agreement may be enforced against such participant.

All questions as to the validity, form, eligibility, including time of receipt, acceptance of tendered old 7 1/2% notes and withdrawal of tendered old 7 1/2% notes will be determined by us in our sole discretion, which determination will be final and binding. We reserve the absolute right to reject any and all old 7 1/2% notes not properly tendered or any old 7 1/2% notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular old 7 1/2% notes. Our interpretation of the terms and conditions of this exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of old 7 1/2% notes must be cured within such time as we shall determine. Although we intend to notify holders of defects or irregularities with respect to tenders of old 7 1/2% notes, neither we, the exchange agent nor any other person shall incur any liability for failure to give such notification. Tenders of old 7 1/2% notes will not be deemed to have been made until such defects or irregularities have been cured or waived. Any old 7 1/2% notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holder, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

In all cases, issuance of exchange notes for old 7 1/2% notes that are accepted for exchange pursuant to this exchange offer will be made only after timely receipt by the exchange agent of old 7 1/2% notes or a timely book-entry confirmation of such old 7 1/2% notes into the exchange agent's account at the book-entry transfer facility, a properly completed and duly executed letter of transmittal and all other required documents. If any tendered old 7 1/2% notes are not accepted for exchange for any reason set forth in the terms and conditions of this exchange offer or if old 7 1/2% notes are submitted for a greater principal amount than the holder desires to exchange, such unaccepted or non-exchanged old 7 1/2% notes will be returned without expense to the tendering holder thereof, or, in the case of old 7 1/2% notes tendered by book-entry transfer into the exchange agent's account at the book-entry transfer facility pursuant to the book-entry transfer procedures described below, such non-exchanged notes will be credited to an account maintained with such book-entry transfer facility, as promptly as practicable after the expiration or termination of this exchange offer.

BOOK-ENTRY TRANSFER

The exchange agent will make a request to establish an account with respect to the old 7 1/2% notes at the book-entry transfer facility for purposes of this exchange offer within two business days after the date of this prospectus, and any financial institution that is a participant in the book-entry transfer facility's system may make book-entry delivery of old 7 1/2% notes by causing the book-entry transfer facility to transfer such old 7 1/2% notes into the exchange agent's account at the book-entry transfer facility in accordance with such book-entry transfer facility's procedures for transfer. However, although delivery of notes may be effected through book-entry transfer at the book-entry transfer facility, the letter of transmittal or facsimile thereof, with any required signature guarantees and any other required documents, must, in any case, be transmitted to and received by the exchange agent at the address set forth below under "-- Exchange Agent" on or prior to the expiration date or, if the guaranteed delivery procedures described below are to be complied with, within the time period provided under such procedures. Delivery of documents to the book-entry transfer facility does not constitute delivery to the exchange agent.

GUARANTEED DELIVERY PROCEDURES

Holders who wish to tender their old 7 1/2% notes and (A) whose old 7 1/2% notes are not immediately available, or (B) who cannot deliver their old 7 1/2% notes, the letter of transmittal or any other required documents to the exchange agent prior to the expiration date, may effect a tender if:

- the tender is made through an eligible institution;

- prior to the expiration date, the exchange agent receives from such eligible institution a properly completed and duly executed notice of guaranteed delivery by facsimile transmission, mail or hand delivery, setting forth the name and address of the holder, the registered number(s) of such old 7 1/2% notes and the principal amount of old 7 1/2% notes tendered, stating that the tender is being made thereby and guaranteeing that, within three New York Stock Exchange trading days after the expiration date, the appropriate letter of transmittal, or facsimile thereof, together with the old 7 1/2% notes or a book-entry confirmation, as the case may be, and any other documents required by the letter of transmittal will be deposited by the eligible institution with the exchange agent; and

- such properly completed and executed letter of transmittal, or facsimile thereof, or properly transmitted agent's message as well as all tendered old 7 1/2% notes in proper form for transfer or a book-entry confirmation, as the case may be, and all other documents required by the letter of transmittal, are received by the exchange agent within three New York Stock Exchange trading days after the expiration date.

Upon request to the exchange agent, a notice of guaranteed delivery will be sent to holders who wish to tender their old 7 1/2% notes according to the guaranteed delivery procedures set forth above.

WITHDRAWAL OF TENDERS

Except as otherwise provided herein, tenders of old 7 1/2% notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date.

For a withdrawal to be effective:

- a written notice of withdrawal must be received by the exchange agent at one of the addresses set forth below under "-- Exchange Agent;" or

- holders must comply with the appropriate procedures of the Depository Trust Company's automated tender offer program system.

Any such notice of withdrawal must specify the name of the person having tendered the old 7 1/2% notes to be withdrawn, identify the old 7 1/2% notes to be withdrawn, including the principal amount of such old 7 1/2% notes, and, where certificates for old 7 1/2% notes have been transmitted, specify the name in which such old 7 1/2% notes were registered, if different from that of the withdrawing holder. If certificates for old 7 1/2% notes have been delivered or otherwise identified to the exchange agent, then, prior to the release of such certificates, the withdrawing holder must also submit the serial numbers of the particular certificates to be withdrawn and a signed notice of withdrawal with signatures guaranteed by an eligible institution unless such holder is an eligible institution. If old 7 1/2% notes have been tendered pursuant to the procedure for book-entry transfer described above, any notice of withdrawal must specify the name and number of the account at the book-entry transfer facility to be credited with the withdrawn old 7 1/2% notes and otherwise comply with the procedures of such facility. All questions as to the validity, form and eligibility, including time of receipt, of such notices will be determined by us, whose determination shall be final and binding on all parties. Any old 7 1/2% notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of this exchange offer. Any old 7 1/2% notes which have been tendered for exchange but which are not exchanged for any reason will be returned to the holder thereof without cost to such holder, or, in the case of old 7 1/2% notes tendered by book-entry transfer into the exchange agent's account at the book-entry transfer facility pursuant to the book-entry transfer procedures described above, such old 7 1/2% notes will be credited to an account maintained with

such book-entry transfer facility for the old 7 1/2% notes, as soon as practicable after withdrawal, rejection of tender or termination of this exchange offer. Properly withdrawn old 7 1/2% notes may be retendered by following one of the procedures described under "-- Procedures for Tendering" above at any time on or prior to the expiration date.

EXCHANGE AGENT

The Bank of New York has been appointed as exchange agent for this exchange offer. Questions and requests for assistance, requests for additional copies of this prospectus or the letter of transmittal and requests for notice of guaranteed delivery should be directed to the exchange agent addressed as follows:

By Registered or Certified Mail:	By Hand or by Overnight Courier:
The Bank of New York 101 Barclay Street Reorganization Unit -- 7 East New York, NY 10286 Attn: Enrique Lopez -- Reorganization Unit	The Bank of New York 101 Barclay Street Reorganization Unit -- 7 East New York, NY 10286 Attn: Enrique Lopez -- Reorganization Unit
By facsimile: (212) 298-1915	Telephone: (212) 815-2742

FEES AND EXPENSES

The expenses of soliciting tenders will be borne by us. The principal solicitation is being made by mail. However, additional solicitation may be made by telegraph, telephone or in person by our officers and regular employees and those of our affiliates.

We have not retained any dealer-manager in connection with this exchange offer and will not make any payments to broker-dealers or others soliciting acceptances of this exchange offer. We, however, will pay the exchange agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses in connection therewith.

The cash expenses to be incurred in connection with this exchange offer will be paid by us and are estimated in the aggregate to be approximately $600,000. Such expenses include registration fees, fees and expenses of the exchange agent and trustee, accounting and legal fees and printing costs, and related fees and expenses.

TRANSFER TAXES

We will pay all transfer taxes, if any, applicable to the exchange of the old 7 1/2% notes for exchange notes pursuant to this exchange offer. If, however, certificates representing old 7 1/2% notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be issued in the name of, any person other than the registered holder of notes tendered, or if tendered notes are registered in the name of any person other than the person signing the letter of transmittal, or if a transfer tax is imposed for any reason other than the exchange of notes pursuant to this exchange offer, then the amount of any such transfer taxes, whether imposed on the registered holder or any other persons, will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

CONSEQUENCES OF FAILURE TO EXCHANGE

Holders of old 7 1/2% notes who do not exchange their old 7 1/2% notes for exchange notes pursuant to this exchange offer will continue to be subject to the restrictions on transfer of such old 7 1/2% notes, as set forth:

- in the legend thereon as a consequence of the issuance of the old 7 1/2% notes pursuant to the exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws; and

- otherwise set forth in the offering memorandum dated May 1, 2003, distributed in connection with the offering of the old 7 1/2% notes.

In general, the old 7 1/2% notes may not be offered or sold unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. We do not currently anticipate that we will register the resale of the old 7 1/2% notes under the Securities Act, except as required by the registration rights agreement related to the old 7 1/2% notes.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The selected consolidated financial data presented below for the five years ended December 31, 2002 have been derived from our consolidated financial statements as audited by Grant Thornton LLP, independent certified public accountants. The selected consolidated financial data as of and for the three months ended March 31, 2002 and 2003 have been derived from our unaudited consolidated financial statements which were prepared on the same basis as our audited consolidated financial statements and include, in our opinion, all adjustments necessary to present fairly the information presented for the interim periods. Interim period results are not necessarily indicative of results that will be obtained for the full year. The historical financial data are qualified in their entirety by, and should be read in conjunction with, the financial statements and the notes thereto, the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial information included in this prospectus. In May and August 1998, we completed the acquisitions of Central Rents, Inc. and Thorn Americas, Inc., respectively, both of which affect the comparability of the 1998 historical financial and operating data to the other periods presented.

	YEARS ENDED DECEMBER 31,					THREE MONTHS ENDED MARCH 31,	
	1998	1999	2000	2001	2002	2002	2003
						(UNAUDITED)	
	(DOLLARS IN THOUSANDS)						
STATEMENT OF OPERATIONS DATA:							
Revenues							
Store Rentals and fees	$ 711,443	$1,270,885	$1,459,664	$1,650,851	$1,828,534	$ 443,705	$ 493,419
Installment sales	--	--	--	--	6,137	--	6,045
Merchandise sales	41,456	88,516	81,166	94,733	115,478	39,605	52,664
Other	7,282	2,177	3,018	3,476	2,589	614	715
Franchise Merchandise sales	44,365	49,696	51,769	53,584	51,514	13,253	12,072
Royalty income and fees	5,170	5,893	5,997	5,884	5,792	1,433	1,491
Total revenue	809,716	1,417,167	1,601,614	1,808,528	2,010,044	498,610	566,406
Operating expenses							
Direct store expenses							
Depreciation of rental merchandise	164,651	265,486	299,298	343,197	383,400	92,223	106,660
Cost of Installment sales	--	--	--	--	3,776	--	3,231
Cost of merchandise sold	32,056	74,027	65,332	72,539	84,628	26,982	36,548
Salaries and other expenses	423,750	770,572	866,234	1,019,402	1,070,265	262,619	292,496
Franchise cost of merchandise sold	42,886	47,914	49,724	51,251	49,185	12,653	11,551
	663,343	1,157,999	1,280,588	1,486,389	1,591,254	394,477	450,486
General and administrative expenses	28,715	42,029	48,093	55,359	63,296	15,117	16,756
Amortization of intangibles	15,345	27,116	28,303	30,194	5,045	720	2,873
Non-recurring litigation settlements	11,500	--	(22,383)(1)	52,000(2)	--	--	--
Total operating expenses	718,903						

1,227,144 1,334,601 1,623,942
1,659,595 410,314 470,115
Operating
profit..... 90,813
190,023 267,013 184,586
350,449 88,296 96,291
Interest (income) expense,
net.....
37,140 74,769 72,618 59,780
62,006 15,075 12,752 Non-
recurring financing costs...
5,018 -- -- -- -- -- -- -----
----- ---------- ---------- -
--------- ---------- --------
-- ---------- Earnings before
income taxes.... 48,655
115,254 194,395 124,806
288,443 73,221 83,539 Income
tax expense.....
23,897 55,899 91,368 58,589
116,270 29,658 32,580 -------
--- ---------- ---------- ---
------- ---------- ----------
---------- Net
earnings.....
24,758 59,355 103,027 66,217
172,173 43,563 50,959
Preferred
dividends..... 3,954
10,039 10,420 15,408 10,212
4,992 -- ---------- ---------
- ---------- ---------- -----
----- ---------- ----------
Net earnings allocable to
common
Stockholders.....
$ 20,804 $ 49,316 $ 92,607 $
50,809 $ 161,961 $ 38,571 $
50,959 ========== ==========
========== ==========
========== ==========
==========

	THREE MONTHS ENDED	YEARS ENDED DECEMBER 31,					MARCH 31,	
	1998	1999	2000	2001	2002	2002	2003	
	(UNAUDITED)							
(DOLLARS IN THOUSANDS) OTHER OPERATING AND FINANCIAL DATA:								
Number of owned stores (end of period)	2,126	2,075	2,158	2,281	2,407	2,284	2,542	
Same store revenue growth(3)	8.1%	7.7%	12.6%	8.0%	6.0%	7.7%	6.2%	
Franchise stores (end of period)	324	365	364	342	318	338	317	
Adjusted EBITDA(4)	$ 135,140	$ 248,452	$ 306,077	$ 304,690	$ 395,854	$ 98,482	$ 109,284	
Adjusted EBITDA margin	16.7%	17.5%	19.1%	16.8%	19.7%	19.8%	19.3%	
Depreciation and amortization(5)	32,827	58,429	61,447	68,104	43,404	10,186	12,993	
Capital expenditures	21,860	36,211	37,937	57,532	37,596	8,100	9,245	
Cash interest expense(6)	37,563	72,395	70,978	57,420	57,383	14,772	12,924	
Ratio of Adjusted EBITDA to cash interest expense(6)	3.6x	3.4x	4.3x	5.3x	6.9x	N/A	N/A	
Ratio of total net debt to Adjusted EBITDA	5.7x	3.3x	2.3x	2.0x	1.1x	N/A	N/A	
Ratio of earnings to fixed charges(7)	1.9x	2.2x	2.9x	2.3x	3.9x	N/A	N/A	
BALANCE SHEET DATA (AT THE END OF PERIOD):								
Cash and cash equivalents	$ 33,797	$ 21,679	$ 36,495	$ 107,958	$ 85,723	$ 167,264	$ 103,151	
Rental merchandise, net	408,806	531,223	587,232	653,701	631,724	656,544	693,324	
Total assets	1,502,989	1,485,000	1,486,910	1,619,920	1,616,052	1,677,036	1,729,618	
Total debt	805,700	847,160	741,051	702,506	521,330	702,525	521,349	
Convertible preferred stock	259,476	270,902	281,232	291,910	2	294,674	2	
Stockholders' equity	154,913	206,690	309,371	405,378	842,400	424,732	887,929	

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(1) Includes the effects of a pre-tax legal reversion of $22.4 million associated with the 1999 settlement of three class action lawsuits in the state of New Jersey.

(2) Includes the effects of a pre-tax legal settlement of $52.0 million associated with the 2001 settlement of class action lawsuits in the states of Missouri, Illinois, and Tennessee.

(3) Same store revenue for each period presented includes revenues only of stores open and operated by us throughout the full period and the comparable prior period.

(4) EBITDA is defined as earnings before income taxes plus interest expense net of interest income, depreciation of property assets (exclusive of depreciation of rental merchandise) and amortization of intangibles. Adjusted EBITDA is defined as EBITDA plus litigation settlements. In addition, for 1998 Adjusted EBITDA also included non-recurring finance charges. EBITDA and Adjusted EBITDA are not measures of operating income, operating performance or liquidity under generally accepted accounting principles. Although EBITDA and Adjusted EBITDA are frequently used as measures of operations and the ability to satisfy debt service requirements,

these terms are not necessarily comparable to other similarly titled captions of other companies due to the potential inconsistencies in the method of calculation.

Reconciliation to reported items:

	THREE MONTHS ENDED MARCH 31,	YEARS ENDED DECEMBER 31,				
	1998	1999	2000	2001	2002	2002	2003
	(UNAUDITED)	(DOLLARS IN THOUSANDS)					
Reported Earnings before income taxes	$ 48,655	$115,254	$194,395	$124,806	$288,443	$73,221	$ 83,539
Add back: Interest expense net of interest income	37,140	74,769	72,618	59,780	62,007	15,075	12,752
Depreciation of property assets	17,482	31,313	33,144	37,910	38,359	9,466	10,120
Amortization of intangibles	15,345	27,116	28,303	30,194	5,045	720	2,873
EBITDA	118,622	248,452	328,460	252,690	393,854	98,482	109,284
Add back: Class action litigation settlements	11,500	--	(22,383)	52,000	2,000	--	--
Non-recurring finance charge	5,018	--	--	--	--	--	--
Adjusted EBITDA	$135,140	$248,452	$306,077	$304,690	$395,854	$98,482	$109,284

This prospectus contains information regarding EBITDA, which is a non-GAAP financial measure as defined in Item 10(e) of Regulation S-K. This prospectus also contains a reconciliation of EBITDA to our reported earnings before income taxes. We believe that the presentation of EBITDA is useful to investors, as, among other things, this information impacts certain financial covenants under our senior credit facilities and the indentures governing our outstanding subordinated notes. While we believe this non-GAAP financial measure is useful in evaluating us, this information should be considered as supplemental in nature and not as a substitute for or superior to the related financial information prepared in accordance with GAAP. Further, the non-GAAP financial measure may differ from similar measures presented by other companies.

(5) Excludes depreciation of rental merchandise and amortization other than amortization of intangible assets.

(6) Cash interest expense is defined as interest expense less amortization of financing fees.

(7) For purposes of computing the ratio of earnings to fixed charges, earnings consist of earnings before income tax expense, plus fixed charges. Fixed charges consist of interest expense (which includes amortization of deferred financing costs) whether expensed or capitalized and one-fourth of rental expense, deemed representative of that portion of rental expense estimated to be attributable to interest.

OUR BUSINESS

We are the largest rent-to-own operator in the United States with an approximate 31% market share based on store count. At June 30, 2003, we operated 2,567 company-owned stores nationwide and in Puerto Rico, including 23 stores located in Wisconsin and operated by our subsidiary Get It Now, LLC under the name "Get It Now." Another of our subsidiaries, ColorTyme, Inc., is a national franchisor of rent-to-own stores. At June 30, 2003, ColorTyme had 321 franchised stores in 40 states, 309 of which operated under the ColorTyme name and 12 stores of which operated under the Rent-A-Center name. Our stores generally offer high quality durable products such as home electronics, appliances, computers, and furniture and accessories under flexible rental purchase agreements that generally allow the customer to obtain ownership of the merchandise at the conclusion of an agreed-upon rental period. These rental purchase agreements are designed to appeal to a wide variety of customers by allowing them to obtain merchandise that they might otherwise be unable to obtain due to insufficient cash resources or a lack of access to credit. These agreements also cater to customers who only have a temporary need or who simply desire to rent rather than purchase the merchandise.

We have pursued an aggressive growth strategy since 1989. We have sought to acquire underperforming stores to which we could apply our operating model as well as open new stores. As a result, the acquired stores have generally experienced more significant revenue growth during the initial periods following their acquisition than in subsequent periods. Because of significant growth since our formation, particularly the Thorn Americas acquisition, our historical results of operations and period-to-period comparisons of such results and other financial data, including the rate of earnings growth, may not be meaningful or indicative of future results.

We plan to accomplish our future growth through selective and opportunistic acquisitions, with an emphasis on new store development. Typically, a newly opened store is profitable on a monthly basis in the ninth to twelfth month after its initial opening. Historically, a typical store has achieved cumulative break-even profitability in 18 to 24 months after its initial opening. Total financing requirements of a typical new store approximate $450,000, with roughly 70% of that amount relating to the purchase of rental merchandise inventory. A newly opened store historically has achieved results consistent with other stores that have been operating within the system for greater than two years by the end of its third year of operation. As a result, our quarterly earnings are impacted by how many new stores we opened during a particular quarter and the quarters preceding it. There can be no assurance that we will open any new stores in the future or as to the number, location or profitability thereof.

In addition, to provide any additional funds necessary for the continued pursuit of our operating and growth strategies, we may incur from time to time additional short or long-term bank indebtedness and may issue, in public or private transactions, equity and debt securities. The availability and attractiveness of any outside sources of financing will depend on a number of factors, some of which will relate to our financial condition and performance, and some of which are beyond our control, such as prevailing interest rates and general economic conditions. There can be no assurance additional financing will be available, or if available, will be on terms acceptable to us.

CRITICAL ACCOUNTING POLICIES INVOLVING CRITICAL ESTIMATES, UNCERTAINTIES OR ASSESSMENTS IN OUR FINANCIAL STATEMENTS

The preparation of our financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. In applying accounting principles, we must often make individual estimates and assumptions regarding expected outcomes or uncertainties. As you might expect, the actual results or outcomes are generally

different than the estimated or assumed amounts. These differences are usually minor and are included in our consolidated financial statements as soon as they are known. Our estimates, judgments and assumptions are continually evaluated based on available information and experience. Because of the use of estimates inherent in the financial reporting process, actual results could differ from those estimates.

Actual results related to the estimates and assumptions made by us in preparing our consolidated financial statements will emerge over periods of time, such as estimates and assumptions underlying the determination of our self-insurance liabilities. These estimates and assumptions are closely monitored by us and periodically adjusted as circumstances warrant. For instance, our liability for our self-insured retentions related to our workers compensation, general liability, medical and auto liability may be adjusted based on higher or lower actual loss experience. Although there is greater risk with respect to the accuracy of these estimates and assumptions because of the period over which actual results may emerge, such risk is mitigated by our ability to make changes to these estimates and assumptions over the same period.

In preparing our financial statements at any point in time, we are also periodically faced with uncertainties, the outcomes of which are not within our control and will not be known for prolonged periods of time. As discussed in "Legal Proceedings" and the notes to our consolidated financial statements included in this prospectus, we are involved in actions relating to claims that our rental purchase agreements constitute installment sales contracts, violate state usury laws or violate other state laws enacted to protect consumers, claims asserting violations of wage and hour laws in our employment practices, as well as claims we violated the federal securities laws. We, together with our counsel, make estimates, if determinable, of our probable liabilities and record such amounts in our consolidated financial statements. These estimates represent our best estimate, or may be the minimum range of probable loss when no single best estimate is determinable. We, together with our counsel, monitor developments related to these legal matters and, when appropriate, adjustments are made to liabilities to reflect current facts and circumstances.

We periodically review the carrying value of our goodwill and other intangible assets when events and circumstances warrant such a review. One of the methods used for this review is performed using estimates of future cash flows. If the carrying value of our goodwill or other intangible assets is considered impaired, an impairment charge is recorded for the amount by which the carrying value of the goodwill or intangible assets exceeds its fair value. We believe that the estimates of future cash flows and fair value are reasonable. Changes in estimates of such cash flows and fair value, however, could affect the evaluation.

Based on an assessment of our accounting policies and the underlying judgments and uncertainties affecting the application of those policies, we believe that our consolidated financial statements provide a meaningful and fair perspective of our company. However, we do not suggest that other general risk factors, such as those discussed in the section entitled "Risk Factors," the notes to our consolidated financial statements included in this prospectus as well as changes in our growth objectives or performance of new or acquired stores, could not adversely impact our consolidated financial position, results of operations and cash flows in future periods.

SIGNIFICANT ACCOUNTING POLICIES

Our significant accounting policies are summarized below and in Note A to our consolidated financial statements included in this prospectus.

Revenue. We collect non-refundable rental payments and fees in advance, generally on a weekly or monthly basis. This revenue is recognized over the term of the agreement. Rental purchase agreements generally include a discounted early purchase option. Upon exercise of this option, and upon sale of used merchandise, revenue is recognized as these payments are received.

Franchise Revenue. Revenue from the sale of rental merchandise is recognized upon shipment of the merchandise to the franchisee. Franchise fee revenue is recognized upon completion of substantially all services and satisfaction of all material conditions required under the terms of the franchise agreement.

Depreciation of Rental Merchandise. We depreciate our rental merchandise using the income forecasting method. The income forecasting method of depreciation we use does not consider salvage value and does not allow the depreciation of rental merchandise during periods when it is not generating rental revenue. The objective of this method of depreciation is to provide for consistent depreciation expense while the merchandise is on rent. On July 1, 2002, we began accelerating the depreciation on computers that are 21 months old or older and which have become idle using the straight-line method for a period of at least six months. The purpose for this change is to better reflect the depreciable life of a computer in our stores and to encourage the sale of older computers. Though this method will accelerate the depreciation expense on the affected computers, we do not expect it to have a material effect on our financial position, results of operations or cash flows in future periods.

Cost of Merchandise Sold. Cost of merchandise sold represents the book value net of accumulated depreciation of rental merchandise at time of sale.

Salaries and Other Expenses. Salaries and other expenses include all salaries and wages paid to store level employees, together with market managers' salaries, travel and occupancy, including any related benefits and taxes, as well as all store level general and administrative expenses and selling, advertising, insurance, occupancy, fixed asset depreciation and other operating expenses.

General and Administrative Expenses. General and administrative expenses include all corporate overhead expenses related to our headquarters such as salaries, taxes and benefits, occupancy, administrative and other operating expenses, as well as regional directors' salaries, travel and office expenses.

Amortization of Intangibles. Amortization of intangibles consists primarily of the amortization of customer relationships and non-compete agreements resulting from acquisitions. Effective January 1, 2002, under SFAS 142 all goodwill and intangible assets with indefinite lives are no longer subject to amortization.

RECENT DEVELOPMENTS

Store Growth. We are actively seeking to increase our store base and annual revenues and profits through opportunistic acquisitions and new store openings. On February 8, 2003, we acquired substantially all of the assets of 295 stores located throughout the United States from Rent-Way, Inc. and certain of its subsidiaries for approximately $100.4 million in cash. Of the 295 stores, 176 were merged with existing locations. Furthermore, during the first six months of 2003, we acquired 11 additional stores, accounts from 14 additional locations, opened 38 new stores, and closed eight stores. It is our intention to increase the number of stores we operate by an average of approximately 5 to 10% per year over the next several years.

Recapitalization. Commencing in April 2003, we recapitalized a portion of our financial structure in a series of transactions. The recapitalization consisted of the tender offer for all of our $272.25 million principal amount of 11% notes, the notice of optional redemption of the remaining 11% notes, the issuance of $300.0 million principal amount of old 7 1/2% notes, the refinancing of our senior debt and the repurchase of shares of our common stock.

On April 23, 2003, we announced a tender offer for all of our $272.25 million principal amount of 11% notes. On May 6, 2003, we repurchased approximately $183 million principal amount of 11% notes pursuant to the tender offer. This tender offer expired at 12:00 midnight, New York City time, on Tuesday, May 20, 2003. On June 17, 2003, we announced that we were going to optionally redeem on August 15, 2003, in accordance with the terms of the underlying indenture, all of the 11% notes then outstanding at the applicable redemption price. On June 17, 2003, the trustee provided formal notice to the holders of the 11% notes that the 11% notes would be redeemed at 105.5% of the principal amount, plus accrued and unpaid interest on August 15, 2003. Under the terms of our new senior credit facilities, we are required to redeem our 11% notes no later than August 15, 2003.

On May 6, 2003, we issued $300.0 million in senior subordinated notes due 2010, bearing interest at 7 1/2%, the proceeds of which were used, in part, to fund the repurchase and redemption of the 11% notes. We are offering to exchange the old 7 1/2% notes for the exchange notes in this exchange offer.

On May 28, 2003, we refinanced our then existing senior debt by entering into a new $600.0 million senior credit facility, consisting of a $400.0 million term loan, a $120.0 million revolving credit facility and an $80.0 million additional term loan.

On April 25, 2003, we announced that we entered into an agreement with Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P. which provided for the repurchase of a number of shares of our common stock sufficient to reduce Apollo's aggregate record ownership to 19.00% after consummation of our planned tender offer and repurchase. On April 28, 2003, we announced the commencement of a tender offer to purchase up to 2.20 million shares of our common stock pursuant to a modified "Dutch Auction." Under the agreement with Apollo, we agreed to repurchase the shares of our common stock at the same price per share as the price paid in the tender offer. On June 25, 2003, we closed the tender offer and purchased approximately 1.77 million shares of our common stock at $73 per share. On July 11, 2003 we closed the Apollo transaction and purchased approximately 775,000 shares of our common stock.

RESULTS OF OPERATIONS

THREE MONTHS ENDED MARCH 31, 2003 COMPARED TO THREE MONTHS ENDED MARCH 31, 2002

Store Revenue. Total store revenue increased by $68.9 million, or 14.2%, to $552.8 million for the three months ended March 31, 2003 from $483.9 million for the three months ended March 31, 2002. The increase in total store revenue is primarily attributable to growth in same store revenues, an increase in cash sales and early purchase options as well as incremental revenues related to the acquisition of 295 Rent-Way stores on February 8, 2003.

Same store revenues represent those revenues earned in stores that were operated by us for each of the entire three month periods ending March 31, 2003 and 2002. Same store revenues increased by $25.6 million, or 6.2%, to $439.1 million for the three months ended March 31, 2003 from $413.5 million in 2002. The increase in same store revenues was primarily attributable to an increase in the number of customers served (approximately 404 per day per store for 2003 vs. approximately 403 per day per store for 2002 in same stores open), as well as total revenue earned per customer including all rentals, fees and cash sales (approximately $562 per customer for the quarter ending March 31, 2003 versus approximately $532 per customer for the quarter ending March 31, 2002). Merchandise sales increased $13.1 million, or 33%, to $52.7 million for 2003 from $39.6 million in 2002. The increase in merchandise sales was primarily attributable to an increase in the number of items sold in the first quarter of 2003 (approximately 317,975) from the number of items sold in 2002 (approximately 258,063). This increase in the number of items sold in 2003 versus the same period in 2002 was primarily the result of an increase in the amount of customers exercising early purchase options.

Franchise Revenue. Total franchise revenue decreased by $1.1 million, or 7.7%, to $13.6 million for the three months ended March 31, 2003 from $14.7 million in 2002. This decrease was primarily attributable to a decrease in merchandise sales to franchise locations as a result of a decrease in the number of franchised locations in the first quarter of 2003 as compared to the first quarter of 2002.

Depreciation of Rental Merchandise. Depreciation of rental merchandise increased by $14.4 million, or 15.7%, to $106.7 million for the three months ended March 31, 2003 from $92.2 million in 2002. Depreciation of rental merchandise expressed as a percent of store rentals and fees revenue increased to 21.6% in 2003 from 20.8% for the same period in 2002. These increases were primarily attributable to an increase in rental and fee revenue, pricing and term changes put into place in late 2001 and higher depreciation associated with the recently acquired Rent-Way inventory.

Cost of Merchandise Sold. Cost of merchandise sold increased by $9.6 million, or 35.5%, to $36.5 million for the three months ended March 31, 2003 from $27.0 million in 2002. This increase was

primarily a result of an increase in the number of items sold during the first three months of 2003 as compared to the first three months of 2002, as well as the additional sales of inventory gained through the acquisition of 295 Rent-Way stores.

Salaries and Other Expenses. Salaries and other expenses expressed as a percentage of total store revenue decreased to 52.9% for the three months ended March 31, 2003 from 54.3% for the three months ended March 31, 2002. This decrease was primarily attributable to an increase in store revenues in the first quarter of 2003 as compared to 2002 coupled with the continued improvements seen in the realization of our margin enhancement initiatives and reductions in store level costs.

Franchise Cost of Merchandise Sold. Franchise cost of merchandise sold decreased by $1.1 million, or 8.7%, to $11.6 million for the three months ended March 31, 2003 from $12.7 million in 2002. This decrease was primarily attributable to a decrease in the number of franchised locations in the first quarter of 2003 as compared to the first quarter of 2002.

General and Administrative Expenses. General and administrative expenses expressed as a percent of total revenue remained relatively constant at 3.0% for the three months ending March 31, 2003 and 2002, respectively.

Amortization of Intangibles. Amortization of intangibles increased by $2.2 million, or 299.0%, to $2.9 million for the three months ended March 31, 2003 from $720,000 for the three months ended March 31, 2002. This increase was attributable to the Rent-Way acquisition and the number of acquisitions made during the later part of 2002 versus 2001. The result of those prior year acquisitions is a higher amortization of intangibles in the first quarter of 2003 versus 2002.

Operating Profit. Operating profit increased by $8.0 million, or 9.1%, to $96.3 million for the three months ended March 31, 2003 from $88.3 million in 2002. Operating profit as a percentage of total revenue decreased to 17.0% for the three months ended March 31, 2003, from 17.7% in 2002. This decrease was primarily attributable to the increases in depreciation of rental merchandise and amortization of intangibles during the first quarter of 2003 versus 2002, as well as the effect of the Rent-Way acquisition.

Net Earnings. Net earnings increased by $7.4 million, or 17.0%, to $51.0 million for the three months ended March 31, 2003 from $43.6 million in 2002. This increase is primarily attributable to growth in total revenues, reduced interest expenses resulting from a reduction in outstanding debt and the improvements seen in salaries and other expenses under our cost control programs.

Preferred Dividends. Dividends on our Series A preferred stock are payable quarterly at an annual rate of 3.75%. Preferred dividends decreased by $5.0 million, or nearly 100%, for the three months ended March 31, 2003, primarily due to the conversion of all but two shares of outstanding Series A preferred stock in August 2002.

YEAR ENDED DECEMBER 31, 2002 COMPARED TO YEAR ENDED DECEMBER 31, 2001

Store Revenue. Total store revenue increased by $203.6 million, or 11.6%, to $1,952.7 million for 2002 from $1,749.1 million for 2001. The increase in total store revenue was primarily attributable to growth in same store revenues during 2002 as well as incremental revenues from the opening of 70 stores and the acquisition of 83 stores and accounts from another 126 stores in 2002.

Same store revenues represent those revenues earned in 1,834 stores that were operated by us for each of the entire years ending December 31, 2002 and 2001. Same store revenues increased by $88.9 million, or 6.0%, to $1,570.7 million for 2002 from $1,481.8 million in 2001. This improvement was primarily attributable to an increase in the number of customers served (approximately 401 per day per store as of December 31, 2002 versus approximately 395 per day per store as of December 31, 2001 in same stores open), as well as revenue earned per customer (approximately $2,136 per customer for the year ending December 31, 2002 versus approximately $2,045 per customer for 2001). Merchandise sales increased $20.8 million, or 21.9%, to $115.5 million for 2002 from $94.7 million in 2001. The increase in

merchandise sales was primarily attributable to an increase in the number of items sold in 2002 (approximately 875,000) as compared to the number of items sold in 2001 (approximately 761,000), which was primarily the result of an increase in the number of customers exercising early purchase options.

Franchise Revenue. Total franchise revenue decreased by $2.2 million, or 3.6%, to $57.3 million for 2002 from $59.5 million in 2001. This decrease was primarily attributable to a decrease in merchandise sales to franchise locations during 2002 as compared to 2001 resulting from a decrease in the number of franchised locations from 342 at December 31, 2001 to 318 at December 31, 2002.

Depreciation of Rental Merchandise. Depreciation of rental merchandise increased by $40.2 million, or 11.7%, to $383.4 million for 2002 from $343.2 million for 2001. This increase was primarily attributable to an increase in rental and fee revenue of $177.6 million, or 10.7%, to $1,828.5 million for 2002 from $1,650.9 for 2001, as well as $2.4 million of the additional depreciation recognized on computers in 2002 relating to our revised depreciation policy on computers. Depreciation of rental merchandise expressed as a percentage of store rentals and fees revenue increased to 21.0% in 2002 from 20.8% in 2001. This slight increase in 2002 is primarily a result of in-store promotions and pricing changes made during the third quarter of 2001, which included a reduction in the rates and terms on certain rental agreements, causing depreciation to be a greater percentage of store rentals and fees revenue on those promotional items rented through 2002.

Cost of Merchandise Sold. Cost of merchandise sold increased by $12.1 million, or 16.7%, to $84.6 million for 2002 from $72.5 million in 2001. This increase was a result of an increase in the number of items sold in 2002, as compared to 2001, resulting from an increase in early purchase options exercised in 2002 as compared to 2001.

Salaries and Other Expenses. Salaries and other expenses expressed as a percentage of total store revenue decreased to 54.8% for 2002 from 58.3% for 2001. This decrease was primarily attributable to an increase in store revenues during the year ended December 31, 2002 as compared to 2001, coupled with the realization of our margin enhancement initiatives and reductions in store level costs in 2002, including our regional pay plan we implemented in 2002.

Franchise Cost of Merchandise Sold. Franchise cost of merchandise sold decreased by $2.1 million, or 4.0%, to $49.2 million for 2002 from $51.3 in 2001. This decrease is a direct result of a decrease in merchandise sales to franchise locations in 2002 as compared to 2001, offset by a slight increase in gross profit on these sales, to 4.7% in 2002 as compared to 4.6% in 2001.

General and Administrative Expenses. General and administrative expenses expressed as a percent of total revenue increased slightly to 3.2% in 2002 from 3.1% in 2001. This increase is primarily attributable to an increase in home office labor and other overhead expenses for 2002 as compared to 2001.

Amortization of Intangibles. Amortization of intangibles decreased by $25.2 million, or 83.3%, to $5.0 million for 2002 from $30.2 million in 2001. This decrease was directly attributable to the implementation of SFAS 142, which requires that goodwill and other intangibles with indefinite lives no longer be amortized.

Operating Profit. Operating profit increased by $165.8 million, or 89.9%, to $350.4 million for 2002 from $184.6 million for 2001. Excluding the pre-tax effect of the class action litigation settlements of $16.0 million recorded in the third quarter of 2001 and $36.0 million recorded in the fourth quarter of 2001, operating profit increased by $113.9 million, or 48.1%, for the year ended December 31, 2002 from $236.6 million for the year ended December 31, 2001. Operating profit as a percentage of total revenue increased to 17.4% for the year ended December 31, 2002 from 13.1% for the year ended December 31, 2001 before the pre-tax class action litigation settlement charges of $52.0 million. This increase was primarily attributable to an increase in store revenues during the year ended December 31, 2002 as compared to 2001, coupled with the realization of our margin enhancement initiatives, reduction of store level costs and the reduction of intangible amortization expense as discussed above. After adjusting reported results for the year ended December 31, 2001 to exclude the effects of goodwill amortization and

the non-recurring legal charges, operating profit increased by $85.9 million, or 32.5% on a comparable basis.

Net Earnings. Net earnings were $172.2 million for the year ended December 31, 2002 and $66.2 million for the year ended December 31, 2001. Before the after-tax effect of the $52.0 million class action litigation settlement charges recorded in 2001, net earnings increased by $74.7 million, or 76.6%, for the year ended December 31, 2002, from $97.5 million for the year ended December 31, 2001. This increase is primarily attributable to growth in operating profit as discussed above. After adjusting reported results for the year ended December 31, 2001 to exclude the effects of goodwill amortization and the non-recurring legal charges, net earnings increased by $52.7 million, or 43.1% on a comparable basis.

Preferred Dividends. Dividends on our Series A preferred stock are payable quarterly at an annual rate of 3.75%. We account for shares of preferred stock distributed as dividends in-kind at the greater of the stated value or the value of the common stock obtainable upon conversion on the payment date. Preferred dividends decreased by $5.2 million, or 33.7%, to $10.2 million for the year ended December 31, 2002 as compared to $15.4 million in 2001. This decrease is a direct result of the conversion of 97,197 shares of preferred stock into 3,500,000 shares of our common stock in May 2002 and the conversion in August 2002 of all but two shares of our outstanding Series A preferred stock into approximately 7,281,548 shares of our common stock, resulting in less preferred shares outstanding in 2002, following the conversions, as compared to 2001.

COMPARISON OF THE YEARS ENDED DECEMBER 31, 2001 AND 2000

Store Revenue. Total store revenue increased by $205.2 million, or 13.3%, to $1,749.1 million for 2001 from $1,543.9 million for 2000. The increase in total store revenue was primarily attributable to growth in same store revenues during 2001 as well as incremental revenues from the opening of 76 stores and the acquisition of 95 stores in 2001. Same store revenues represent those revenues earned in 1,854 stores that were operated by us for the entire years ending December 31, 2001 and 2000. Same store revenues increased by $111.6 million, or 8.0%, to $1,501.7 million for 2001 from $1,390.1 million in 2000. This improvement was primarily attributable to an increase in the number of customers served (approximately 407 per store as of December 31, 2001 vs. approximately 391 per store as of December 31, 2000 in same stores open), the number of agreements on rent (approximately 624 per store as of December 31, 2001 vs. approximately 597 per store as of December 31, 2000 in same stores open), as well as revenue earned per agreement on rent (approximately $95 per month per agreement for 2001 vs. approximately $92 per month per agreement for 2000). This increase in revenue was partially offset by loss of revenues associated with the divestiture or consolidation of 48 stores in 2001.

Franchise Revenue. Total franchise revenue increased by $1.7 million, or 2.9%, to $59.5 million for 2001 from $57.8 million in 2000. This increase was primarily attributable to an increase in merchandise sales to franchise locations during 2001 as compared to 2000, partially offset by a decrease in the number of franchised locations in 2001 as compared to 2000.

Depreciation of Rental Merchandise. Depreciation of rental merchandise increased by $43.9 million, or 14.7%, to $343.2 million for 2001 from $299.3 million for 2000. This increase was primarily attributable to an increase in rental and fee revenue of $191.2 million, or 13.1%, to $1,650.9 million for 2001 from $1,459.7 for 2000. Depreciation of rental merchandise expressed as a percentage of store rentals and fees revenue increased to 20.8% in 2001 from 20.5% in 2000. This increase is a result of an increase in the number of stores acquired in 2001 of 95 from 74 in 2000, and in-store promotions made during the third quarter of 2001, which included a reduction in the rates and terms on certain rental agreements. These in-store promotions caused depreciation to be a greater percentage of store rentals and fees revenue on those promotional items rented.

Cost of Merchandise Sold. Cost of merchandise sold increased by $7.2 million, or 11.0%, to $72.5 million for 2001 from $65.3 million in 2000. This increase was a result of an increase in the number of items sold in 2001, primarily in the third and fourth quarters, as compared to 2000, resulting from a reduction in the rates and terms on certain rental agreements beginning in the third quarter of 2001.

Salaries and Other Expenses. Salaries and other expenses expressed as a percentage of total store revenue increased to 58.3% for 2001 from 56.1% for 2000. This increase was primarily attributable to the infrastructure expenses and costs associated with the opening of new stores under our store growth initiatives, such as labor and recruiting costs for training centers as well as additional middle and senior management personnel, and increases in advertising, store level labor, insurance, and other operating expenses in 2001 over 2000.

Franchise Cost of Merchandise Sold. Franchise cost of merchandise sold increased by $1.5 million, or 3.1%, to $51.2 million for 2001 from $49.7 in 2000. This increase is a direct result of an increase in merchandise sales to franchise locations in 2001 as compared to 2000.

General and Administrative Expenses. General and administrative expenses expressed as a percent of total revenue increased slightly to 3.1% in 2001 from 3.0% in 2000. This increase is primarily attributable to an increase in home office labor and other overhead expenses for 2001 as compared to 2000.

Amortization of Intangibles. Amortization of intangibles increased by $1.9 million, or 6.7%, to $30.2 million for 2001 from $28.3 million in 2000. This increase was primarily attributable to the amortization of additional goodwill associated with the acquisition of 95 stores acquired in 2001. Under SFAS 142 discussed later, amortization of goodwill ceased effective January 1, 2002. Amortization expense for other intangible assets, however, is expected to be approximately $2.2 million for 2002, based on acquisitions made through the date of this prospectus.

Operating Profit. Operating profit decreased by $82.4 million, or 30.9%, to $184.6 million for 2001 from $267.0 million for 2000. Excluding the pre-tax effect of the class action litigation settlements of $16.0 million recorded in the third quarter of 2001 and $36.0 million recorded in the fourth quarter of 2001, as well as the class action litigation settlement refund of $22.4 million received in the second quarter of 2000, operating profit decreased by $8.0 million, or 3.3%, to $236.6 million for the year ended December 31, 2001 from $244.6 million for the year ended December 31, 2000. Operating profit as a percentage of total revenue decreased to 13.1% for the year ended December 31, 2001 before the pre-tax class action litigation settlement charges of $52.0 million, from 15.3% for the year ended December 31, 2000 before the pre-tax class action litigation settlement refund of $22.4 million. The decrease in operating profit before the effects of the class action litigation as a percentage of total revenue is primarily attributable to costs incurred with the opening of 76 new stores in 2001 and losses incurred for those stores in their initial months of operations, increases in advertising, store level labor, insurance, utility, and other operating expenses in 2001 as compared to 2000, and lower gross profit margins in the third and fourth quarter of 2001 resulting from in store promotions whereby rates and terms were reduced on certain rental agreements. These costs were partially offset by an increase in overall store revenue for 2001 and the implementation of expense management efforts in the fourth quarter of 2001.

Net Earnings. Net earnings were $66.2 million for the year ended December 31, 2001, and $103.0 million for the year ended December 31, 2000. Before the after-tax effect of the $52.0 million class action litigation settlement charges recorded in 2001 and the $22.4 million class action litigation settlement refund received in the second quarter of 2000, net earnings increased by $6.2 million, or 6.8%, to $97.5 million for the year ended December 31, 2001, from $91.3 million for the year ended December 31, 2000. This increase, excluding the after tax effect of the class action litigation settlement adjustments, is primarily attributable to growth in total revenues and reduced interest expenses resulting from a reduction in outstanding debt from our May 2001 equity offering and December 2001 debt offering, partially offset by the increased expenses incurred in connection with the opening of 76 new stores in 2001, increases in operating expenses and lower gross profit margins in the third and fourth quarters of 2001.

Preferred Dividends. Dividends on our Series A preferred stock are payable quarterly at an annual rate of 3.75%. We account for shares of preferred stock distributed as dividends in-kind at the greater of the stated value or the value of the common stock obtainable upon conversion on the payment date. Preferred dividends increased by $5.0 million, or 47.9%, to $15.4 million for the year ended December 31, 2001 as compared to $10.4 million for the year ended December 31, 2000. This increase is a result of more shares of Series A Preferred stock outstanding in 2001 as compared to 2000.

LIQUIDITY AND CAPITAL RESOURCES

Cash provided by operating activities increased by $28.5 million to $124.8 million for the three months ending March 31, 2003 from $96.3 million in 2002. This increase resulted primarily from an increase in net earnings, accounts payable and accrued liabilities during the first three months of 2003 compared to 2002, offset by increased purchases of inventory.

Cash used in investing activities increased by $88.8 million to $100.1 million during the three month period ending March 31, 2003 from $11.3 million in 2002. This increase is primarily attributable to the acquisition of 295 stores from Rent-Way.

Cash used in financing activities decreased by $18.5 million to $7.3 million during the three month period ending March 31, 2003 from $25.8 million in 2002. This decrease is a result of the difference between our purchase of $34.7 million in treasury stock in the first quarter of 2002 as compared to $13.4 million during the first quarter of 2003, offset by fewer proceeds from options exercised in 2003 as compared to 2002.

Liquidity Requirements. Our primary liquidity requirements are for debt service, rental merchandise purchases, capital expenditures, litigation and our store expansion program. Our primary sources of liquidity have been cash provided by operations, borrowings and sales of equity and debt securities. In the future, we may incur additional debt, or may issue debt or equity securities to finance our operating and growth strategies. The availability and attractiveness of any outside sources of financing will depend on a number of factors, some of which relate to our financial condition and performance, and some of which are beyond our control, such as prevailing interest rates and general economic conditions. There can be no assurance that additional financing will be available, or if available, that it will be on terms we find acceptable.

We believe that the cash flow generated from operations, together with amounts available under our new senior credit facilities, will be sufficient to fund our debt service requirements, rental merchandise purchases, capital expenditures, litigation and our store expansion programs during 2003. Our existing revolving credit facilities provide us with revolving loans in an aggregate principal amount not exceeding $120.0 million, of which $114.1 million was available at June 30, 2003. At June 30, 2003, we had in excess of $235.0 million in cash. While our operating cash flow has been strong and we expect this strength to continue, our liquidity could be negatively impacted if we do not remain as profitable as we expect.

Our new senior credit facilities and the indentures governing our senior subordinated notes contain certain change in control provisions. A change in control would result in an event of default under our new senior credit facilities, and, pursuant to the underlying indentures, would also require us to offer to repurchase all of our senior subordinated notes at 101% of their principal amount, plus accrued interest to the date of repurchase. Provisions of our new senior credit facilities restrict the repurchase of all of our senior subordinated notes. In the event a change in control occurs, we cannot be sure that we would have enough funds to immediately pay our accelerated senior credit facility obligations and all of the senior subordinated notes, or that we would be able to obtain financing to do so on favorable terms, if at all.

Deferred Taxes. On March 9, 2002, President Bush signed into law the Job Creation and Worker Assistance Act of 2002, which provides for accelerated tax depreciation deductions for qualifying assets placed in service between September 11, 2001 and September 10, 2004. Under these provisions, 30 percent of the basis of qualifying property is deductible in the year the property is placed in service, with the remaining 70 percent of the basis depreciated under the normal tax depreciation rules. Accordingly, our cash flow will benefit from having a lower current cash tax obligation, which in turn will provide additional cash flows from operations until the deferred tax liabilities begin to reverse. We estimate that our operating cash flow will increase by approximately $60.0 million through 2004 before the deferred tax liabilities begin to reverse over a three year period beginning in 2005.

Rental Merchandise Purchases. We purchased $172.5 million and $137.9 million of rental merchandise during the three month periods ending March 31, 2003 and 2002, respectively.

Capital Expenditures. We make capital expenditures in order to maintain our existing operations as well as for new capital assets in new and acquired stores. We spent $9.2 million and $8.1 million on capital expenditures during the three month periods ending March 31, 2003 and 2002, respectively, and expect to spend approximately $31.0 million for the remainder of 2003.

Acquisitions and New Store Openings. For the first three months of 2003, we spent approximately $101.1 million on acquiring stores and accounts of which $100.4 million was for the Rent-Way acquisition. For the entire year ending December 31, 2003, we intend to add approximately 5% to 10% to our store base by opening approximately 80 new store locations as well as continuing to pursue opportunistic acquisitions.

The profitability of our stores tends to grow at a slower rate approximately five years from the time we open or acquire them. As a result, in order for us to show improvements in our profitability, it is important for us to continue to open stores in new locations or acquire under-performing stores on favorable terms. There can be no assurance that we will be able to acquire or open new stores at the rates we expect, or at all. We cannot assure you that the stores we do acquire or open will be profitable at the same levels that our current stores are, or at all.

Borrowings. The table below shows the scheduled maturity dates of our then existing senior debt outstanding at March 31, 2003.

PERIOD (YEAR) ENDING DECEMBER 31,	(IN THOUSANDS)
2003	$ 1,063
2004	13,040
2005	49,093
2006	114,111
2007	72,193
Thereafter	--
Total	$249,500

We recently refinanced our senior debt by entering into a new $600.0 million senior credit facility, consisting of a $400.0 million term loan, a $120.0 million revolving credit facility and an $80.0 million additional term loan. The table below shows the scheduled maturity dates of our new senior debt outstanding at June 30, 2003.

PERIOD (YEAR) ENDING DECEMBER 31,	(IN THOUSANDS)
2003	$ 2,000
2004	4,000
2005	4,000
2006	4,000
2007	4,000
2008	192,000
Thereafter	190,000
Total	$400,000

Senior Credit Facilities. Our new senior credit facilities are provided by a syndicate of banks and other financial institutions led by Lehman Commercial Paper Inc. as administrative agent. At June 30, 2003, we had a total of $400.0 million outstanding under our new senior credit facility related to our term loans and $114.1 million of availability under the revolving credit line portion of our new senior credit facility.

Under our $80.0 million additional term loan facility, in the event that a letter of credit is drawn upon, we have the right to either repay the additional term loan facility lenders the amount withdrawn or

request a loan in that amount. Interest on any requested additional term loan facility loan accrues at an adjusted prime rate plus 1.25% or, at our option, at the Eurodollar rate plus 2.25%, with the entire amount of the additional term loan facility due on May 28, 2008.

Borrowings under our new senior credit facilities bear interest at varying rates equal to 2.25% over the Eurodollar rate, which was 1.12% at June 30, 2003. We also have a prime rate option under the facilities, but have not exercised it to date. We have not entered into any interest rate protection agreements with respect to term loans under our new senior credit facilities.

Our new senior credit facilities are secured by a security interest in substantially all of our tangible and intangible assets, including intellectual property and real property. Our new senior credit facilities are also secured by a pledge of the capital stock of our subsidiaries.

Our new senior credit facilities contain covenants, including without limitation, covenants that generally limit our ability to:

- incur additional debt (including subordinated debt) in excess of $35 million at any one time outstanding;

- repurchase our capital stock and senior subordinated notes;

- incur liens or other encumbrances;

- merge, consolidate or sell substantially all our property or business;

- sell assets, other than inventory in the ordinary course of business;

- make investments or acquisitions unless we meet financial tests and other requirements;

- make capital expenditures; or

- enter into a new line of business.

Our new senior credit facilities require us to comply with several financial covenants, including a maximum consolidated leverage ratio, a minimum consolidated interest coverage ratio and a minimum fixed charge coverage ratio. At June 30, 2003, the maximum consolidated leverage ratio was 2.75 to 1.00, the minimum consolidated interest coverage ratio was 3.50 to 1.00, and the minimum fixed charge coverage ratio was 1.50 to 1.00. In addition, we are required, subject to certain conditions, to use 25% of the net proceeds from any equity offering to repay our term loans.

Events of default under our new senior credit facilities include customary events, such as a cross-acceleration provision in the event that we default on other debt. In addition, an event of default under the senior credit facilities would occur if we undergo a change of control, which is defined as when a third party becomes the beneficial owner, either directly or indirectly, of 35% or more of our voting stock or certain changes in Rent-A-Center's Board of Directors occur.

11% Notes. As of June 30, 2003, we had outstanding $84.5 million in 11% notes pursuant to an indenture dated as of December 19, 2001 among Rent-A-Center East, its subsidiary guarantors and The Bank of New York, as trustee.

The 2001 indenture contains covenants that limit our ability to:

- incur additional debt;

- sell assets or our subsidiaries;

- grant liens to third parties;

- pay dividends or repurchase stock; and

- engage in a merger or sell substantially all of our assets.

Events of default under the 2001 indenture include customary events, such as a cross-acceleration provision in the event that we default in the payment of other debt due at maturity or upon acceleration for default in an amount exceeding $25.0 million.

The 11% notes may be redeemed on or after August 15, 2003, at our option, in whole or in part, at a premium declining from 105.5%. The 11% notes also require that upon the occurrence of a change of control (as defined in the 2001 indenture), the holders of the 11% notes have the right to require us to repurchase the 11% notes at a price equal to 101% of the original aggregate principal amount, together with accrued and unpaid interest, if any, to the date of repurchase. If we did not comply with this repurchase obligation, this would trigger an event of default under our senior credit facilities.

On April 23, 2003, we announced a tender offer for all of our $272.25 million principal amount of 11% notes. On May 6, 2003, we repurchased approximately $183 million principal amount of 11% notes pursuant to the tender offer. This tender offer expired at 12:00 midnight, New York City time, on Tuesday, May 20, 2003. On June 17, 2003, we announced that we were going to optionally redeem on August 15, 2003, in accordance with the terms of the underlying indenture, all of the 11% notes then outstanding at the applicable redemption price. On June 17, 2003, the trustee provided formal notice to the holders of the 11% notes that the 11% notes would be redeemed at 105.5% of the principal amount, plus accrued and unpaid interest on August 15, 2003. Under the terms of our new senior credit facilities, we are required to redeem our 11% notes no later than August 15, 2003.

Old 7 1/2% Notes. On May 6, 2003, we issued an additional $300.0 million in senior subordinated notes due 2010, bearing interest at 7 1/2%, pursuant to an indenture dated May 6, 2003, among Rent-A-Center, Inc., our subsidiary guarantors and The Bank of New York, as trustee. The proceeds of this offering were used, in part, to fund the repurchase and redemption of the 11% notes.

The 2003 indenture contains covenants that limit Rent-A-Center's ability to:

- incur additional debt;

- sell assets or our subsidiaries;

- grant liens to third parties;

- pay dividends or repurchase stock; and

- engage in a merger or sell substantially all of our assets.

Events of default under the 2003 indenture include customary events, such as a cross-acceleration provision in the event that we default in the payment of other debt due at maturity or upon acceleration for default in an amount exceeding $50.0 million. It is also an event of default under the 2003 indenture if we fail to purchase or redeem all of the 11% notes by August 30, 2003.

The old 7 1/2% notes may be redeemed on or after May 1, 2006, at our option, in whole or in part, at a premium declining from 103.75%. The old 7 1/2% notes also require that upon the occurrence of a change of control (as defined in the 2003 indenture), the holders of the notes have the right to require us to repurchase the notes at a price equal to 101% of the original aggregate principal amount, together with accrued and unpaid interest, if any, to the date of repurchase. If we do not comply with this repurchase obligation, this would trigger an event of default under our new senior credit facilities.

We are seeking to exchange the old 7 1/2% notes for the exchange notes in this exchange offer.

Store Leases. We lease space for all of our stores as well as our corporate and regional offices under operating leases expiring at various times through 2010.

ColorTyme Guarantee. ColorTyme is a party to an agreement with Textron Financial Corporation, who generally provides $40.0 million in aggregate financing to qualifying franchisees of ColorTyme of up to five times their average monthly revenues. Under this agreement, upon an event of default by the franchisee under agreements governing this financing and upon the occurrence of certain other events, Textron may assign the loans and the collateral securing such loans to ColorTyme, with ColorTyme, then

succeeding to the rights of Textron under the debt agreements, including the rights to foreclose on the collateral. An additional $12.0 million of financing is provided by Texas Capital Bank, National Association under an arrangement similar to the Textron financing. We guarantee the obligations of ColorTyme under these agreements up to a maximum amount of $52.0 million, of which $30.7 million was outstanding as of June 30, 2003. Mark E. Speese, our Chairman of the Board and Chief Executive Officer, is a passive investor in Texas Capital Bank, owning less than 1% of its outstanding equity.

Litigation. In 1998, we recorded an accrual of approximately $125.0 million for estimated probable losses on litigation assumed in connection with the Thorn Americas acquisition. As of June 30, 2003, we have paid approximately $124.5 million of this accrual in settlement of most of these matters and legal fees. These settlements were funded primarily from amounts available under our senior credit facilities, as well as from cash flow from operations.

On November 12, 2002, we signed a settlement agreement settling the Wisconsin Attorney General matter, which was approved by the court on the same day. Under the terms of the settlement, we created a restitution fund in the amount of $7.0 million for our eligible Wisconsin customers who had completed or active transactions with us as of September 30, 2002. In addition, we paid $1.4 million to the State of Wisconsin for fines, penalties, costs and fees. The settlement of this matter was fully reserved for in our financial statements. A portion of the restitution fund is allocated for customers with completed transactions as of September 30, 2002, and the balance is allocated for restitution on active transactions as of September 30, 2002, which will be allowed to terminate according to their terms when customers either acquire or return the merchandise. Restitution will be offered on the active transactions when all such active transactions have terminated, which we anticipate will occur by the fall of 2004. Any unclaimed restitution funds at the conclusion of the restitution period will be returned to us. To the extent the amount in the restitution fund is insufficient to pay the required amount of restitution, we are obligated to provide additional funds to do so. However, we believe the amount in the restitution fund allocated for the active transactions, together with the amount of funds we anticipate will remain unclaimed by customers with completed transactions, will be sufficient to pay the required amount of restitution on all eligible active transactions.

Additional settlements or judgments against us on our existing litigation could affect our liquidity. Please refer to Note J of our consolidated financial statements included in this prospectus.

Sales of Equity Securities. During 1998, we issued 260,000 shares of our Series A preferred stock at $1,000 per share, resulting in aggregate proceeds of $260.0 million. Dividends on our Series A preferred stock accrue on a quarterly basis at the rate of 3.75%, or $37.50 per annum. Prior to the conversion of all but two shares of our Series A preferred stock in August 2002, we paid these dividends in additional shares of Series A preferred stock because of restrictive provisions in our senior credit facilities. We currently have the ability to pay the dividends in cash and may do so under our new senior credit facilities so long as we are not in default.

On May 31, 2001, we completed an offering of 3,680,000 shares of our common stock at an offering price of $42.50 per share. In that offering, 1,150,000 shares were offered by us and 2,530,000 shares were offered by some of our stockholders. Net proceeds to us were approximately $45.6 million.

In connection with the issuance of our Series A preferred stock in August 1998, we entered into a registration rights agreement with Apollo which, among other things, granted them two rights to request that their shares be registered, and a registration rights agreement with an affiliate of Bear Stearns, which granted them the right to participate in any company-initiated registration of shares, subject to certain exceptions. In May 2002, Apollo exercised one of their two rights to request that their shares be registered and an affiliate of Bear Stearns elected to participate in such registration. In connection therewith, Apollo and an affiliate of Bear Stearns converted 97,197 shares of our Series A preferred stock held by them into 3,500,000 shares of our common stock, which they sold in the May 2002 public offering that was the subject of Apollo's request. We did not receive any of the proceeds from this offering.

On August 5, 2002, the first date on which we had the right to optionally redeem the shares of Series A preferred stock, the holders of our Series A preferred stock converted all but two shares of our Series A preferred stock held by them into 7,281,548 shares of our common stock. As a result, the dividend on our Series A preferred stock was substantially eliminated for future periods. In connection with Apollo's conversion of all but two of the shares of Series A preferred stock held by them on August 5, 2002, we granted Apollo an additional right to effect a demand registration under the existing registration rights agreement we entered into with them in 1998, such that Apollo now has two demand rights.

On July 11, 2003, Apollo exchanged their shares of Series A preferred stock for shares of Series C preferred stock. The terms of the Series A and Series C preferred stock are substantially similar, except the Series C preferred stock does not have the right to elect any members of our Board of Directors.

Contractual Cash Commitments. The table below summarizes debt, lease and other minimum cash obligations outstanding as of March 31, 2003:

PAYMENTS DUE BY YEAR END ---

---------- 2008 AND
CONTRACTUAL CASH
OBLIGATIONS(1) TOTAL 2003
2004 2005 2006 2007
THEREAFTER - ----------
---------- ----------
-------- -------- -------- -
------- -------- ----------
(IN THOUSANDS) Then Existing
Senior Credit Facilities
(including current
portion).....
$ 249,500 $ 1,063 $ 13,040 $
49,093 $114,111 $ 72,193 $ -
- 11% Senior Subordinated
Notes(2).....
436,961 14,974 29,948 29,948
29,948 29,948 302,195
Operating
Leases..... 395,076
127,258 110,057 83,764
47,877 21,158 4,962 --------
-- -------- -------- -------
- -------- -------- --------
Total.....
$1,081,537 $143,295 $153,045
$162,805 $191,936 $123,299
$307,157

- ----------

(1) Excludes transactions which have occurred since March 31, 2003, including the repurchase of approximately $183 million of 11% notes pursuant to the tender offer and the issuance of approximately $300.0 million of old 7 1/2% notes. Also excludes the obligations under the ColorTyme guarantee, the entering into of the new senior credit facilities, the change of control and acceleration provisions under the new senior credit facilities, and the optional redemption, change of control and acceleration provisions under the indentures governing our subordinated notes. The table below summarizes debt, lease and other minimum cash obligations outstanding as of June 30, 2003, excluding the obligations under the ColorTyme guarantee, the change of control and acceleration provisions under the new senior credit facilities, and the optional redemption, change of control and acceleration provisions under the indentures governing our subordinated notes:

(2) Includes interest payments of $4.65 million, bond premium of $4.65 million and principal payments of $84.45 million, representing amounts to redeem the 11% notes on August 15, 2003.

PAYMENTS DUE BY YEAR END --

---------- 2008
AND CONTRACTUAL CASH
OBLIGATIONS TOTAL 2003 2004
2005 2006 2007 THEREAFTER -

- ---------- -------- -----
--- -------- -------- -----
--- ---------- (IN
THOUSANDS) New Senior
Credit Facilities
(including current
portion).....
$ 400,000 $ 2,000 $ 4,000 $
4,000 $ 4,000 $ 4,000
$382,000 11% Senior
Subordinated
Notes(1).....
93,745 93,745 -- -- -- -- -
- 7 1/2% Senior
Subordinated
Notes(2).....
457,500 11,250 22,500

22,500 22,500 22,500
356,250 Operating
Leases..... 417,312
130,556 114,679 88,176
51,802 25,371 6,728 -------
--- -------- -------- -----
--- -------- -------- -----

Total.....
$1,368,557 $237,551
$141,179 $114,676 $ 78,302
$ 51,871 $744,978

- ---

(1) Includes interest payments of $4.65 million, bond premium of $4.65 million and principal payments of $84.45 million, representing amounts to redeem the 11% notes on August 15, 2003.

(2) Includes interest payments of $11.25 million on each of May 1 and November 1 of each year.

Repurchases of Outstanding Securities. In connection with the retirement of J. Ernest Talley, our former Chairman of the Board and Chief Executive Officer, we entered into an agreement to repurchase $25.0 million worth of shares of our common stock beneficially held by Mr. Talley at a purchase price

equal to the average closing price of our common stock over the 10 trading days beginning October 9, 2001, subject to a maximum of $27.00 per share and a minimum of $20.00 per share. Under this formula, the purchase price for the repurchase was calculated at $20.258 per share. Accordingly, on October 23, 2001 we repurchased 493,632 shares of our common stock beneficially held by Mr. Talley at $20.258 per share for a total purchase price of $10.0 million, and on November 30, 2001, we repurchased an additional 740,448 shares of our common stock beneficially held by Mr. Talley at $20.258 per share, for a total purchase price of an additional $15.0 million. On January 25, 2002, we exercised the option to repurchase all of the remaining 1,714,086 shares of common stock beneficially held by Mr. Talley at $20.258 per share. We repurchased those remaining shares on January 30, 2002.

On April 25, 2003, we announced that we entered into an agreement with Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P. which provided for the repurchase of a number of shares of our common stock sufficient to reduce Apollo's aggregate record ownership to 19.00% after consummation of our planned tender offer and repurchase. On April 28, 2003, we announced the commencement of a tender offer to purchase up to 2.20 million shares of our common stock pursuant to a modified "Dutch Auction." Under the agreement with Apollo, we agreed to repurchase the shares of our common stock at the same price per share as the price paid in the tender offer. On June 25, 2003, we closed the tender offer and purchased approximately 1.77 million shares of our common stock at $73 per share. On July 11, 2003, we closed the Apollo transaction and purchased approximately 775,000 shares of our common stock.

In April 2000, we announced that our Board of Directors had authorized a program to repurchase in the open market up to an aggregate of $25.0 million of our common stock. In October 2002, our Board of Directors increased the amount of repurchases authorized under our common stock repurchase program from $25.0 million to $50.0 million. In March 2003, our Board of Directors again increased such amount from $50.0 million to $100.0 million. Through March 31, 2003, we have repurchased approximately 937,000 shares of our common stock under this program for approximately $44.3 million, 276,000 shares of which were purchased in the quarter ended March 31, 2003 for approximately $13.5 million. We have suspended our common stock repurchase program pending the termination of our equity tender offer. See "Recent Developments" discussed previously in this prospectus. However, we may begin repurchasing shares of our common stock at any time after July 10, 2003.

Economic Conditions. Although our performance has not suffered in previous economic downturns, we cannot assure you that demand for our products, particularly in higher price ranges, will not significantly decrease in the event of a prolonged recession.

Seasonality. Our revenue mix is moderately seasonal, with the first quarter of each fiscal year generally providing higher merchandise sales than any other quarter during a fiscal year, primarily related to federal income tax refunds. Generally, our customers will more frequently exercise their early purchase option on their existing rental purchase agreements or purchase pre-leased merchandise off the showroom floor during the first quarter of each fiscal year. We expect this trend to continue in future periods. Furthermore, we tend to experience slower growth in the number of rental purchase agreements on rent in the third quarter of each fiscal year when to compared to other quarters throughout the year. As a result, we would expect revenues for the third quarter of each fiscal year to remain relatively flat with the prior quarter. We expect this trend to continue in future periods unless we add significantly to our store base during the third quarter of future fiscal years as a result of new store openings or opportunistic acquisitions.

EFFECT OF NEW ACCOUNTING PRONOUNCEMENTS

Accounting for Costs Associated with Exit or Disposal Activities. In June 2002, the FASB issued Statement 146, Accounting for Costs Associated with Exit or Disposal Activities. This statement requires entities to recognize costs associated with exit or disposal activities when liabilities are incurred rather than when the entity commits to an exit or disposal plan, as currently required. Examples of costs covered by this guidance include one-time employee termination benefits, costs to terminate contracts other than capital leases, costs to consolidate facilities or relocate employees, and certain other exit or disposal

activities. This statement is effective for fiscal years beginning after December 31, 2002 and will impact any exit or disposal activities we initiate after that date.

Stock-Based Employee Compensation. In December 2002, the FASB issued Statement 148, Accounting for Stock-Based Compensation -- Transition and Disclosure: an amendment of FASB Statement 123, to provide alternative transition methods for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the disclosure requirements of SFAS 123 to require prominent disclosures in annual financial statements about the method of accounting for stock-based employee compensation and the pro forma effect on reported results of applying the fair value based method for entities that use the intrinsic value method of accounting. The pro forma effect disclosures are also required to be prominently disclosed in interim period financial statements. This statement is effective for financial statements for fiscal years ending after December 15, 2002 and is effective for financial reports containing condensed financial statements for interim periods beginning after December 15, 2002, with earlier application permitted. We do not plan to change to the fair value based method of accounting for stock-based employee compensation at this time and have included the disclosure requirements of SFAS 148 in the accompanying financial statements.

Accounting for Guarantees. In November 2002, the FASB issued FASB Interpretation 45, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others. FIN 45 requires a guarantor entity, at the inception of a guarantee covered by the measurement provisions of the interpretation, to record a liability for the fair value of the obligation undertaken in issuing the guarantee. We previously did not record a liability when guaranteeing obligations unless it became probable that we would have to perform under the guarantee. FIN 45 applies prospectively to guarantees we issue or modify subsequent to December 31, 2002, but has certain disclosure requirements effective for interim and annual periods ending after December 15, 2002. We have historically issued guarantees related to our ColorTyme franchisees and other limited purposes and do not anticipate FIN 45 will have a material effect on our 2003 financial statements. Disclosures required by FIN 45 are included in the accompanying financial statements.

In January 2003, the FASB issued FASB Interpretation 46, Consolidation of Variable Interest Entities. FIN 46 clarifies the application of Accounting Research Bulletin 51, Consolidated Financial Statements, for certain entities that do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties or in which equity investors do not have the characteristics of a controlling financial interest ("variable interest entities"). Variable interest entities within the scope of FIN 46 will be required to be consolidated by their primary beneficiary. The primary beneficiary of a variable interest entity is determined to be the party that absorbs a majority of the entity's expected losses, receives a majority of its expected returns, or both. FIN 46 applies immediately to variable interest entities created after January 31, 2003, and to variable interest entities in which an enterprise obtains an interest after that date. It applies in the first fiscal year or interim period beginning after June 15, 2003, to variable interest entities in which an enterprise holds a variable interest that it acquired before February 1, 2003. We are in the process of determining what impact, if any, the adoption of the provisions of FIN 46 will have upon our financial condition or results of operations.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Interest Rate Sensitivity. As of March 31, 2003, we had $272.25 million in 11% notes outstanding at a fixed interest rate of 11.0% and $249.5 million in term loans outstanding at interest rates indexed to the LIBOR rate. The 11% notes mature on August 15, 2008. The fair value of the 11% notes is estimated based on discounted cash flow analysis using interest rates currently offered for loans with similar terms to borrowers of similar credit quality. The fair value of the 11% notes at March 31, 2003 was $292.7 million, which is $20.9 million above their carrying value. We have repurchased approximately 183 million principal amount of the 11% notes pursuant to our tender offer and announced that we were going to optionally redeem on August 15, 2003, in accordance with the terms of the underlying indenture, all of the 11% notes then outstanding. See "Management's Discussion and Analysis of Financial Condition and

Results of Operations -- Recent Developments." Unlike the 11% notes, the $249.5 million in term loans have variable interest rates indexed to current LIBOR rates. Because the variable rate structure exposes us to the risk of increased interest cost if interest rates rise, in 1998 we entered into $500.0 million in interest rate swap agreements that lock in a LIBOR rate of 5.59%, thus hedging this risk. Of the $500.0 million in agreements, $250.0 million expired in September 2001 and the remaining $250.0 million will expire in 2003, of which $140.0 million will expire on August 5, 2003 and the remaining $110.0 million will expire on September 5, 2003. The swap agreements had an aggregate negative fair value of $4.2 million and $7.3 million at March 31, 2003 and 2002, respectively. A hypothetical 1.0% change in the LIBOR rate would have affected the fair value of the swaps by approximately $300,000. As of May 28, 2003, we entered into our new senior credit facilities and terminated our then existing senior credit facilities. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources -- Senior Credit Facilities."

Market Risk. Market risk is the potential change in an instrument's value caused by fluctuations in interest rates. Our primary market risk exposure is fluctuations in interest rates. Monitoring and managing this risk is a continual process carried out by the Board of Directors and senior management. We manage our market risk based on an ongoing assessment of trends in interest rates and economic developments, giving consideration to possible effects on both total return and reported earnings.

Interest Rate Risk. We hold long-term debt with variable interest rates indexed to prime or LIBOR that exposes us to the risk of increased costs if interest rates rise. To reduce the risk related to unfavorable interest rate movements, as of March 31, 2002, we entered into certain interest rate swap contracts on $250.0 million of debt to pay a fixed rate of 5.60%. On May 28, 2003, in connection with the entering into of our new senior credit facilities, we terminated the interest rate swap agreements at a price of approximately $3.17 million. As of June 30, 2003, we have not entered into any interest rate swap agreements with respect to term loans under our new senior credit facilities.

BUSINESS

OVERVIEW

We are the largest operator in the United States rent-to-own industry with an approximate 31% market share based on store count. At June 30, 2003, we operated 2,567 company-owned stores nationwide and in Puerto Rico, including 23 stores in Wisconsin operated by our subsidiary Get It Now, LLC under the name "Get It Now." Another of our subsidiaries, ColorTyme, Inc., is a national franchisor of rent-to-own stores. At June 30, 2003, ColorTyme had 321 franchised stores in 40 states, 309 of which operated under the ColorTyme name and 12 of which operated under the Rent-A-Center name. These franchise stores represent a further 4% market share based on store count.

Our stores generally offer high quality, durable products such as home electronics, appliances, computers and furniture and accessories under flexible rental purchase agreements that generally allow the customer to obtain ownership of the merchandise at the conclusion of an agreed upon rental period. These rental purchase agreements are designed to appeal to a wide variety of customers by allowing them to obtain merchandise that they might otherwise be unable to obtain due to insufficient cash resources or a lack of access to credit. These agreements also cater to customers who only have a temporary need or who simply desire to rent rather than purchase the merchandise. Get It Now offers our merchandise on an installment sales basis in Wisconsin. We offer well known brands such as Philips, Sony, JVC, Toshiba and Mitsubishi home electronics, Whirlpool appliances, Dell, IBM, Compaq and Hewlett-Packard computers and Ashley, England, Berkline and Standard furniture.

Our customers often lack access to conventional forms of credit. We offer products such as big screen televisions, computers and sofas, and well known brands that might otherwise be unavailable without credit. We also offer high levels of customer service at no additional charge, including repair, pick-up and delivery. Our customers benefit from the ability to return merchandise at any time without further obligation and make payments that build toward ownership. We estimate that approximately 62% of our business is from repeat customers.

Rent-A-Center, Inc. was incorporated as a Delaware corporation on November 26, 2002. Rent-A-Center Texas, L.P. was formed as a Texas limited partnership on November 25, 2002. Rent-A-Center Texas, L.L.C. was organized as a Nevada limited liability company on November 25, 2002. Get It Now, LLC was organized as a Delaware limited liability company on September 18, 2002. ColorTyme, Inc. was incorporated as a Texas corporation on May 7, 1996. Rent-A-Center West, Inc. was incorporated as a Delaware corporation on October 11, 1994. Rent-A-Center East, Inc. was incorporated as a Delaware corporation on September 16, 1986. Rent-A-Center, Inc.'s, Rent-A-Center Texas, L.P.'s, Get It Now, LLC's, Rent-A-Center West, Inc.'s and Rent-A-Center East, Inc.'s, principal executive offices are located at 5700 Tennyson Parkway, Third Floor, Plano, Texas 75024, telephone (972) 801-1100. ColorTyme, Inc.'s principal executive offices are located at 5700 Tennyson Parkway, First Floor, Plano, Texas 75024, telephone (972) 608-5376. Rent-A-Center Texas, L.L.C.'s principal executive offices are located at 429 Max Court, Suite C, Henderson, Nevada 89015, telephone (702) 558-0016.

Our company website is www.rentacenter.com. We do not intend for information contained on our website to be part of this prospectus. We make available free of charge on or through our website our annual report on Form 10-K, our quarterly reports on Form 10-Q, our current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material or furnish it to the SEC. Additionally, we voluntarily will provide electronic or paper copies of our filings free of charge upon request.

INDUSTRY OVERVIEW

According to industry sources and our estimates, the rent-to-own industry consists of approximately 8,300 stores, and provides approximately 7.0 million products to over 2.8 million households each year. We estimate the six largest rent-to-own industry participants account for approximately 4,700 of the total

number of stores, and the majority of the remainder of the industry consists of operations with fewer than 20 stores. The rent-to-own industry is highly fragmented and, due primarily to the decreased availability of traditional financing sources, has experienced, and we believe will continue to experience, increasing consolidation. We believe this consolidation trend in the industry presents opportunities for us to continue to acquire additional stores on favorable terms.

The rent-to-own industry serves a highly diverse customer base. According to the Association of Progressive Rental Organizations, 92% of rent-to-own customers have incomes between $15,000 and $50,000 per year. Many of the customers served by the industry do not have access to conventional forms of credit and are typically cash constrained. For these customers, the rent-to-own industry provides access to brand name products that they would not normally be able to obtain. The Association of Progressive Rental Organizations also estimates that 93% of customers have high school diplomas. According to a Federal Trade Commission study, 75% of rent-to-own customers were satisfied with their experience with rent-to-own transactions. The study noted that customers gave a wide variety of reasons for their satisfaction, "including the ability to obtain merchandise they otherwise could not, the low payments, the lack of a credit check, the convenience and flexibility of the transaction, the quality of the merchandise, the quality of the maintenance, delivery, and other services, the friendliness and flexibility of the store employees, and the lack of any problems or hassles."

STRATEGY

We are currently focusing our strategic efforts on:

- enhancing the operations and profitability in our store locations;

- opening new stores and acquiring existing rent-to-own stores; and

- building our national brand.

ENHANCING STORE OPERATIONS

We continually seek to improve store performance through strategies intended to produce gains in operating efficiency and profitability. For example, in the later part of 2001, we implemented programs to refocus our operational personnel to prioritize store profit growth, including the effective pricing of rental merchandise and the management of store level operating expenses. Similarly, we instituted a transitional duty program to maintain store level productivity as well as to minimize costs related to the workers compensation component of our insurance programs.

We believe we will achieve further gains in revenues and operating margins in both existing and newly acquired stores by continuing to:

- use focused advertising to increase store traffic;

- expand the offering of upscale, higher margin products, such as Philips, Sony, JVC, Toshiba and Mitsubishi home electronics, Whirlpool appliances, Dell, IBM, Compaq and Hewlett-Packard computers and Ashley, England, Berkline and Standard furniture to increase the number of product rentals;

- employ strict store-level cost control;

- closely monitor each store's performance through the use of our management information system to ensure each store's adherence to established operating guidelines; and

- use a revenue and profit based incentive pay plan.

OPENING NEW STORES AND ACQUIRING EXISTING RENT-TO-OWN STORES

We intend to expand our business both by opening new stores in targeted markets and by acquiring existing rent-to-own stores. We will focus new market penetration in adjacent areas or regions that we

believe are underserved by the rent-to-own industry, which we believe represents a significant opportunity for us. In addition, we intend to pursue our acquisition strategy of targeting under-performing and under-capitalized chains of rent-to-own stores. We have gained significant experience in the acquisition and integration of other rent-to-own operators and believe the fragmented nature of the rent-to-own industry will result in ongoing consolidation opportunities. Acquired stores benefit from our administrative network, improved product mix, sophisticated management information system and purchasing power. In addition, we have access to our franchise locations, which we have the right of first refusal to purchase.

Since March 1993, our company-owned store base has grown from 27 to 2,567 at June 30, 2003, primarily through acquisitions. During this period, we acquired over 2,400 company-owned stores and over 350 franchised stores in more than 125 separate transactions, including seven transactions where we acquired in excess of 70 stores. In May 1998, we acquired substantially all of the assets of Central Rents, Inc., which operated 176 stores, for approximately $100 million in cash. In August 1998, we acquired Thorn Americas, Inc. for approximately $900 million in cash, including the repayment of certain debt of Thorn Americas. Prior to this acquisition, Thorn Americas was our largest competitor, operating 1,409 company-owned stores and franchising 65 stores in 49 states and the District of Columbia.

Having successfully integrated the Thorn Americas and Central Rents acquisitions, we resumed our strategy of increasing our store base. The table below summarizes the store growth activity over the last three fiscal years.

	2002	2001	2000
New store openings	70	76	36
Acquired stores	83	95	74
Stores from which we acquired accounts	126	90	73
Closed stores Merged with existing stores	23	42	22
Sold	4	6	4
Closed without merger	--	--	1
Total approximate purchase price of acquisitions	$59.5 million	$49.8 million	$42.5 million

In February 2003, we acquired substantially all of the assets of 295 stores located throughout the United States from Rent-Way, Inc. and certain of its subsidiaries for approximately $100.4 million in cash. Of the 295 stores, 176 were merged with existing locations. Additionally, during the first six months of 2003, we acquired 11 additional stores, purchased accounts from 14 additional locations, opened 38 new stores, and closed eight existing stores, merging them with existing stores. As a result, we operated a total of 2,567 stores at June 30, 2003.

We continue to believe there are attractive opportunities to expand our presence in the rent-to-own industry. We intend to increase the number of stores in which we operate by an average of approximately 5% to 10% per year over the next several years. We plan to accomplish our future growth through both selective and opportunistic acquisitions and new store development.

BUILDING OUR NATIONAL BRAND

We have implemented strategies to increase our name recognition and enhance our national brand. As part of that strategy, we utilize television and radio commercials, print, direct response and in-store signage, all of which are designed to increase our name recognition among our customers and potential customers. We believe that as the Rent-A-Center name gains in familiarity and national recognition through our advertising efforts, we will continue to educate the customer about the rent-to-own alternative to merchandise purchases as well as solidify our reputation as a leading provider of high quality branded merchandise.

OUR STORES

At June 30, 2003, we operated 2,567 stores nationwide and in Puerto Rico. In addition, our subsidiary ColorTyme franchised 321 stores in 40 states. This information is illustrated by the following table:

	NUMBER OF STORES	
	COMPANY LOCATION	
	OWNED	FRANCHISED
Alabama	52	--
Alaska	5	--
Arizona	55	7
Arkansas	31	3
California	151	8
Colorado	34	4
Connecticut	30	5
Delaware	16	1
District of Columbia	4	--
Florida	150	12
Georgia	96	12
Hawaii	11	3
Idaho	6	4
Illinois	124	5
Indiana	107	5
Iowa	21	--
Kansas	29	19
Kentucky	41	5
Louisiana	42	5
Maine	23	9
Maryland	56	6
Massachusetts	48	8
Michigan	100	13
Minnesota	4	--
Mississippi	26	5
Missouri	59	9
Montana	4	4

	NUMBER OF STORES	
	COMPANY LOCATION	
	OWNED	FRANCHISED
Nebraska	9	--
Nevada	19	5
New Hampshire	14	2
New Jersey	40	8
New Mexico	12	9
New York	129	14
North Carolina	106	13
North Dakota	1	--
Ohio	159	3
Oklahoma	39	14
Oregon	23	7
Pennsylvania	100	4
Puerto		

Rico..... 23 --
Rhode
Island..... 13 2
South
Carolina..... 37 5
South
Dakota..... 4 --
Tennessee.....
86 5
Texas.....
272 57
Utah.....
16 2
Vermont.....
7 --
Virginia.....
50 8
Washington.....
41 9 West
Virginia..... 14
2
Wisconsin.....
23* --
Wyoming.....
5 --
TOTAL.....
2,567 321

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* Represents stores operated by Get It Now, one of our subsidiaries.

Our stores average approximately 4,400 square feet and are located primarily in strip malls. Because we receive merchandise shipments directly from vendors, we are able to dedicate approximately 80% of the store space to showroom floor, and also eliminate warehousing costs.

RENT-A-CENTER STORE OPERATIONS

PRODUCT SELECTION

Our stores offer merchandise from four basic product categories: home electronics, appliances, computers and furniture and accessories. Although we seek to ensure our stores maintain sufficient inventory to offer customers a wide variety of models, styles and brands, we generally limit inventory to prescribed levels to ensure strict inventory controls. We seek to provide a wide variety of high quality

merchandise to our customers, and we emphasize high-end products from brand-name manufacturers. For the quarter ended March 31, 2003, home electronic products accounted for approximately 42% of our store rental revenue, furniture and accessories for 32%, appliances for 15% and computers for 11%. Customers may request either new merchandise or previously rented merchandise. Previously rented merchandise is offered at the same weekly or monthly rental rate as is offered for new merchandise, but with an opportunity to obtain ownership of the merchandise after fewer rental payments.

Home electronic products offered by our stores include high definition and wide-screen televisions, DVD players, home entertainment centers, video cassette recorders and stereos from top brand manufacturers such as Philips, Sony, JVC, Toshiba and Mitsubishi. We rent major appliances manufactured by Whirlpool, including refrigerators, washing machines, dryers, microwave ovens, freezers and ranges. We offer personal and laptop computers from Dell, IBM, Compaq and Hewlett-Packard. We rent a variety of furniture products, including dining room, living room and bedroom furniture featuring a number of styles, materials and colors. We offer furniture made by Ashley, England, Berkline and Standard and other top brand manufacturers. Accessories include pictures, lamps and tables and are typically rented as part of a package of items, such as a complete room of furniture. Showroom displays enable customers to visualize how the product will look in their homes and provide a showcase for accessories.

RENTAL PURCHASE AGREEMENTS

Our customers generally enter into weekly or monthly rental purchase agreements, which renew automatically upon receipt of each payment. We retain title to the merchandise during the term of the rental purchase agreement. Ownership of the merchandise generally transfers to the customer if the customer has continuously renewed the rental purchase agreement for a period of 6 to 30 months, depending upon the product type, or exercises a specified early purchase option. Although we do not conduct a formal credit investigation of each customer, a potential customer must provide store management with sufficient personal information to allow us to verify their residence and sources of income. References listed by the customer are contacted to verify the information contained in the customer's rental purchase order form. Rental payments are generally made in the store in cash, by money order or debit card. Approximately 85% of our customers pay on a weekly basis. Depending on state regulatory requirements, we charge for the reinstatement of terminated accounts or collect a delinquent account fee, and collect loss/damage waiver fees from customers desiring product protection in case of theft or certain natural disasters. These fees are standard in the industry and may be subject to government-specified limits. Please read the section entitled "-- Government Regulation."

PRODUCT TURNOVER

On average, a minimum rental term of 18 months is generally required to obtain ownership of new merchandise. We believe that only approximately 25% of our initial rental purchase agreements are taken to the full term of the agreement, although the average total life for each product is approximately 22 months, which includes the initial rental period, all re-rental periods and idle time in our system. Turnover varies significantly based on the type of merchandise rented, with certain consumer electronics products, such as camcorders and video cassette recorders, generally rented for shorter periods, while appliances and furniture are generally rented for longer periods. To cover the relatively high operating expenses generated by greater product turnover, rental purchase agreements require higher aggregate payments than are generally charged under other types of purchase plans, such as installment purchase or credit plans.

CUSTOMER SERVICE

We offer same day or 24-hour delivery and installation of our merchandise at no additional cost to the customer. We provide any required service or repair without additional charge, except for damage in excess of normal wear and tear. Repair services are provided through our national network of 23 service centers, the cost of which may be reimbursed by the vendor if the item is still under factory warranty. If the

product cannot be repaired at the customer's residence, we provide a temporary replacement while the product is being repaired. The customer is fully liable for damage, loss or destruction of the merchandise, unless the customer purchases an optional loss/damage waiver covering the particular loss. Most of the products we offer are covered by a manufacturer's warranty for varying periods, which, subject to the terms of the warranty, is transferred to the customer in the event that the customer obtains ownership.

COLLECTIONS

Store managers use our management information system to track collections on a daily basis. Our goal is to have no more than 6.50% of our rental agreements past due one day or more each Saturday evening. For fiscal years 2002, 2001 and 2000, the average week ending past due percentages were 5.95%, 5.74% and 5.83%, respectively. If a customer fails to make a rental payment when due, store personnel will attempt to contact the customer to obtain payment and reinstate the agreement, or will terminate the account and arrange to regain possession of the merchandise. We attempt to recover the rental items as soon as possible following termination or default of a rental purchase agreement, generally by the seventh to tenth day. Collection efforts are enhanced by the numerous personal and job-related references required of customers, the personal nature of the relationships between the stores' employees and customers and the fact that, following a period in which a customer is temporarily unable to make payments on a piece of rental merchandise and must return the merchandise, that customer generally may re-rent a piece of merchandise of similar type and age on the terms the customer enjoyed prior to that period. Charge-offs due to lost or stolen merchandise, expressed as a percentage of store revenues, were approximately 2.5% in each of 2002, 2001 and 2000.

MANAGEMENT

We organize our network of stores geographically with multiple levels of management. At the individual store level, each store manager is responsible for customer and credit relations, delivery and collection of merchandise, inventory management, staffing, training store personnel and certain marketing efforts. Three times each week, store management is required to count the store's inventory on hand and compare the count to the accounting records, with the market manager performing a similar audit at least bi-monthly. In addition, our individual store managers track their daily store performance for revenue collected as compared to the projected performance of their store. Each store manager reports to a market manager within close proximity who typically oversees six to eight stores. Typically, a market manager focuses on developing the personnel in his or her market and ensuring all stores meet our quality, cleanliness and service standards. In addition, a market manager routinely audits numerous areas of the stores' operations, including gross profit per rental agreement, petty cash and customer order forms. A significant portion of a market manager's and store manager's compensation is dependent upon store revenues and profits, which are monitored by our management reporting system and our tight control over inventory afforded by our direct shipment practice.

At June 30, 2003, we had 339 market managers who, in turn, reported to 56 regional directors. Regional directors monitor the results of their entire region, with an emphasis on developing and supervising the market managers in their region. Similar to the market managers, regional directors are responsible for ensuring store managers are following the operational guidelines, particularly those involving store presentation, collections, inventory levels and order verification. The regional directors report to eight senior vice presidents at our headquarters. The regional directors receive a significant amount of their compensation based on the profitability of the stores under their management.

Our executive management team at the home office directs and coordinates purchasing, financial planning and controls, employee training, personnel matters and new store site selection. Our executive management team also evaluates the performance of each region, market and store, including the use of on-site reviews. All members of our executive management team receive a significant amount of their total compensation based on the profits generated by the entire company. As a result, our business strategy emphasizes strict cost containment.

MANAGEMENT INFORMATION SYSTEMS

Through a licensing agreement with High Touch, Inc., we utilize an integrated management information and control system. Each store is equipped with a computer system utilizing point of sale software developed by High Touch. This system tracks individual components of revenue, each item in idle and rented inventory, total items on rent, delinquent accounts, items in service and other account information. We electronically gather each day's activity report, which provides our executive management with access to all operating and financial information concerning any of our stores, markets or regions and generates management reports on a daily, weekly, month-to-date and year-to-date basis for each store and for every rental purchase transaction. The system enables us to track each of our approximately 2.3 million units of merchandise and each of our approximately 1.5 million rental purchase agreements, which often include more than one unit of merchandise. In addition, our bank reconciliation system performs a daily sweep of available funds from our stores' depository accounts into our central operating account based on the balances reported by each store. Our system also includes extensive management software and report-generating capabilities. The reports for all stores are reviewed on a daily basis by management and unusual items are typically addressed the following business day. Utilizing the management information system, our executive management, regional directors, market managers and store managers closely monitor the productivity of stores under their supervision according to our prescribed guidelines.

The integration of our management information system, developed by High Touch, with our accounting system, developed by Lawson Software, Inc., facilitates the production of our financial statements. These financial statements are distributed monthly to all stores, markets, regions and our executive management team for their review.

PURCHASING AND DISTRIBUTION

Our executive management determines the general product mix in our stores based on analyses of customer rental patterns and the introduction of new products on a test basis. Individual store managers are responsible for determining the particular product selection for their store from the list of products approved by executive management. Store and market managers make specific purchasing decisions for the stores, subject to review by executive management. Additionally, we have predetermined levels of inventory allowed in each store which restrict levels of merchandise that may be purchased. All merchandise is shipped by vendors directly to each store, where it is held for rental. We do not utilize any distribution centers. These practices allow us to retain tight control over our inventory and, along with our selection of products for which consistent historical demand has been shown, reduces the number of obsolete items in our stores.

We purchase the majority of our merchandise from manufacturers, who ship directly to each store. Our largest suppliers include Ashley, Whirlpool and Philips, who accounted for approximately 16.3%, 14.0%, and 10.0%, respectively, of merchandise purchased in 2002. No other supplier accounted for more than 10% of merchandise purchased during this period. We do not generally enter into written contracts with our suppliers that obligate us to meet certain minimum purchasing levels. Although we expect to continue relationships with our existing suppliers, we believe that there are numerous sources of products available, and we do not believe that the success of our operations is dependent on any one or more of our present suppliers.

MARKETING

We promote the products and services in our stores through direct mail advertising, radio, television and secondary print media advertisements. Our advertisements emphasize such features as product and brand-name selection, prompt delivery and the absence of initial deposits, credit investigations or long-term obligations. Advertising expense as a percentage of store revenue for the years ended December 31, 2002, 2001 and 2000 was approximately 3.2%, 4.0% and 4.0%, respectively. As we obtain new stores in our existing market areas, the advertising expenses of each store in the market can be reduced by listing all stores in the same market-wide advertisement.

COMPETITION

The rent-to-own industry is highly competitive. According to industry sources and our estimates, the six largest industry participants account for approximately 4,700 of the 8,300 rent-to-own stores in the United States. We are the largest operator in the rent-to-own industry with 2,567 stores and 321 franchised locations as of June 30, 2003. Our stores compete with other national and regional rent-to-own businesses, as well as with rental stores that do not offer their customers a purchase option. With respect to customers desiring to purchase merchandise for cash or on credit, we also compete with department stores, credit card companies and discount stores. Competition is based primarily on store location, product selection and availability, customer service and rental rates and terms.

COLORTYME OPERATIONS

ColorTyme is our nationwide franchisor of rent-to-own stores. At June 30, 2003, ColorTyme franchised 321 rent-to-own stores in 40 states. These rent-to-own stores offer high quality durable products such as home electronics, appliances, computers and furniture and accessories.

All but 12 of the ColorTyme franchised stores use ColorTyme's tradenames, service marks, trademarks, logos, emblems and indicia of origin. These 12 stores are franchises acquired in the Thorn Americas acquisition and continue to use the Rent-A-Center name. All stores operate under distinctive operating procedures and standards. ColorTyme's primary source of revenue is the sale of rental merchandise to its franchisees who, in turn, offer the merchandise to the general public for rent or purchase under a rent-to-own program. As franchisor, ColorTyme receives royalties of 2.0% to 4.0% of the franchisees' monthly gross revenue and, generally, an initial fee of between $7,500 per location for existing franchisees and up to $25,000 per location for new franchisees.

The ColorTyme franchise agreement generally requires the franchised stores to utilize specific computer hardware and software for the purpose of recording rentals, sales and other record keeping and central functions. ColorTyme retains the right to retrieve data and information from the franchised stores' computer systems. The franchise agreements also limit the ability of the franchisees to compete against other franchisees.

The franchise agreement also requires the franchised stores to exclusively offer for rent or sale only those brands, types and models of products that ColorTyme has approved. The franchised stores are required to maintain an adequate mix of inventory that consists of approved products for rent as dictated by ColorTyme policy manuals. ColorTyme negotiates purchase arrangements with various suppliers it has approved. ColorTyme's largest supplier is Whirlpool, which accounted for approximately 14.9% of merchandise purchased by ColorTyme in 2002.

ColorTyme is a party to an agreement with Textron Financial Corporation, which generally provides financing to qualifying franchisees of ColorTyme of up to five times their average monthly revenues, aggregating up to $40.0 million. Under this agreement, upon an event of default by the franchisee under agreements governing this financing and upon the occurrence of certain other events, Textron may assign the loans and the collateral securing such loans to ColorTyme, with ColorTyme then succeeding to the rights of Textron under the debt agreements, including the rights to foreclose on the collateral. An additional $12.0 million of financing is provided by Texas Capital Bank, National Association under an arrangement similar to the Textron financing. We guarantee the obligations of ColorTyme under these agreements up to a maximum amount of $52.0 million, of which $30.7 million was outstanding as of June 30, 2003. Mark E. Speese, our Chairman of the Board and Chief Executive Officer, is a passive investor in Texas Capital Bank, owning less than 1% of its outstanding equity.

ColorTyme has established a national advertising fund for the franchised stores, whereby ColorTyme has the right to collect up to 3% of the monthly gross revenue from each franchisee as contributions to the fund. Currently, ColorTyme has set the monthly franchisee contribution at $250 per store per month. ColorTyme directs the advertising programs of the fund, generally consisting of advertising in print,

television and radio. ColorTyme also has the right to require franchisees to expend 3% of their monthly gross revenue on local advertising.

ColorTyme licenses the use of its trademarks to the franchisees under the franchise agreement. ColorTyme owns the registered trademarks ColorTyme, Inc.(R), ColorTyme, Inc.-What's Right for You(R), and FlexTyme(R), along with certain design and service marks.

Some of ColorTyme's franchisees may be in locations where they directly compete with our company-owned stores, which could negatively impact the business, financial condition and operating results of our company-owned stores.

The ColorTyme franchise agreement provides us a right of first refusal to purchase the franchise location of a ColorTyme franchisee that wishes to exit the business or that goes into default under their financing agreement.

GET IT NOW OPERATIONS

On September 30, 2002, we transferred all of our Wisconsin store operations to a newly formed wholly-owned subsidiary, Get It Now. On October 1, 2002, Get It Now began operations in the state of Wisconsin under a retail operation which generates installment credit sales through a retail transaction. As of June 30, 2003, we operated 23 company-owned stores within Wisconsin, all of which operate under the name "Get It Now."

TRADEMARKS

We own various registered trademarks, including Rent-A-Center(R), Renters Choice(R), Remco(R) and Get It Now(R). The products held for rent also bear trademarks and service marks held by their respective manufacturers.

EMPLOYEES

As of June 30, 2003, we had approximately 15,400 employees, of whom 278 are assigned to our headquarters and the remainder are directly involved in the management and operation of our stores and service centers. As of the same date, we had approximately 20 employees dedicated to ColorTyme, all of whom were employed full-time. The employees of the ColorTyme franchisees are not employed by us. None of our employees, including ColorTyme employees, are covered by a collective bargaining agreement. In June 2001, the employees of six of our stores in New York, New York elected to be represented by the Teamsters union. However, we have not entered into a collective bargaining agreement covering these employees. We believe relationships with our employees and ColorTyme's relationships with its employees are generally good.

In connection with the settlement of the Wilfong matter finalized in December 2002, we entered into a four-year consent decree, which can be extended by the Wilfong court for an additional one year upon a showing of good cause. We also agreed to augment our human resources department and our internal employee complaint procedures, enhance our gender anti-discrimination training for all employees, hire a consultant mutually acceptable to the parties for two years to advise us on employment matters, provide certain reports to the EEOC during the period of the consent decree, seek qualified female representation on our Board of Directors, publicize our desire to recruit, hire and promote qualified women, offer to fill job vacancies within our regional markets with qualified class members who reside in those markets and express an interest in employment by us to the extent of 10% of our job vacancies in such markets over a fifteen month period, and to take certain other steps to improve opportunities for women. We initiated many of the above programs prior to entering into the settlement of the Wilfong matter.

GOVERNMENT REGULATION

STATE REGULATION

Currently 47 states, the District of Columbia and Puerto Rico have legislation regulating rental purchase transactions. We believe this existing legislation is generally favorable to us, as it defines and clarifies the various disclosures, procedures and transaction structures related to the rent-to-own business with which we must comply. With some variations in individual states, most related state legislation requires the lessor to make prescribed disclosures to customers about the rental purchase agreement and transaction, and provides time periods during which customers may reinstate agreements despite having failed to make a timely payment. Some state rental purchase laws prescribe grace periods for non-payment, prohibit or limit certain types of collection or other practices, and limit certain fees that may be charged. Nine states limit the total rental payments that can be charged. These limitations, however, generally do not become applicable unless the total rental payments required under an agreement exceed 2.0 times to 2.4 times the disclosed cash price or the retail value of the rental product.

Minnesota, which has a rental purchase statute, and New Jersey and Wisconsin, which do not have rental purchase statutes, have had court decisions which treat rental purchase transactions as credit sales subject to consumer lending restrictions. In response, we have developed and utilized a separate rental agreement in Minnesota which does not provide customers with an option to purchase rented merchandise. In New Jersey, we have provided increased disclosures and longer grace periods. In Wisconsin, our Get It Now customers are provided an opportunity to purchase our merchandise through an installment sale transaction. We operate four stores in Minnesota and 40 stores in New Jersey. Our subsidiary Get It Now operates 23 stores in Wisconsin. Please read the section entitled "-- Legal Proceedings."

North Carolina has no rental purchase legislation. However, the retail installment sales statute in North Carolina recognizes that rental purchase transactions which provide for more than a nominal purchase price at the end of the agreed rental period are not credit sales under such statute. We operate 97 stores in North Carolina.

There can be no assurance that new or revised rental purchase laws will not be enacted or, if enacted, that the laws would not have a material and adverse effect on us.

FEDERAL LEGISLATION

To date, no comprehensive federal consumer legislation has been enacted regulating or otherwise impacting the rental purchase transaction. We do, however, comply with the Federal Trade Commission recommendations for disclosure in rental purchase transactions.

From time to time, we have supported legislation introduced in Congress that would regulate the rental purchase transaction by establishing a federal definition of rental purchase agreement and requiring various disclosures with which we would have to comply. While both beneficial and adverse legislation may be introduced in Congress in the future, any adverse federal legislation, if enacted, could have a material and adverse effect on us.

LEGAL PROCEEDINGS

From time to time, we, along with our subsidiaries, are party to various legal proceedings arising in the ordinary course of business. Except as described below, we are not currently a party to any material litigation.

Colon v. Thorn Americas, Inc. The plaintiff filed this class action in November 1997 in New York state court. This matter was assumed by us in connection with the Thorn Americas acquisition, and appropriate purchase accounting adjustments were made for such contingent liabilities. The plaintiff acknowledges that rent-to-own transactions in New York are subject to the provisions of New York's Rental Purchase Statute but contends the Rental Purchase Statute does not provide Thorn Americas immunity from suit for other statutory violations. The plaintiff alleges Thorn Americas has a duty to

disclose effective interest under New York consumer protection laws, and seek damages and injunctive relief for Thorn Americas' failure to do so. This suit also alleges violations relating to excessive and unconscionable pricing, late fees, harassment, undisclosed charges, and the ease of use and accuracy of its payment records. In the prayer for relief, the plaintiff requested class certification, injunctive relief requiring Thorn Americas to cease certain marketing practices and price their rental purchase contracts in certain ways, unspecified compensatory and punitive damages, rescission of the class members contracts, an order placing in trust all moneys received by Thorn Americas in connection with the rental of merchandise during the class period, treble damages, attorney's fees, filing fees and costs of suit, pre- and post-judgment interest, and any further relief granted by the court. The plaintiff has not alleged a specific monetary amount with respect to the request for damages.

The proposed class includes all New York residents who were party to our rent-to-own contracts from November 26, 1994. In November 2000, following interlocutory appeal by both parties from the denial of cross-motions for summary judgment, we obtained a favorable ruling from the Appellate Division of the State of New York, dismissing the plaintiff's claims based on the alleged failure to disclose an effective interest rate. The plaintiff's other claims were not dismissed. The plaintiff moved to certify a state-wide class in December 2000. The plaintiff's class certification motion was heard by the court on November 7, 2001 and, on September 12, 2002, the court issued an opinion denying in part and granting in part the plaintiff's requested certification. The opinion grants certification as to all of the plaintiff's claims except the plaintiff's pricing claims pursuant to the Rental Purchase Statute, as to which certification was denied. The parties have differing views as to the effect of the court's opinion, and accordingly, the court granted the parties permission to submit competing orders as to the effect of the opinion on the plaintiff's specific claims. Both proposed orders were submitted to the court on March 27, 2003, and on May 30, 2003, the court held a hearing regarding such orders. No order has yet been entered by the court. Regardless of the determination of the final certification order by the court, we intend to pursue an interlocutory appeal of the court's certification order.

We believe these claims are without merit and will continue to vigorously defend ourselves in this case. However, we cannot assure you that we will be found to have no liability in this matter.

Wisconsin Attorney General Proceeding. On August 4, 1999, the Wisconsin Attorney General filed suit against us and our subsidiary ColorTyme in the Circuit Court of Milwaukee County, Wisconsin, alleging that our rent-to-rent transaction, coupled with the opportunity afforded our rental customers to purchase the rented merchandise under what we believed was a separate transaction, was a disguised credit sale subject to the Wisconsin Consumer Act. Accordingly, the Attorney General alleged that we failed to disclose credit terms, misrepresented the terms of the transaction and engaged in unconscionable practices. The Attorney General sought injunctive relief, restoration of any losses suffered by any Wisconsin consumer harmed and civil forfeitures and penalties in amounts ranging from $50 to $10,000 per violation.

On October 1, 2002, in anticipation of the settlement of this matter, we changed our business practices in Wisconsin to a retail sale model. Accordingly, our 23 Wisconsin stores now offer credit sale transactions and operate under our subsidiary Get It Now, which is subject to regulation under the Wisconsin Consumer Act.

On November 12, 2002, we signed a settlement agreement for this suit with the Attorney General, which was approved by the court on the same day. Under the terms of the settlement, we created a restitution fund in the amount of $7.0 million for our eligible Wisconsin customers who had completed or active transactions with us as of September 30, 2002. In addition, we paid $1.4 million to the State of Wisconsin for fines, penalties, costs and fees. A portion of the restitution fund is allocated for customers with completed transactions as of September 30, 2002, and the balance is allocated for restitution on active transactions as of September 30, 2002, which will be allowed to terminate according to their terms when customers either acquire or return the merchandise. Restitution will be offered on the active transactions when all such active transactions have terminated, which we anticipate will occur by the fall of 2004. Any unclaimed restitution funds at the conclusion of the restitution period will be returned to us. To the extent the amount in the restitution fund is insufficient to pay the required amount of restitution, we are obligated

to provide additional funds to do so. However, we believe the amount in the restitution fund allocated for the active transactions, together with the amount of funds we anticipate will remain unclaimed by customers with completed transactions, will be sufficient to pay the required amount of restitution on all eligible active transactions. Any customer accepting a restitution check will be required to release us and our subsidiary ColorTyme from all claims related to their transaction or transactions with us. We, together with ColorTyme, also agreed to enter into an injunction requiring each of us to comply with the Wisconsin Consumer Act in any transaction in Wisconsin in which the customer can become the owner of merchandise other than through a single lump sum payment.

Terry Walker, et. al. v. Rent-A-Center, Inc., et. al. On January 4, 2002, a putative class action was filed against us and certain of our current and former officers and directors by Terry Walker in federal court in Texarkana, Texas. The complaint alleges that the defendants violated Sections 10(b) and/or Section 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder by issuing false and misleading statements and omitting material facts regarding our financial performance and prospects for the third and fourth quarters of 2001. The complaint purports to be brought on behalf of all purchasers of our common stock from April 25, 2001 through October 8, 2001 and seeks damages in unspecified amounts. Similar complaints were consolidated by the court with the Walker matter in October 2002.

On November 25, 2002, the lead plaintiffs in the Walker matter filed an amended consolidated complaint which added certain of our outside directors as defendants to the Exchange Act claims. The amended complaint also added additional claims that we, and certain of our current and former officers and directors, violated various provisions of the Securities Act as a result of alleged misrepresentations and omissions in connection with an offering in May 2001 and also added the managing underwriters in that offering as defendants.

On February 7, 2003, we, along with certain officer and director defendants, filed a motion to dismiss the matter as well as a motion to transfer venue. In addition, our outside directors named in the matter separately filed a motion to dismiss the Securities Act claims on statute of limitations grounds. On February 19, 2003, the underwriter defendants also filed a motion to dismiss the matter. The plaintiffs filed response briefs to these motions, and our response to these response briefs was filed on May 21, 2003. A hearing was held by the court on June 26, 2003 to hear each of these motions. No decision has yet been entered by the court.

We believe the plaintiff's claims in this matter are without merit and intend to vigorously defend ourselves. However, we cannot assure you that we will be found to have no liability in this matter.

Gregory Griffin, et. al. v. Rent-A-Center, Inc. On June 25, 2002, a suit originally filed by Gregory Griffin in state court in Philadelphia, Pennsylvania was amended to seek relief both individually and on behalf of a class of customers in Pennsylvania, alleging that we violated the Pennsylvania Goods and Services Installment Sales Act and the Pennsylvania Unfair Trade Practices and Consumer Protection Law. The amended complaint asserts that our rental purchase transactions are, in fact, retail installment sales transactions, and as such, are not governed by the Pennsylvania Rental-Purchase Agreement Act, which was enacted after the adoption of the Pennsylvania Goods and Services Installment Sales Act and the Pennsylvania Unfair Trade Practices Act. Griffin's suit seeks class-wide remedies, including injunctive relief, unspecified statutory, actual and treble damages, as well as attorney's fees and costs.

In July 2002, we filed preliminary objections to the complaint in Griffin. On December 13, 2002, the court granted our preliminary objections and dismissed the plaintiffs' claims. On January 6, 2003, the plaintiffs filed a notice of appeal. The plaintiffs' appeal brief was filed on May 9, 2003 and we subsequently filed our response brief. Oral argument on the appeal has been scheduled for July 30, 2003 in the Superior Court of Pennsylvania. We believe the plaintiffs' claims in this matter are without merit and intend to vigorously defend ourselves. However, we cannot assure you that we will be found to have no liability in this matter.

State Wage and Hour Class Actions. On August 20, 2001, a putative class action was filed against us in state court in Multnomah County, Oregon entitled Rob Pucci, et. al. v. Rent-A-Center, Inc. alleging

violations of Oregon state law regarding overtime, lunch and work breaks and failure to timely pay all wages due our Oregon employees, as well as contract claims that we promised but failed to pay overtime. Pucci seeks to represent a class of all present and former executive assistants, inside/outside managers and account managers employed by us within the six year period prior to the filing of the complaint as to the contract claims, and three years as to the statutory claims, and seeks class certification, payments for all unpaid wages under Oregon law, statutory and civil penalties, costs and disbursements, pre- and post-judgment interest in the amount of 9% per annum and attorneys fees. As of June 30, 2003, we operated 20 stores in Oregon. On July 25, 2002, the plaintiffs filed a motion for class certification and on July 31, 2002, we filed our motion for summary judgment. On January 15, 2003, the court orally granted our motion for summary judgment in part, ruling that the plaintiffs were prevented from recovering overtime payments at the rate of "time and a half," but stated that the plaintiffs may recover "straight-time" to the extent plaintiffs could prove purported class members worked in excess of forty hours in a work week but were not paid for such time worked. The court denied our motion for summary judgment on the remaining claims and granted plaintiff's motion for class certification with respect to the remaining claims. We strongly disagree with the court's rulings against our positions and have requested that the court grant us an interlocutory appeal on those matters. Our request for an interlocutory appeal is currently pending before the court. The plaintiffs filed a motion for summary judgment seeking to resolve certain factual issues related to the purported class, which was denied on July 1, 2003. Although we believe the claims remaining in this case are without merit, we cannot assure you we will be found to have no liability in this matter.

We are subject to a similar suit pending in Clark County, Washington entitled Kevin Rose, et al. v. Rent-A-Center, Inc., et al. and two similar suits pending in Los Angeles, California entitled Jeremy Burdusis, et al. v. Rent-A-Center, Inc., et al. and Israel French, et al. v. Rent-A-Center, Inc., each of which allege similar violations of the wage and hour laws of those respective states. As of June 30, 2003, we operated 41 stores in Washington and 151 stores in California. The same law firm seeking to represent the purported class in Pucci is seeking to represent the purported class in two of the three similar suits. On March 24, 2003, the Burdusis court denied the plaintiffs' motion for class certification in that case, which we view as a favorable development in that proceeding. On April 25, 2003, the plaintiffs in Burdusis filed a notice of appeal of that ruling, and on May 8, 2003, the Burdusis court, at our request, stayed further proceedings in Burdusis and French pending the resolution on appeal of the court's denial of class certification in Burdusis. The Burdusis and French proceedings are pending before the same judge in California. On May 14, 2003, the Rose court denied the plaintiffs' motion for class certification in that case, which we view as a favorable development in that proceeding. On June 3, 2003, the plaintiffs in Rose filed a notice of appeal. Although the wage and hour laws and class certification procedures of Oregon, Washington and California contain certain differences that could cause differences in the outcome of the pending litigation in these states, we believe the claims of the purported classes involved in each are without merit. We cannot assure you, however, that we will be found to have no liability in these matters.

DESCRIPTION OF CERTAIN DEBT

As of June 30, 2003, we had outstanding the following indebtedness:

AMOUNT (IN THOUSANDS)
New Senior Credit Facilities
$400,000 7 1/2% Senior Subordinated Notes due 2010
300,000 11% Senior Subordinated Notes due 2008
84,455 Total debt
$784,455

As of June 30, 2003, our debt obligations had the following maturities:

PERIOD (YEAR) ENDING DECEMBER 31,	AMOUNT (IN THOUSANDS)
2003	$ 2,000
2004	4,000
2005	4,000
2006	4,000
2007	4,000
2008	276,455
Thereafter	490,000
Total	$784,455

SENIOR CREDIT FACILITIES

The senior credit facilities are provided by a syndicate of banks and other financial institutions led by Lehman Commercial Paper Inc., as administrative agent. At June 30, 2003, we had a total of $400.0 million outstanding under these facilities, all of which was under our term loans. At June 30, 2003, we had $114.1 million of availability under the revolving credit facility.

Borrowings under the senior credit facilities bear interest at varying rates equal to 2.25% over the Eurodollar rate, which was 1.12% at June 30, 2003. We also have a prime rate option under the facilities, but do not have any exercised as of June 30, 2003. At June 30, 2003, the average rate on outstanding senior debt borrowings was 3.62%.

The senior credit facilities are secured by a security interest in substantially all of our tangible and intangible assets, including intellectual property and real property. The senior credit facilities are also secured by a pledge of the capital stock of our subsidiaries.

The senior credit facilities contain covenants that limit our ability to:

- incur additional debt (including subordinated debt) in excess of $35 million, excluding the old 7 1/2% notes;
- repurchase our capital stock and senior subordinated notes generally;
- incur liens or other encumbrances;
- merge, consolidate or sell substantially all our property or business;
- sell assets, other than inventory;
- make investments or acquisitions unless we meet financial tests and other requirements;
- make capital expenditures; or
- enter into a new line of business.

The senior credit facilities require us to comply with several financial covenants, including a maximum consolidated leverage ratio, a minimum consolidated interest coverage ratio and a minimum fixed charge coverage ratio. At June 30, 2003, the maximum consolidated leverage ratio was 2.75 to 1.00, the minimum consolidated interest coverage ratio was 3.50 to 1.00, and the minimum fixed charge coverage ratio was 1.50 to 1.00.

Events of default under the senior credit facilities include customary events, such as a cross-acceleration provision in the event that we default on other debt. In addition, an event of default under the senior credit facilities would occur if we undergo a change of control. This is defined to include the case where a third party becomes the beneficial owner, either directly or indirectly, of 35% or more or our voting stock.

The senior credit facilities are secured by a perfected first priority security interest in substantially all of our tangible and intangible assets including intellectual property, real property, and the capital stock of our direct and indirect subsidiaries. The senior credit facilities are unconditionally guaranteed by each of our direct and indirect domestic subsidiaries.

7 1/2% SENIOR SUBORDINATED NOTES DUE 2010

On May 6, 2003, we issued $300.0 million of 7 1/2% senior subordinated notes, maturing on May 1, 2010, under an indenture dated as of May 6, 2003 among Rent-A-Center, Inc., our subsidiary guarantors and The Bank of New York, as trustee. The indenture governing the old 7 1/2% notes will also govern the exchange notes. We are seeking to exchange the old 7 1/2% notes for the exchange notes in this exchange offer.

DESCRIPTION OF NOTES

You can find the definitions of certain terms used in this description under the subheading "-- Certain Definitions." In this description, the word "Rent-A-Center" refers only to Rent-A-Center, Inc. and not to any of its subsidiaries.

Rent-A-Center will issue the exchange notes under an indenture among itself, the Guarantors and The Bank of New York, as trustee. The terms of the exchange notes include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939.

The following description is a summary of the material provisions of the indenture. It does not restate the indenture in its entirety. Although we believe that we have disclosed in this prospectus all the material provisions of the indenture, we urge you to read the indenture because it, and not this description, define your rights as holders of these exchange notes. Copies of the indenture are available as set forth below under "-- Additional Information." Certain defined terms used in this description but not defined below under "-- Certain Definitions" have the meanings assigned to them in the indenture.

The registered holder of an exchange note will be treated as the owner of it for all purposes. Only registered holders will have rights under the indenture.

BRIEF DESCRIPTION OF THE NOTES AND THE NOTE GUARANTEES

THE NOTES

The notes:

- are general unsecured obligations of Rent-A-Center;
- are subordinated in right of payment to all existing and future Senior Indebtedness of Rent-A-Center;
- are pari passu in right of payment with any future senior subordinated Indebtedness of Rent-A-Center;
- are senior in right of payment to any future Subordinated Obligations of Rent-A-Center; and
- are unconditionally guaranteed by the Guarantors.

THE NOTE GUARANTEES

The notes are guaranteed by the following domestic subsidiaries of Rent-A-Center:

Rent-A-Center East, Inc.
ColorTyme, Inc.
Rent-A-Center West, Inc. (formerly known as Advantage Companies, Inc.)
Get It Now, LLC
Rent-A-Center Texas, L.P.
Rent-A-Center Texas, L.L.C.

and any Domestic Subsidiary created or acquired by Rent-A-Center after the date of the indenture.

The Guarantees of the notes:

- are general unsecured obligations of each Guarantor;
- are subordinated in right of payment to all existing and future Senior Indebtedness of each Guarantor;
- are pari passu in right of payment with any future senior subordinated Indebtedness of each Guarantor; and
- are senior in right of payment to any future subordinated Indebtedness of each Guarantor.

Assuming we had completed the offering of old 7 1/2% notes and applied the net proceeds as intended, as of December 31, 2002, Rent-A-Center and the Guarantors would have had total Senior Indebtedness of approximately $248.5 million. In addition, as of December 31, 2002, Rent-A-Center had the ability to borrow up to $114.3 million (after reductions for outstanding letters of credit of $5.7 million) and obtain an additional term loan of up to $80 million under our new senior credit facilities, which would be senior debt. Assuming completion of the recapitalization and the application of the net proceeds as intended, as of December 31, 2002, Rent-A-Center and the Guarantors would have had total Senior Indebtedness of approximately $400 million. In addition, as of December 31, 2002, Rent-A-Center would have had the ability to borrow up to $120 million and obtain an additional term loan of up to $80 million under our new senior credit facilities, which would be senior debt. As indicated above and as discussed in detail below under the subheading "-- Ranking," payments on the notes and under the Note Guarantees will be subordinated to the payment of Senior Indebtedness. The indenture will permit us and the Guarantors to incur additional Senior Indebtedness.

Not all of our Subsidiaries will Guarantee the notes. In the event of a bankruptcy, liquidation or reorganization of any of these Non-Guarantor Subsidiaries, the Non-Guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to us. Our Non-Guarantor Subsidiaries have no revenues from operations and, in the aggregate, as of December 31, 2002, held assets of $9.9 million.

As of the date of the indenture, all of our operating Subsidiaries will be "Restricted Subsidiaries." However, under the circumstances described under the subheading "-- Certain Covenants -- Designation of Unrestricted Subsidiaries," we will be permitted to designate certain of our Subsidiaries as "Unrestricted Subsidiaries." Our Unrestricted Subsidiaries will not be subject to many of the restrictive covenants in the indenture. Our Unrestricted Subsidiaries will not guarantee the notes.

PRINCIPAL, MATURITY AND INTEREST

Rent-A-Center will issue up to $300 million in aggregate principal amount of notes in this exchange offer. The indenture provides that Rent-A-Center may issue additional notes from time to time after this exchange offer in an unlimited principal amount without the consent of the holders of the notes. Any offering of additional notes is subject to compliance with the provisions of the indenture described below under "-- Certain Covenants -- Limitation on Indebtedness." The notes and any additional notes subsequently issued under the indenture will be treated as a single class for all purposes under the indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. Rent-A-Center will issue notes in denominations of $1,000 and integral multiples of $1,000. The notes will mature on May 1, 2010.

Interest on the notes will accrue at the rate of 7 1/2% per annum and will be payable semi-annually in arrears on May 1 and November 1, beginning on November 1, 2003. Rent-A-Center will make each interest payment to the holders of record of these notes on the immediately preceding April 15 and October 15.

Interest on the notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

METHODS OF RECEIVING PAYMENTS ON THE NOTES

If a holder has given wire transfer instructions to Rent-A-Center, Rent-A-Center will pay all principal, interest and premium on that holder's notes in accordance with those instructions. All other payments on notes will be made at the office or agency of the paying agent and registrar within the City and State of New York unless Rent-A-Center elects to make interest payments by check mailed to the holders at their address set forth in the register of holders.

PAYING AGENT AND REGISTRAR FOR THE NOTES

The Trustee will initially act as paying agent and registrar. Rent-A-Center may change the paying agent or registrar without prior notice to the holders of the notes, and Rent-A-Center or any of its Subsidiaries may act as paying agent or registrar.

TRANSFER AND EXCHANGE

A holder may transfer or exchange notes in accordance with the indenture. The registrar and the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of notes. Holders will be required to pay all taxes due on transfer. Rent-A-Center is not required to transfer or exchange any note selected for redemption. Also, Rent-A-Center is not required to transfer or exchange any note for a period of 15 days before a selection of notes to be redeemed.

OPTIONAL REDEMPTION

At any time prior to May 1, 2006, Rent-A-Center may on any one or more occasions redeem up to 35% of the aggregate principal amount of the notes at a redemption price of 107.500% of the principal amount, plus accrued and unpaid interest to the redemption date, with the net cash proceeds of one or more Public Equity Offerings; provided, that:

(1) at least 65% of the aggregate principal amount of notes issued under the indenture remains outstanding immediately after the occurrence of such redemption (excluding notes held by Rent-A-Center and its Subsidiaries); and

(2) the redemption occurs within 45 days of the date of the closing of such Public Equity Offering.

Except pursuant to the preceding paragraph, the notes will not be redeemable at Rent-A-Center's option prior to May 1, 2006.

Upon not less than 30 nor more than 90 days' notice, the notes are redeemable, at Rent-A-Center's option, in whole or in part, at any time and from time to time on and after May 1, 2006 and prior to maturity. The notes may be redeemed at the following redemption prices, expressed as a percentage of principal amount, plus accrued and unpaid interest to the redemption date, subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date, if redeemed during the 12-month period commencing on May 1 of the years set forth below:

REDEMPTION PERIOD	PRICE
2006	103.750%
2007	102.500%
2008	101.250%
2009 and thereafter	100.000%

SELECTION AND NOTICE OF REDEMPTION

In the event that less than all of the notes are redeemed pursuant to an optional redemption, selection of the notes for redemption will be made by the Trustee on a pro rata basis, by lot or by such method as the Trustee shall deem fair and appropriate. No notes of $1,000 or less may be redeemed in part. Notices of redemption must be mailed by first-class mail at least 30, but not more than 90, days before the redemption date to each holder of notes to be redeemed at the holder's registered address.

If any note is to be redeemed in part only, the notice of redemption that relates to such note must state the portion of the principal amount to be redeemed. A new note in a principal amount equal to the unredeemed portion will be issued in the name of the holder upon cancellation of the original note. On

and after the redemption date, interest will cease to accrue on notes or portions thereof called for redemption as long as Rent-A-Center has deposited with the paying agent for the notes funds in satisfaction of the applicable redemption price pursuant to the indenture.

MANDATORY REDEMPTION

Rent-A-Center is not required to make mandatory redemption or sinking fund payments with respect to the notes.

RANKING

The indebtedness evidenced by the notes:

(1) is unsecured Senior Subordinated Indebtedness of Rent-A-Center;

(2) is subordinated in right of payment, as set forth in the indenture, to the payment when due of all existing and future Senior Indebtedness of Rent-A-Center, including Rent-A-Center's Obligations under the Senior Credit Facility;

(3) ranks pari passu in right of payment with all existing and future Senior Subordinated Indebtedness of Rent-A-Center; and

(4) is senior in right of payment to all existing and future Subordinated Obligations of Rent-A-Center.

The notes are also effectively subordinated to any Secured Indebtedness of Rent-A-Center and its Subsidiaries to the extent of the value of the assets securing such Indebtedness.

Although the indenture contains limitations on the amount of additional Indebtedness which Rent-A-Center may incur, under certain circumstances the amount of such indebtedness could be substantial and, in any case, such Indebtedness may be Senior Indebtedness. See "-- Certain Covenants -- Limitation on Indebtedness" below.

Rent-A-Center may not pay principal of, premium or interest on the notes or make any deposit pursuant to the provisions described under "-- Defeasance" below and may not otherwise purchase, redeem or otherwise retire any notes (collectively, "pay the notes") if

(1) any Senior Indebtedness is not paid when due in cash or Cash Equivalents; or

(2) any other default on Senior Indebtedness occurs and the maturity of such Senior Indebtedness is accelerated in accordance with its terms unless (A) the default has been cured or waived and any such acceleration has been rescinded in writing, or (B) such Senior Indebtedness has been paid in full in cash or Cash Equivalents.

If any other default occurs under any Designated Senior Indebtedness, Rent-A-Center will not be permitted to pay the notes for a period (the "Payment Blockage Period") beginning upon the receipt by the Trustee of written notice (a "Blockage Notice") of such default from the Designated Senior Indebtedness Representative specifying an election to effect a Payment Blockage Period. This Payment Blockage Period will end on the earliest of:

(1) written notice to the Trustee to terminate the period by the person who gave the Blockage Notice;

(2) the discharge or repayment in full in cash of the Designated Senior Indebtedness;

(3) the date on which the default giving rise to the Blockage Notice is no longer continuing; or

(4) the date on which 179 days have passed following the delivery of the Blockage Notice.

Unless the maturity of the Designated Senior Indebtedness has been accelerated, Rent-A-Center will be permitted to resume payments on the notes after the end of the Payment Blockage Period. Only one

Blockage Notice may be given in a 360-day period, regardless of the number of defaults on the Designated Senior Indebtedness during that period. However, if a Blockage Notice is given by a holder of Designated Senior Indebtedness other than Bank Indebtedness during the 360-day period, a representative of Bank Indebtedness may give another Blockage Notice during the 360-day period. In no event, however, may the total number of days during which any Payment Blockage Period or Periods is in effect exceed 179 days during any 360 consecutive day period.

The holders of Senior Indebtedness are entitled to receive payment in full in cash before the noteholders are entitled to receive any payment upon:

(1) any payment or distribution of the assets of Rent-A-Center upon a total or partial liquidation, dissolution, reorganization or similar proceeding relating to Rent-A-Center; or

(2) a bankruptcy, insolvency, receivership or similar proceeding relating to Rent-A-Center.

Until the Senior Indebtedness is paid in full in cash, any payment or distribution to which the noteholders would be entitled, but for the subordination provisions of the indenture, will be made to the holders of the Senior Indebtedness. If a distribution is made to the noteholders that should not have been made to them as a result of these subordination provisions, the noteholders are required to hold such a distribution in trust for the holders of the Senior Indebtedness and pay it over to them.

If payment of the notes is accelerated because of an Event of Default, Rent-A-Center or the Trustee is required to promptly notify the holders of the Designated Senior Indebtedness. Rent-A-Center is not permitted to pay the notes until five Business Days after such holders or the Representative of the Designated Senior Indebtedness receive notice of such acceleration. At that time, Rent-A-Center may pay the notes only if the subordination provisions of the indenture otherwise permit payment at that time.

As a result of the subordination provisions in the indenture, creditors of Rent-A-Center who are holders of Senior Indebtedness may recover more, ratably, than the noteholders in the event of insolvency.

NOTE GUARANTEES

Each Guarantor will unconditionally guarantee, jointly and severally, on an unsecured, senior subordinated basis, the full and prompt payment of principal of, premium and interest on the notes, and of all other obligations under the indenture.

Ranking. The indebtedness evidenced by each Note Guarantee, including the payment of principal of, premium and interest on the notes and other obligations with respect to the notes, will be subordinated to all Guarantor Senior Indebtedness of such Guarantor on the same basis as the notes are subordinated to Senior Indebtedness of Rent-A-Center. Each Note Guarantee will in all respects rank pari passu with all other Senior Subordinated Indebtedness of such Guarantor.

A Guarantor may not incur any Indebtedness if such Indebtedness is subordinate or junior in right of payment to any Guarantor Senior Indebtedness of such Guarantor unless such Indebtedness is Guarantor Senior Subordinated Indebtedness of such Guarantor or is expressly subordinated in right of payment to Guarantor Senior Subordinated Indebtedness of such Guarantor. As of December 31, 2002, there was no Guarantor Senior Indebtedness of Guarantors other than the Guarantees of the Senior Credit Facility.

Although the indenture contains limitations on the amount of additional Indebtedness that Rent-A-Center's Restricted Subsidiaries may incur, under certain circumstances the amount of such Indebtedness could be substantial and, in any case, such Indebtedness may be Guarantor Senior Indebtedness. See "-- Certain Covenants -- Limitation on Indebtedness" and "-- Ranking."

Limitation on Note Guarantee. The obligation of each Guarantor under its Note Guarantee is limited to the maximum amount as will not constitute a fraudulent conveyance or fraudulent transfer under federal or state law, after giving effect to:

(1) all other contingent and fixed liabilities of the Guarantor, including any Guarantees under the Senior Credit Facility; and

(2) any collections from or payments made by or on behalf of any other Guarantor with respect to other Guarantor's obligations under its Note Guarantee pursuant to its contribution obligations under the indenture.

Consolidation and Merger. Each Guarantor is permitted to consolidate or merge into or sell its assets to Rent-A-Center or another Wholly Owned Subsidiary of Rent-A-Center that is a Guarantor without limitation. Each Guarantor is permitted to consolidate with or merge into or sell all or substantially all of its assets to a corporation, partnership, trust, limited partnership, limited liability company or other similar entity other than Rent-A-Center or another Wholly Owned Subsidiary of Rent-A-Center that is a Guarantor if:

(1) the provisions under the indenture, including the covenant described under "-- Certain Covenants -- Limitations on Sales of Assets," are complied with; and

(2) such Guarantor is released from all of its obligations under the indenture and its Note Guarantee. However, termination of the Note Guarantee will only occur to the extent that the Guarantor's obligations under the Senior Credit Facility and all of its Guarantees of any other Indebtedness of Rent-A-Center also terminate.

CHANGE OF CONTROL

Upon the occurrence of a Change of Control (as defined below), each holder will have the right to require Rent-A-Center to repurchase all or any part of such holder's notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of repurchase. Rent-A-Center will not be obligated to purchase the notes, however, if it has exercised its right to redeem all of the notes as described under "-- Optional Redemption." A "Change of Control" means:

(1) any event occurs the result of which is that any "Person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act, other than one or more Permitted Holders, becomes the beneficial owner, as defined in Rules 13d-3 and 13d-5 under the Exchange Act (except that a Person shall be deemed to have "beneficial ownership" of all shares that any such Person has the right to acquire within one year) directly or indirectly, of more than 50% of the Voting Stock of Rent-A-Center or a Successor Company, as defined below, including, without limitation, through a merger or consolidation or purchase of Voting Stock of Rent-A-Center; provided, that the Permitted Holders do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors; provided, further that the transfer of 100% of the Voting Stock of Rent-A-Center to a Person that has an ownership structure identical to that of Rent-A-Center prior to such transfer, such that Rent-A-Center becomes a Wholly Owned Subsidiary of such Person, shall not be treated as a Change of Control for purposes of the indenture;

(2) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors, together with any new directors whose election by such Board of Directors or whose nomination for election by the stockholders of Rent-A-Center was approved by a vote of a majority of the directors of Rent-A-Center then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority of the Board of Directors then in office;

(3) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions other than a merger or consolidation, of all or substantially all of the assets of Rent-A-Center and its Restricted Subsidiaries taken as a whole to any Person or group of related Persons other than a Permitted Holder; or

(4) the adoption of a plan relating to the liquidation or dissolution of Rent-A-Center.

Unless Rent-A-Center has exercised its right to redeem all the notes as described under "-- Optional Redemption," Rent-A-Center is required, within 30 days following any Change of Control, or at

Rent-A-Center's option, prior to such Change of Control but after the public announcement thereof, to mail a notice to each holder with a copy to the Trustee stating:

(1) that a Change of Control has occurred or will occur and that such holder has, or upon such occurrence will have, the right to require Rent-A-Center to purchase such holder's notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of purchase, subject to the right of noteholders of record on a record date to receive interest on the relevant interest payment date;

(2) the circumstances and relevant facts and financial information regarding such Change of Control;

(3) the date of purchase, which will be no earlier than 30 days nor later than 90 days from the date such notice is mailed;

(4) the instructions determined by Rent-A-Center, consistent with this covenant, that a holder must follow in order to have its notes purchased; and

(5) that, if such offer is made prior to such Change of Control, payment is conditioned on the occurrence of such Change of Control.

Rent-A-Center will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, Rent-A-Center will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant as a result of such compliance.

The Change of Control purchase feature is a result of negotiations between Rent-A-Center and the initial purchasers. Rent-A-Center has no present plans to engage in a transaction involving a Change of Control, although it is possible that Rent-A-Center would decide to do so in the future. Subject to the limitations discussed below, Rent-A-Center could, in the future, enter into certain transactions, including acquisitions, refinancings or recapitalizations, that would not constitute a Change of Control under the indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect Rent-A-Center's capital structure or credit ratings.

Prior to complying with any of the provisions of this "Change of Control" covenant, but in any event within 90 days following a Change of Control, Rent-A-Center will either repay all outstanding Senior Indebtedness or obtain the requisite consents, if any, under all agreements governing outstanding Senior Indebtedness to permit the repurchase of notes required by this covenant. The occurrence of a Change of Control would constitute a default under the Senior Credit Agreement. Future Senior Indebtedness of Rent-A-Center may contain prohibitions of certain events which would constitute a Change of Control or require such Senior Indebtedness to be repurchased upon a Change of Control. Moreover, the exercise by the holders of their right to require Rent-A-Center to repurchase the notes could cause a default under such Senior Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on Rent-A-Center. Finally, Rent-A-Center's ability to pay cash to the holders upon a repurchase may be limited by Rent-A-Center's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases. See "Risk Factors -- A change of control could accelerate our obligation to pay our outstanding indebtedness, and we may not have sufficient liquid assets to repay these amounts."

The Change of Control provisions described above may deter certain mergers, tender offers and other takeover attempts involving Rent-A-Center by increasing the capital required to effectuate such transactions. The definition of "Change of Control" includes a disposition of all or substantially all of the property and assets of Rent-A-Center and its Subsidiaries. With respect to the disposition of property or assets, the phrase "all or substantially all" as used in the indenture varies according to the facts and circumstances of the subject transaction, has no clearly established meaning under New York law and is

subject to judicial interpretation. Accordingly, in certain circumstances there may be a degree of uncertainty in ascertaining whether a particular transaction would involve a disposition of "all or substantially all" of the property or assets of a Person, and therefore it may be unclear as to whether a Change of Control has occurred and whether Rent-A-Center is required to make an offer to repurchase the notes as described above.

CERTAIN COVENANTS

The indenture contains covenants, including, among others, the following:

LIMITATION ON INDEBTEDNESS

Rent-A-Center shall not, and shall not permit any Restricted Subsidiary to, incur any Indebtedness; provided, however, that Rent-A-Center and any Restricted Subsidiary of Rent-A-Center that is a Guarantor may incur Indebtedness if, on the date of the incurrence of such Indebtedness, the Consolidated Coverage Ratio would be greater than 2.0 to 1.0.

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness (collectively, "Permitted Debt"):

(1) the incurrence by Rent-A-Center and any Guarantor of Indebtedness and letters of credit under one or more Senior Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of Rent-A-Center and its Subsidiaries thereunder) not to exceed $700 million;

(2) the guarantee by Rent-A-Center or any Guarantor of Indebtedness of Rent-A-Center or a Restricted Subsidiary of Rent-A-Center that was permitted to be incurred by another provision of this covenant;

(3) the incurrence by Rent-A-Center or any of its Restricted Subsidiaries of intercompany Indebtedness between or among Rent-A-Center and any of its Restricted Subsidiaries; provided, however, that:

(a) if Rent-A-Center or any Guarantor is the obligor on such Indebtedness, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all Obligations with respect to the notes, in the case of Rent-A-Center, or the Note Guarantee, in the case of a Guarantor; and

(b) (i) any subsequent issuance or transfer of Capital Stock that results in any such Indebtedness being held by a Person other than Rent-A-Center or a Restricted Subsidiary of Rent-A-Center and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either Rent-A-Center or a Restricted Subsidiary of Rent-A-Center, will be deemed, in each case, to constitute an incurrence of such Indebtedness by Rent-A-Center or such Restricted Subsidiary, as the case may be, that was not permitted by this clause;

(4) the incurrence by Rent-A-Center and the Guarantors of Indebtedness represented by the notes and the related Note Guarantees to be issued on the date of the indenture and the Exchange Notes and the related Note Guarantees to be issued pursuant to the registration rights agreement;

(5) the incurrence by Rent-A-Center and its Restricted Subsidiaries of Indebtedness existing on the date of the indenture;

(6) the incurrence by Rent-A-Center or any of its Restricted Subsidiaries of Refinancing Indebtedness in exchange for, or the net proceeds of which are used to refund, refinance or replace Indebtedness (other than intercompany Indebtedness) that was permitted by the indenture to be incurred under the first paragraph of this covenant or clauses (2), (4), (5), (6), (7), (11) or (12) of this paragraph;

(7) the incurrence by Rent-A-Center or any Restricted Subsidiary of Indebtedness represented by Capitalized Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of Rent-A-Center or such Restricted Subsidiary, in an aggregate principal amount, including all Refinancing Indebtedness incurred to refund, refinance or replace any Indebtedness incurred pursuant to this clause (7), not to exceed 2.5% of Consolidated Tangible Assets at any time outstanding;

(8) the incurrence by Rent-A-Center or any Restricted Subsidiary of Hedging Obligations that are incurred in the ordinary course of business and not for speculative purposes;

(9) the incurrence by Rent-A-Center or any Restricted Subsidiary of Indebtedness evidenced by letters of credit issued in the ordinary course of business of Rent-A-Center to secure workers' compensation and other insurance coverage;

(10) the incurrence by the Foreign Subsidiaries of Indebtedness for working capital purposes if, at the time of incurrence of such Indebtedness, and after giving effect thereto, the aggregate principal amount of all Indebtedness of the Foreign Subsidiaries incurred pursuant to this clause (10) and then outstanding does not exceed the amount equal to the sum of (x) 50% of the consolidated book value of the rental inventories of the Foreign Subsidiaries and (y) 75% of the consolidated book value of the accounts receivable of the Foreign Subsidiaries;

(11) the incurrence by Rent-A-Center or any Restricted Subsidiary of Guarantees for Indebtedness of franchisees not to exceed $100 million outstanding at any one time; and

(12) the incurrence by Rent-A-Center or any Restricted Subsidiary of Indebtedness, which may include Bank Indebtedness, in an aggregate principal amount not to exceed $50 million outstanding at any one time.

For purposes of determining compliance with this "Limitation on Indebtedness" covenant, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (12) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, Rent-A-Center will be permitted to classify such item of Indebtedness on the date of its incurrence, or later reclassify, all or a portion of such item of Indebtedness, in any manner that complies with this covenant. Indebtedness under Senior Credit Facilities outstanding on the date on which notes are first issued and authenticated under the indenture will initially be deemed to have been incurred on such date in reliance on the exception provided by clause (1) of the definition of Permitted Debt. In addition, for purposes of determining compliance with this "Limitation on Indebtedness" covenant, the accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms will not be deemed to be an incurrence of Indebtedness for purposes of this covenant; provided, that the amount thereof is included in Consolidated Interest Expense of Rent-A-Center as accrued.

Rent-A-Center will not permit any Unrestricted Subsidiary to incur any Indebtedness other than Non-Recourse Debt. However, if any such Indebtedness ceases to be Non-Recourse Debt, then such event shall constitute an incurrence of Indebtedness by Rent-A-Center or a Restricted Subsidiary.

LIMITATION ON LAYERING

Rent-A-Center will not incur any Indebtedness that is expressly subordinate in right of payment to any Senior Indebtedness, unless such Indebtedness is Senior Subordinated Indebtedness or is subordinated in right of payment to Senior Subordinated Indebtedness by contract.

In addition, no Guarantor will incur any Indebtedness that is expressly subordinate in right of payment to any Guarantor Senior Indebtedness, unless such Indebtedness is Guarantor Senior Subordinated Indebtedness of such Guarantor, or is subordinated in right of payment to Guarantor Senior Subordinated Indebtedness by contract.

Unsecured Indebtedness is not considered subordinate to Secured Indebtedness merely because it is unsecured, and Indebtedness that is not guaranteed by a particular person is not deemed to be subordinate to Indebtedness that is so guaranteed, merely because it is not guaranteed.

LIMITATION ON RESTRICTED PAYMENTS

(A) Rent-A-Center and its Restricted Subsidiaries are not permitted to take the following actions:

(1) declare or pay any dividend or make any other payment or distribution on account of Rent-A-Center's or any of its Restricted Subsidiaries' Capital Stock (including, without limitation, any payment in connection with any merger or consolidation involving Rent-A-Center or any of its Restricted Subsidiaries) or to the direct or indirect holders of Rent-A-Center's or any of its Restricted Subsidiaries' Capital Stock in their capacity as such (other than dividends or distributions payable in Capital Stock (other than Disqualified Stock) of Rent-A-Center or to Rent-A-Center or a Restricted Subsidiary of Rent-A-Center);

(2) purchase, redeem, retire or otherwise acquire for value any Capital Stock of Rent-A-Center or any Restricted Subsidiary held by Persons other than Rent-A-Center or another Restricted Subsidiary;

(3) purchase, repurchase, redeem, defease or otherwise acquire or retire for value any Subordinated Obligation before scheduled maturity, scheduled repayment or scheduled sinking fund payment, provided, that this restriction does not apply to a purchase, repurchase, redemption or other acquisition made in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of acquisition; or

(4) make any Restricted Investment (all such payments and other actions set forth in these clauses (1) through (4) above being collectively referred to as "Restricted Payments"),

if at the time Rent-A-Center or its Restricted Subsidiary makes a Restricted Payment:

(1) a Default occurs and continues to occur or would result therefrom;

(2) Rent-A-Center could not incur at least $1.00 of additional Indebtedness under the first paragraph of the covenant described in "-- Limitation of Indebtedness;" or

(3) the aggregate amount of such Restricted Payment and all other Restricted Payments declared or made after the date of the indenture would exceed the sum of:

(a) 50% of the Consolidated Net Income accrued during the period, treated as one accounting period, from the beginning of the most recent fiscal quarter ended before the date of the indenture to the end of the most recent fiscal quarter ending before the date of such Restricted Payment for which consolidated financial statements of Rent-A-Center are available, or, if such Consolidated Net Income is a deficit, then minus 100% of such deficit;

(b) 100% of the aggregate net cash proceeds received by Rent-A-Center since the date of the indenture as a contribution to its common equity capital or from the issue or sale of Capital Stock of Rent-A-Center (other than Disqualified Stock) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of Rent-A-Center that have been converted into or exchanged for such Capital Stock (other than Capital Stock (or Disqualified Stock or debt securities) sold to a Restricted Subsidiary of Rent-A-Center); and

(c) in the case of the disposition or repayment of any Investment constituting a Restricted Investment, without duplication of any amount deducted in calculating the amount of Investments at any time outstanding included in the amount of Restricted Payments, an amount equal to the lesser of the return of capital of similar repayment with respect to such Investment, or the initial amount of such Investment, in either case, less the cost of the disposition of such Investment.

(B) The provisions of paragraph (A) above will not prohibit the following actions:

(1) any purchase, redemption, repurchase, defeasance, retirement or other acquisition of Capital Stock of Rent-A-Center or Subordinated Obligations made by exchange, including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares, for, or out of the proceeds of the substantially concurrent sale of, Capital Stock of Rent-A-Center, other than Disqualified Stock and other than Capital Stock issued or sold to a Subsidiary or an employee stock ownership plan or other trust established by Rent-A-Center or any of its Subsidiaries, provided, that:

(a) such purchase, redemption, repurchase, defeasance, retirement or other acquisition will be excluded in subsequent calculations of the amount of Restricted Payments; and

(b) the Net Cash Proceeds or reduction of Indebtedness from such sale will be excluded in subsequent calculations of the amount of Restricted Payments;

(2) any purchase, redemption, repurchase, defeasance, retirement or other acquisition of Subordinated Obligations made by exchange for, or out of the proceeds of the substantially concurrent sale of, Subordinated Obligations of Rent-A-Center that is permitted to be incurred by the covenant described under "-- Limitation on Indebtedness." However, such purchase, redemption, repurchase, defeasance, retirement or other acquisition shall be excluded in subsequent calculations of the amount of Restricted Payments;

(3) any purchase, redemption, repurchase, defeasance, retirement or other acquisition of Subordinated Obligations from Net Available Cash to the extent permitted by the covenant described under "-- Limitation on Sales of Assets." However, such purchase, redemption, repurchase, defeasance, retirement or other acquisition shall be excluded in subsequent calculations of the amount of Restricted Payments;

(4) payment of dividends within 60 days after the date of declaration of such dividends, if at the date of declaration such dividend would have complied with paragraph (A) above. However, such dividend shall be included in subsequent calculations of the amount of Restricted Payments;

(5) any purchase or redemption of any shares of Capital Stock of Rent-A-Center from employees of Rent-A-Center and its Restricted Subsidiaries pursuant to the repurchase provisions under employee stock option or stock purchase agreements or other agreements to compensate management in an aggregate amount after the date of the indenture not in excess of $5 million in any fiscal year, plus any unused amounts under this clause from prior fiscal years. However, such purchases or redemptions will be excluded in subsequent calculations of the amount of Restricted Payments;

(6) Restricted Payments in an aggregate amount not to exceed $50 million per annum (with any unutilized amounts carried forward to the next fiscal year, but no further); provided, that, after giving pro forma effect thereto, Rent-A-Center would have had a Leverage Ratio of less than 2.0 to 1.0. However, such Restricted Payments will be excluded in subsequent calculations of the amount of Restricted Payments;

(7) any purchase or redemption of any shares of Capital Stock of Rent-A-Center or any payment of dividends on any Capital Stock of Rent-A-Center in an aggregate amount not in excess of $210 million since the date of the indenture. However, such purchases or redemptions will be excluded in subsequent calculations of the amount of Restricted Payments; and

(8) Restricted Payments not to exceed $50 million in the aggregate since the date of the indenture. However, such Restricted Payments will be excluded in subsequent calculations of the amount of Restricted Payments.

DESIGNATION OF UNRESTRICTED SUBSIDIARIES

The Board of Directors of Rent-A-Center may designate any Restricted Subsidiary as an Unrestricted Subsidiary if such designation would not cause a default. For purposes of making such determination, all outstanding Investments by Rent-A-Center and its Restricted Subsidiaries, except to the extent repaid in cash, in the Subsidiary so designated will be deemed Restricted Payments at the time of such designation, and will reduce the amount available for Restricted Payments under clause three of paragraph (A) of the covenant described in "-- Limitation on Restricted Payments."

All such outstanding Investments will be deemed to constitute Investments in an amount equal to the greater of the fair market value or the book value of such Subsidiary at the time of such designation. Such designation will be permitted only if such Restricted Payment would be permitted at such time, and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

LIMITATION ON RESTRICTIONS ON DISTRIBUTIONS FROM RESTRICTED SUBSIDIARIES

Neither Rent-A-Center nor any Restricted Subsidiary will create or otherwise cause or permit to exist any consensual restriction on the ability of any Restricted Subsidiary to take the following actions:

(1) pay dividends or make any other distributions on its Capital Stock or pay any Indebtedness or other obligations owed to Rent-A-Center;

(2) make any loans or advances to Rent-A-Center; or

(3) transfer any of its property or assets to Rent-A-Center.

However, this prohibition does not apply to:

(1) any restriction pursuant to an agreement in effect or entered into on the date of the indenture, including, without limitation, the Senior Credit Facility;

(2) any restriction with respect to a Restricted Subsidiary that is either:

(a) pursuant to an agreement relating to any Indebtedness incurred by a Restricted Subsidiary before the date on which such Restricted Subsidiary was acquired by Rent-A-Center, or of another Person that is assumed by Rent-A-Center or a Restricted Subsidiary in connection with the acquisition of assets from, or merger or consolidation with, such Person and is outstanding on the date of such acquisition, merger or consolidation. However, this does not include Indebtedness incurred either as consideration in, or for the provision of any portion of the funds or credit support used to consummate, the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Restricted Subsidiary or was acquired by Rent-A-Center, or such acquisition of assets, merger or consolidation; or

(b) pursuant to any agreement, not relating to any Indebtedness, existing when a Person becomes a Subsidiary of Rent-A-Center or when such agreement is acquired by Rent-A-Center or any Subsidiary thereof, that is not created in contemplation of such Person becoming such a Subsidiary or such acquisition. For purposes of this clause, if another Person is the Successor Company, any Subsidiary or agreement thereof shall be deemed acquired or assumed by Rent-A-Center when such Person becomes the Successor Company.

(3) any restriction with respect to a Restricted Subsidiary pursuant to an agreement (a "Refinancing Agreement") effecting a refinancing of Indebtedness incurred pursuant to, or that otherwise extends, renews, refinances or replaces, an agreement referred to in this covenant (an "Initial Agreement") or contained in any amendment to an Initial Agreement. However, the restrictions contained in any such Refinancing Agreement or amendment cannot be less favorable to the holders of the notes taken as a whole than restrictions contained in the Initial Agreement or Agreements to which such Refinancing Agreement or amendment relates;

(4) any restriction that is a customary restriction on subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, or the assignment or transfer of any lease, license or other contract;

(5) any restriction by virtue of a transfer, agreement to transfer, option, right, or Lien with respect to any property or assets of Rent-A-Center or any Restricted Subsidiary not otherwise prohibited by the indenture;

(6) any restriction contained in mortgages, pledges or other agreements securing Indebtedness of a Restricted Subsidiary to the extent such encumbrance or restrictions restrict the transfer of the property subject to such mortgages, pledges or other security agreements;

(7) any restriction pursuant to customary restrictions on dispositions of real property interests set forth in any reciprocal easement agreements of Rent-A-Center or any Restricted Subsidiary;

(8) any restriction with respect to a Restricted Subsidiary, or any of its property or assets, imposed pursuant to an agreement for the sale or disposition of all or substantially all of the Capital Stock or assets of such Restricted Subsidiary, or the property or assets that are subject to such restriction, pending the closing of such sale or disposition; or

(9) any restriction on the transfer of property or assets required by any regulatory authority having jurisdiction over Rent-A-Center or any Restricted Subsidiary or any of their businesses.

LIMITATION ON SALES OF ASSETS

Neither Rent-A-Center nor any Restricted Subsidiary will make any Asset Disposition unless:

(1) Rent-A-Center or such Restricted Subsidiary receives consideration, including relief from, or the assumption of another Person for, any liabilities, contingent or otherwise, at the time of such Asset Disposition at least equal to the fair market value of the shares and assets subject to such Asset Disposition. The Board of Directors shall determine the fair market value, and their determination shall be conclusive, including as to the value of all non-cash consideration;

(2) at least 75% of the consideration for any Asset Disposition received by Rent-A-Center or such Restricted Subsidiary is in the form of cash. For the purposes of this covenant, the following are deemed to be cash:

(a) Cash Equivalents;

(b) the assumption of Indebtedness of Rent-A-Center, other than Disqualified Stock of Rent-A-Center, or any Restricted Subsidiary and the release of Rent-A-Center or such Restricted Subsidiary from all liability on such Indebtedness in connection with such Asset Disposition;

(c) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Disposition, to the extent that Rent-A-Center and each other Restricted Subsidiary is released from any Guarantee, or is the beneficiary of any indemnity with respect to such Indebtedness which is secured by any letter of credit or cash equivalents, of such Indebtedness in connection with such Asset Disposition;

(d) securities received by Rent-A-Center or any Restricted Subsidiary from the transferee that are promptly converted by Rent-A-Center or such Restricted Subsidiary into cash; and

(e) consideration consisting of Indebtedness of Rent-A-Center or any Restricted Subsidiary;

(3) Rent-A-Center or such Restricted Subsidiary applies an amount equal to 100% of the Net Available Cash from such Asset Disposition in the following manner:

(a) first, to the extent Rent-A-Center elects, or is required by the terms of any Senior Indebtedness or Indebtedness, other than Preferred Stock, to prepay, repay or purchase Senior

Indebtedness or such Indebtedness, in each case other than the Indebtedness owed to Rent-A-Center or a Restricted Subsidiary, within 365 days after the date of such Asset Disposition;

(b) second, to the extent of the balance of Net Available Cash, to the extent Rent-A-Center or such Restricted Subsidiary elects, to reinvest in Additional Assets, including by means of an Investment in Additional Assets by a Restricted Subsidiary with Net Available Cash received by Rent-A-Center or another Restricted Subsidiary, within 365 days from the date of such Asset Disposition or, if such reinvestment in Additional Assets is a project authorized by the Board of Directors that will take longer than 365 days to complete, the period of time necessary to complete such project;

(c) third, to the extent of the balance of such Net Available Cash remaining (the "Excess Proceeds"), to make an offer to purchase notes at a price in cash equal to 100% of the principal amount thereof, plus accrued and unpaid interest to the purchase date, and, to the extent required by the terms thereof, any other Senior Subordinated Indebtedness subject to the agreements governing such other Indebtedness at a purchase price of 100% of the principal amount thereof plus accrued and unpaid interest to the purchase date; and

(d) fourth, to the extent of the balance of such Excess Proceeds, to fund any general corporate purpose, including the repayment of Subordinated Obligations.

However, in connection with any prepayments, repayment or purchase of Indebtedness pursuant to the first and third clauses above, Rent-A-Center or such Restricted Subsidiary will retire such Indebtedness and will cause the related loan commitment, if any, to be permanently reduced in an amount equal to the principal amount so prepaid, repaid or purchased.

Pending the final application of any Net Available Cash, Rent-A-Center may temporarily reduce revolving credit borrowings or otherwise invest the Net Available Cash in any manner that is not prohibited by the indenture.

The provisions of this covenant do not require Rent-A-Center and the Restricted Subsidiaries to apply any Net Available Cash in accordance with this covenant, except to the extent that the aggregate Net Available Cash from all Asset Dispositions that is not applied in accordance with this covenant exceeds $25 million.

To the extent that the aggregate principal amount of the notes and other Senior Subordinated Indebtedness tendered pursuant to an offer to purchase made in accordance with the third clause above exceeds the amount of Excess Proceeds, the Trustee will select the notes and Senior Subordinated Indebtedness to be purchased on a pro rata basis, based on the aggregate principal amount thereof surrendered in such offer to purchase. When such offer to purchase is complete, the amount of Excess Proceeds shall be reset to zero.

Rent-A-Center will comply with any applicable requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, Rent-A-Center will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant as a result of such compliance.

The agreements governing Rent-A-Center and its Restricted Subsidiaries' outstanding Senior Indebtedness currently restrict Rent-A-Center from purchasing any notes, and also provides that certain Change of Control or Asset Disposition events with respect to Rent-A-Center would constitute a default under these agreements. Any future credit agreements or other agreements relating to Senior Indebtedness to which Rent-A-Center becomes a party may contain similar restrictions and provisions. In the event a Change of Control or Asset Disposition occurs at a time when Rent-A-Center is prohibited from purchasing notes, Rent-A-Center could seek the consent of its senior lenders to the purchase of notes or could attempt to refinance the borrowings that contain such prohibition. If Rent-A-Center does not obtain

such a consent or repay such borrowings, Rent-A-Center will remain prohibited from purchasing notes. In such case, Rent-A-Center's failure to purchase tendered notes would constitute an Event of Default under the indenture which would, in turn, constitute a default under such Senior Indebtedness. In such circumstances, the subordination provisions in the indenture would likely restrict payments to the holders of notes.

LIMITATION ON TRANSACTIONS WITH AFFILIATES

Neither Rent-A-Center nor any of its Restricted Subsidiaries will engage in any transaction or series of transactions, including the purchase, sale, lease or exchange of any property or the rendering of any service with any Affiliate of Rent-A-Center (an "Affiliate Transaction") on terms that:

(1) taken as a whole are less favorable to Rent-A-Center or such Restricted Subsidiary than the terms that could be obtained at the time of such transaction in arm's-length dealings with a non-affiliate; and,

(2) in the event such Affiliate Transaction involves an aggregate amount in excess of $15 million, is not in writing and has not been approved by a majority of the members of the Board of Directors having no material personal financial interest in such Affiliate Transaction. If there are no such Board members, then Rent-A-Center must obtain a Fairness Opinion. A Fairness Opinion means an opinion from an independent investment banking firm or appraiser of national prominence which indicates that the terms of such transaction are fair to Rent-A-Center or such Restricted Subsidiary from a financial point of view.

In addition, any transaction involving aggregate payments or other transfers by Rent-A-Center and its Restricted Subsidiaries in excess of $30 million will also require a Fairness Opinion.

The provisions of the paragraph above shall not prohibit the following actions:

(1) any Restricted Payment permitted by the covenant described under "-- Limitation on Restricted Payments" or any Permitted Investment;

(2) the performance of the obligations of Rent-A-Center or a Restricted Subsidiary under any employment contract, collective bargaining agreement, service agreement, employee benefit plan, related trust agreement or any other similar arrangement entered into in the ordinary course of business;

(3) payment of compensation, performance of indemnification or contribution obligations;

(4) any issuance, grant or award of stock, options or other securities, to employees, officers or directors in the ordinary course of business;

(5) any transaction between Rent-A-Center and a Restricted Subsidiary or between Restricted Subsidiaries;

(6) any other transaction arising out of agreements existing on the date of the indenture; and

(7) transactions with suppliers or other purchasers or sellers of goods or services, in each case in the ordinary course of business and on terms no less favorable to Rent-A-Center or the Restricted Subsidiary than those that could be obtained at such time in arm's-length dealings with a non-affiliate.

LIMITATION ON THE SALE OR ISSUANCE OF PREFERRED STOCK OF RESTRICTED SUBSIDIARIES

Rent-A-Center will not sell any shares of Preferred Stock of a Restricted Subsidiary, and will not permit any Restricted Subsidiary to issue or sell any shares of its Preferred Stock to any Person, other than to Rent-A-Center or a Restricted Subsidiary.

LIMITATION ON LIENS

Neither Rent-A-Center nor any Restricted Subsidiary will create or permit to exist any Lien, other than Permitted Liens, on any of its property or assets, including Capital Stock, whether owned on the date of the indenture or thereafter acquired, securing any Indebtedness that is not Senior Indebtedness (the "Initial Lien"), unless at the same time effective provision is made to secure the obligations due under the indenture and the notes equally and ratably with such obligation for so long as such obligation is secured by such Initial Lien.

Any such Lien created in favor of the notes will be automatically and unconditionally released and discharged upon:

(1) the release and discharge of the Initial Lien to which it relates; or

(2) any sale, exchange or transfer to a non-affiliate of Rent-A-Center of the property or assets secured by such Initial Lien, or of all of the Capital Stock held by Rent-A-Center or any Restricted Subsidiary, or all or substantially all of the assets of any Restricted Subsidiary creating such Lien.

REPORTING REQUIREMENTS

Whether or not required by the SEC's rules and regulations, so long as any notes are outstanding, Rent-A-Center will furnish to the holders of notes, within the time periods specified in the SEC's rules and regulations:

(1) all quarterly and annual reports that would be required to be filed with the SEC on Forms 10-Q and 10-K if Rent-A-Center were required to file such reports; and

(2) all current reports that would be required to be filed with the SEC on Form 8-K if Rent-A-Center were required to file such reports.

All such reports will be prepared in all material respects in accordance with all of the rules and regulations applicable to such reports. Each annual report on Form 10-K will include a report on Rent-A-Center's consolidated financial statements by Rent-A-Center's certified independent accountants. In addition, Rent-A-Center will file a copy of each of the reports referred to in clauses (1) and (2) above with the SEC for public availability within the time periods specified in the rules and regulations applicable to such reports (unless the SEC will not accept such a filing) and make such information available to securities analysts and prospective investors upon request.

If, at any time, Rent-A-Center is no longer subject to the periodic reporting requirements of the Exchange Act for any reason, Rent-A-Center will nevertheless continue filing the reports specified in the preceding paragraphs with the SEC within the time periods specified above unless the SEC will not accept such a filing. Rent-A-Center agrees that it will not take any action for the purpose of causing the SEC not to accept any such filings. If, notwithstanding the foregoing, the SEC will not accept Rent-A-Center's filings for any reason, Rent-A-Center will post the reports referred to in the preceding paragraph on its website within the time periods that would apply if Rent-A-Center were required to file those reports with the SEC.

In addition, Rent-A-Center and the Guarantors agree that, for so long as any notes remain outstanding, at any time they are not required to file the reports required by the preceding paragraph with the SEC, they will furnish to the holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

FUTURE GUARANTORS

If Rent-A-Center or any of its Restricted Subsidiaries acquires or creates another Domestic Subsidiary after the date of the indenture, then that newly acquired or created Domestic Subsidiary will become a Guarantor and execute a supplemental indenture and deliver an opinion of counsel satisfactory to the Trustee within 10 Business Days of the date on which it was acquired or created.

LIMITATION ON SALE/LEASEBACK TRANSACTIONS

Neither Rent-A-Center nor any Restricted Subsidiary will enter into any Sale/Leaseback Transaction for any property unless:

(1) Rent-A-Center or such Restricted Subsidiary would be entitled to incur Indebtedness in an amount equal to the Attributable Debt with respect to such Sale/Leaseback Transaction pursuant to the covenant described under "-- Limitation on Indebtedness;"

(2) the net proceeds received by Rent-A-Center or any Restricted Subsidiary in connection with such Sale/Leaseback Transaction are at least equal to the fair value, as determined by the Board of Directors, of such property; and

(3) the transfer of such property is permitted by the covenant described under "-- Limitation on Sales of Assets," and Rent-A-Center or such Restricted Subsidiary applies the proceeds of such transaction in compliance with the covenant described under "-- Limitation on Sales of Assets."

MERGER AND CONSOLIDATION

Rent-A-Center will not, in a single transaction or a series of related transactions, consolidate with or merge with or into, or convey or transfer all or substantially all its assets to, any Person, unless:

(1) the resulting, surviving or transferee Person (the "Successor Company") will be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia;

(2) the Successor Company, if not Rent-A-Center, will expressly assume, by a supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of Rent-A-Center under the notes and the indenture;

(3) immediately after giving effect to such transaction or series of transactions no Default or Event of Default exists;

(4) Rent-A-Center or the Successor Company, if Rent-A-Center is not the continuing obligor under the indenture, will, at the time of such transaction or series of transactions and after giving pro forma effect thereto as if such transaction or series of transactions had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least an additional $1.00 of Indebtedness pursuant to the first paragraph of "-- Limitation on Indebtedness;" and

(5) Rent-A-Center will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each to the effect that such consolidation, merger or transfer and such supplemental indenture, if any, comply with the indenture, provided, that:

(a) in giving such opinion such counsel may rely on such Officer's Certificate as to any matters of fact, including without limitation as to compliance with the foregoing clauses; and

(b) no Opinion of Counsel will be required for a consolidation, merger or transfer described in the last paragraph of this covenant.

In addition, Rent-A-Center may not, directly or indirectly, lease all or substantially all of its properties or assets, in one or more related transactions, to any other Person.

The Successor Company will be substituted for, and may exercise every right and power of, Rent-A-Center under the indenture. Thereafter Rent-A-Center will be relieved of all obligations and covenants under the indenture, except that, in the case of a conveyance or transfer of less than all its assets, Rent-A-Center will not be released from the obligation to pay the principal of and interest on the notes.

The provisions of this covenant do not prohibit any Restricted Subsidiary from consolidating with, merging into or transferring all or part of its properties and assets to Rent-A-Center. Additionally,

Rent-A-Center may merge with an Affiliate incorporated or organized for the purpose of reincorporating or reorganizing Rent-A-Center in another jurisdiction to realize tax or other benefits.

DEFAULTS

An Event of Default under the indenture is defined as:

(1) a default in any payment of interest on any note when due, whether or not such payment is prohibited by the provisions described under "-- Ranking" above, continued for 30 days;

(2) a default in the payment of principal of, or premium, if any, any note when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise, whether or not such payment is prohibited by the provisions described under "-- Ranking" above;

(3) the failure by Rent-A-Center to comply with its obligations under the covenant described under "-- Merger and Consolidation" above;

(4) the failure by Rent-A-Center to comply for 30 days after written notice with any of its obligations under the covenants described under "-- Change of Control" or "-- Certain Covenants" above, in each case, other than a failure to purchase notes;

(5) the failure by Rent-A-Center to comply for 60 days after notice with its other agreements contained in the notes or the indenture;

(6) the failure by Rent-A-Center or any Significant Subsidiary to pay any Indebtedness within any applicable grace period after final maturity or the acceleration of any such Indebtedness by the holders thereof because of a default if the total amount of such Indebtedness unpaid or accelerated exceeds $50 million (the "Cross Acceleration Provision");

(7) events of bankruptcy, insolvency or reorganization of Rent-A-Center or a Significant Subsidiary (the "Bankruptcy Provisions");

(8) the rendering of any judgment or decree for the payment of money in an amount, net of any insurance or indemnity payments actually received in respect thereof prior to or within 90 days from the entry thereof, or to be received in respect thereof in the event any appeal thereof shall be unsuccessful, in excess of $50 million against Rent-A-Center or a Significant Subsidiary that is not discharged, bonded or insured by a third Person if either an enforcement proceeding thereon is commenced, or such judgment or decree remains outstanding for a period of 90 days and is not discharged, waived or stayed (the "Judgment Default Provision");

(9) the failure of any Guarantee of the notes by a Guarantor to be in full force, except as contemplated by the terms thereof or of the indenture, or the denial in writing by any such Guarantor of its obligations under the indenture or any such Guarantee if such Default continues for 10 days; or

(10) the failure of Rent-A-Center East, Inc. to purchase, redeem, defease, retire or acquire all outstanding 11% notes by August 30, 2003.

The events listed above will constitute Events of Default regardless of their reasons, whether voluntary or involuntary or whether effected by operation of law or pursuant to any judgment, decree order, rule or regulation of any administrative or governmental body.

However, a Default by Rent-A-Center under the covenants described under "Change of Control" or "Certain Covenants," or a failure by Rent-A-Center to comply with agreements in the notes or the indenture will not constitute an Event of Default until the applicable Trustee or the holders of at least 25% of the aggregate principal amount of the outstanding applicable notes notify Rent-A-Center of the Default and Rent-A-Center does not cure such Default within the time specified after receipt of such notice.

If an Event of Default, other than a Default relating to certain events of bankruptcy, insolvency or reorganization of Rent-A-Center, occurs and is continuing, either the Trustee, by notice to Rent-A-Center, or the holders of at least a majority in principal amount of the outstanding notes, by notice to

Rent-A-Center and the Trustee, may declare the principal of and accrued but unpaid interest on all of such notes to be due and payable.

Upon such a declaration, such principal and interest will be due and payable immediately. If an Event of Default relating to events of bankruptcy, insolvency or reorganization of Rent-A-Center occurs and is continuing, the principal of and interest on all the notes will become immediately due and payable without any declaration or other act on the part of the Trustee or any holder. Under certain circumstances, the holders of a majority in principal amount of the outstanding notes may rescind any such acceleration with respect to the notes and its consequences.

Subject to the provisions of the indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the indenture at the request or direction of any of the holders, unless such holders have offered to the Trustee reasonable indemnity or security against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium or interest when due, no holder may pursue any remedy with respect to the indenture or the notes unless:

(1) such holder has previously given the Trustee notice that an Event of Default is continuing;

(2) holders of at least 25% in principal amount of the outstanding notes have requested the Trustee to pursue the remedy;

(3) such holders have offered the Trustee reasonable security or indemnity against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity; and

(5) the holders of a majority in principal amount of the applicable notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions, the holders of a majority in principal amount of the notes outstanding are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that:

(1) conflicts with law or the indenture;

(2) the Trustee determines is unduly prejudicial to the rights of any other holder; or

(3) would involve the Trustee in personal liability.

Before taking any action under the indenture, the Trustee will be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

The indenture provides that if a Default occurs and is continuing and is known to the Trustee, the Trustee must mail to each holder notice of the Default within 90 days after it occurs. Except in the case of a Default in the payment of principal of, premium or interest on any note, the Trustee may withhold notice if and so long as a committee of its Trust Officers in good faith determines that withholding notice is in the interests of the noteholders. In addition, Rent-A-Center is required to deliver to the Trustee, within 120 days after the end of each fiscal year, a certificate indicating whether the signers thereof know of any Default that occurred during the previous year. Rent-A-Center also is required to deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any event which would constitute certain Defaults, their status and what action Rent-A-Center is taking or proposes to take in respect thereof.

NO PERSONAL LIABILITY OF DIRECTORS, OFFICERS, EMPLOYEES AND STOCKHOLDERS

No director, officer, employee, incorporator or stockholder of Rent-A-Center or any Guarantor, as such, will have any liability for any obligations of Rent-A-Center or any Guarantor under the notes, the indenture, the Note Guarantees, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes. The waiver may not be effective to waive liabilities under the federal securities laws.

AMENDMENTS AND WAIVERS

Subject to certain exceptions, the indenture may be amended with the consent of the holders of a majority in principal amount of the notes then outstanding. Additionally, any past default on any provisions may be waived with the consent of the holders of a majority in principal amount of the notes then outstanding. However, without the consent of each holder, no amendment may, among other things:

(1) reduce the principal amount of notes whose holders must consent to an amendment;

(2) reduce the rate of or extend the time for payment of interest on any note;

(3) reduce the principal amount of or extend the Stated Maturity of any note;

(4) reduce the premium payable upon the redemption or repurchase of any note or change the time at which any note may be redeemed as described under "-- Optional Redemption" above;

(5) make any note payable in money other than that stated in the note;

(6) make any change to the subordination provisions of the indenture that adversely affects the rights of any holder;

(7) impair the right of any holder to receive payment of principal of and interest on such holder's notes on or after the due dates therefor or to sue for the enforcement of any payment on or with respect to such holder's notes; or

(8) make any change in the amendment provisions which require each holder's consent or in the waiver provisions.

Without the consent of any holder, Rent-A-Center, the Guarantors and the Trustee may amend the indenture in the following manner:

(1) to cure any ambiguity, omission, defect or inconsistency;

(2) to provide for the assumption by a successor corporation of the obligations of Rent-A-Center under the indenture;

(3) to provide for uncertificated notes in addition to or in place of certificated notes, provided, however, that the uncertificated notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated notes are described in Section 163(f)(2)(B) of the Code;

(4) to add Guarantees with respect to the notes, to secure the notes, to add to the covenants of Rent-A-Center for the benefit of the noteholders or to surrender any right or power conferred upon Rent-A-Center;

(5) to make any change that does not adversely affect the rights of any holder;

(6) to comply with any requirement of the SEC in connection with the qualification of the indenture under the TIA; or

(7) to conform the text of the indenture, the Note Guarantees or the notes to any provision of this Description of Notes to the extent that such provision in this Description of Notes was intended to be a verbatim recitation of a provision of the indenture, the Note Guarantees or the notes.

However, no amendment may be made to the subordination provisions of the indenture that adversely affects the rights of any holder of Senior Indebtedness then outstanding unless the holders of such Senior Indebtedness, or any group or representative thereof authorized to give a consent, consent to such change.

The consent of the noteholders is not necessary under the indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. After an amendment under the indenture becomes effective, Rent-A-Center is required to mail to the applicable noteholders a notice briefly describing such amendment. However, the failure to give such notice to all such noteholders, or any defect in such notice, will not impair or affect the validity of the amendment.

DEFEASANCE

Rent-A-Center at any time may terminate all its obligations under the notes and the indenture ("legal defeasance"), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the notes, to replace mutilated, destroyed, lost or stolen notes and to maintain a registrar and paying agent in respect of the notes. Rent-A-Center at any time may terminate its obligations under the covenants described under "-- Certain Covenants," the operation of the Cross Acceleration Provision, the Bankruptcy Provisions with respect to Subsidiaries and the Judgment Default Provision described under "-- Defaults" above and the limitations contained in the third and fourth clauses under "-- Merger and Consolidation" above ("covenant defeasance").

Rent-A-Center may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If Rent-A-Center exercises its legal defeasance option, payment of the notes may not be accelerated because of an Event of Default. If Rent-A-Center exercises its covenant defeasance option, payment of the notes may not be accelerated because of an Event of Default specified in clauses four, six, seven, but only with respect to certain bankruptcy events of a Significant Subsidiary, eight or nine under "-- Defaults" above or because of the failure of Rent-A-Center to comply with clause three or four under "-- Merger and Consolidation" above.

Either defeasance option may be exercised before any redemption date or the maturity date for the notes. In order to exercise either defeasance option, Rent-A-Center must irrevocably deposit in trust (the "defeasance trust") with the Trustee money or U.S. Government Obligations, or a combination thereof, for the payment of principal of, and premium and interest on, the applicable notes to redemption or maturity, as the case may be. Additionally, Rent-A-Center must comply with other conditions, including delivery to the Trustee of an Opinion of Counsel to the effect that holders of the notes will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and defeasance and will be subject to federal income tax in the same amount and in the same manner and times as would have been the case if such deposit and defeasance had not occurred. In the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the Internal Revenue Service or other change in applicable federal income tax law since the date of the indenture.

CONCERNING THE TRUSTEE

The Bank of New York will serve as the Trustee for the notes. The Trustee has been appointed by Rent-A-Center as Registrar and Paying Agent with regard to the notes.

GOVERNING LAW

Both the indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York. Principles of conflicts of law will not apply to the extent that such principles would require the application of the law of another jurisdiction.

CERTAIN BOOK-ENTRY PROCEDURES FOR THE GLOBAL NOTES

Except as set forth below, the exchange notes will be represented by one permanent global registered note in global form, without interest coupons (the "global note"). The global note will be deposited with, or on behalf of, The Depository Trust Company ("DTC") and registered in the name of Cede & Co., as nominee of DTC, or will remain in the custody of the Trustee pursuant to the FAST Balance Certificate Agreement between DTC and the Trustee.

The descriptions of the operations and procedures of DTC, Euroclear Bank S.A/N.V and Clearstream Bank, societe anonyme set forth below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. We take no responsibility for these operations or procedures, and investors are urged to contact the relevant system or its participants directly to discuss these matters.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York;

- a "banking organization" within the meaning of the New York Banking Law;

- a member of the Federal Reserve System;

- a "clearing corporation" within the meaning of the Uniform Commercial Code, as amended; and

- a "clearing agency" registered pursuant to Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and facilitates the clearance and settlement of securities transactions between DTC participants through electronic book-entry changes to the accounts of its participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC participants include securities brokers and dealers, banks and trust companies, clearing corporations and certain other organizations. Indirect access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies, called indirect participants, that clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Investors who are not DTC participants may beneficially own securities held by or on behalf of DTC only through participants or indirect participants.

We expect that under procedures established by DTC:

- upon deposit of the global note, DTC will credit the accounts of DTC participants designated by the trustee with an interest in the global note; and

- ownership of the notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC, with respect to the interests of DTC participants, and the records of DTC participants and the indirect participants, with respect to the interests of persons other than DTC participants.

The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. Accordingly, the ability to transfer interests in the notes represented by a global note to such persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through DTC participants, the ability of a person having an interest in notes represented by a global note to pledge or transfer such interest to persons or entities that do not participate in DTC's system, or to otherwise take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a global note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the notes represented by the global note for all purposes under the indenture. Except as provided below, owners of beneficial interests in a global note will not be entitled to have notes represented by such global note registered in their names, will not receive or be entitled to receive physical delivery of certificated notes, and will not be considered the owners or holders thereof under the indenture for any purpose, including with respect to the giving of any direction,

instruction or approval to the Trustee thereunder. Accordingly, each holder owning a beneficial interest in a global note must rely on the procedures of DTC and, if such holder is not a DTC participant or an indirect participant, on the procedures of the DTC participant through which such holder owns its interest, to exercise any rights of a holder of notes under the indenture or such global note. We understand that under existing industry practice, in the event that we request any action of holders of notes, or a holder that is an owner of a beneficial interest in a global note desires to take any action that DTC, as the holder of such global note, is entitled to take, DTC would authorize the DTC participants to take such action and the DTC participants would authorize holders owning through such DTC participants to take such action or would otherwise act upon the instruction of such holders. Neither we nor the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of notes by DTC, or for maintaining, supervising or reviewing any records of DTC relating to such notes.

Payments with respect to the principal of, and premium, if any, and interest on, any notes represented by a global note registered in the name of DTC or its nominee on the applicable record date will be payable by the Trustee to or at the direction of DTC or its nominee in its capacity as the registered holder of the global note representing such notes under the indenture. Under the terms of the indenture, we and the Trustee may treat the persons in whose names the notes, including the global notes, are registered as the owners thereof for the purpose of receiving payment thereon and for any and all other purposes whatsoever. Accordingly, neither we nor the Trustee has or will have any responsibility or liability for the payment of such amounts to owners of beneficial interests in a global note (including principal, premium, if any, and interest). Payments by the DTC participants and the indirect participants to the owners of beneficial interests in a global note will be governed by standing instructions and customary industry practice and will be the responsibility of the DTC participants or the indirect participants and DTC.

Transfers between DTC participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds. Transfers between participants in Euroclear or Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the notes, cross-market transfers between the DTC participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary. However, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counter party in such system in accordance with the rules and procedures and within the established deadlines, Brussels time, of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant global notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositaries for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a global note from a DTC participant will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day, which must be a business day for Euroclear and Clearstream, immediately following the settlement date of DTC. Cash received in Euroclear or Clearstream as a result of sales of interest in a global security by or through a Euroclear or Clearstream participant to a DTC participant will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the global notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Neither we nor the Trustee will have any responsibility for the performance by

DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

CERTIFICATED NOTES

Notes in physical, certificated form will be issued and delivered to each person that DTC identifies as a beneficial owner of the related notes only if:

- DTC notifies Rent-A-Center at any time that it is unwilling or unable to continue as depository for the global notes and a successor depository is not appointed within 90 days;

- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depository is not appointed within 90 days;

- Rent-A-Center, at its option, notifies the Trustee that it elects to cause the issuance of certificated notes; or

- certain other events provided in the indenture should occur.

CERTAIN DEFINITIONS

"Additional Assets" means

(1) any property or assets (other than Indebtedness and Capital Stock) to be used by Rent-A-Center or a Restricted Subsidiary in a Related Business;

(2) the Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by Rent-A-Center or another Restricted Subsidiary;

(3) Capital Stock of any Person that at such time is a Restricted Subsidiary, acquired from a third party; provided, however, that, in the case of clauses (2) and (3), such Restricted Subsidiary is primarily engaged in a Related Business; or

(4) Capital Stock or Indebtedness of any Person which is primarily engaged in a Related Business; provided, however, for purposes of the covenant described under "-- Certain Covenants -- Limitation on Sales of Assets," the aggregate amount of Net Available Cash permitted to be invested pursuant to this clause (4) shall not exceed at any one time outstanding 5% of Consolidated Tangible Assets.

"Affiliate" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Apollo" means Apollo Management IV, L.P. and its Affiliates or any entity controlled thereby or any of the partners thereof.

"Asset Disposition" means any sale, lease, transfer or other disposition of shares of Capital Stock of a Restricted Subsidiary, other than directors' qualifying shares, property or other assets, each referred to for the purposes of this definition as a "disposition," by Rent-A-Center or any of its Restricted Subsidiaries, including any disposition by means of a merger, consolidation or similar transaction, other than:

(1) a disposition by a Restricted Subsidiary to Rent-A-Center or by Rent-A-Center or a Restricted Subsidiary to a Restricted Subsidiary;

(2) a disposition of inventory, equipment, obsolete assets or surplus personal property in the ordinary course of business;

(3) the sale of Temporary Cash Investments or Cash Equivalents in the ordinary course of business;

(4) a transaction or a series of related transactions in which either

(a) the fair market value of the assets disposed of, in the aggregate, does not exceed 2.5% of the Consolidated Tangible Assets of Rent-A-Center; or

(b) the EBITDA related to such assets does not, in the aggregate, exceed 2.5% of Rent-A-Center's EBITDA;

(5) the sale or discount, with or without recourse, and on commercially reasonable terms, of accounts receivable or notes receivable arising in the ordinary course of business, or the conversion or exchange of accounts receivable for notes receivable;

(6) the licensing of intellectual property in the ordinary course of business;

(7) an RTO Facility Swap;

(8) for purposes of the covenant described under "-- Certain Covenants -- Limitation on Sales of Assets" only, a disposition subject to the covenant described under "-- Certain Covenants -- Limitation on Restricted Payments;" or

(9) a disposition of property or assets that is governed by the provisions described under "-- Merger and Consolidation."

"Attributable Debt" in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value, discounted at the interest rate assumed in making calculations in accordance with FAS 13, of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale/Leaseback Transaction, including any period for which such lease has been extended.

"Average Life" means, as of the date of determination, with respect to any Indebtedness or Preferred Stock, the quotient obtained by dividing

(1) the sum of the products of the numbers of years from the date of determination to the dates of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Indebtedness or Preferred Stock multiplied by the amount of such payment by

(2) the sum of all such payments.

"Bank Indebtedness" means any and all amounts, whether outstanding on the date of the indenture or thereafter incurred, payable under or in respect of the Senior Credit Facility, including, without limitation, principal, premium, if any, interest, including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to Rent-A-Center or any Restricted Subsidiary whether or not a claim for postfiling interest is allowed in such proceedings, fees, charges, expenses, reimbursement obligations, guarantees, other monetary obligations of any nature and all other amounts payable thereunder or in respect thereof.

"Board of Directors" means the Board of Directors of Rent-A-Center or any committee thereof duly authorized to act on behalf of such Board.

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banking institutions are authorized or required by law to close in New York City.

"Capital Stock" of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in, however designated, equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"Capitalized Lease Obligations" means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with GAAP, and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease.

"Cash Equivalents" means any of the following:

(1) securities issued or fully guaranteed or insured by the United States Government or any agency or instrumentality thereof,

(2) time deposits, certificates of deposit or bankers' acceptances of

(a) any lender under the Senior Credit Agreement or

(b) any commercial bank having capital and surplus in excess of $500 million and the commercial paper of the holding company of which is rated at least "A-2" or the equivalent thereof by S&P or at least "P-2" or the equivalent thereof by Moody's, or if at such time neither is issuing ratings, then a comparable rating of another nationally recognized rating agency,

(3) commercial paper rated at least "A1" or the equivalent thereof by S&P or at least "P-1" or the equivalent thereof by Moody's, or if at such time neither is issuing ratings, then a comparable rating of another nationally recognized rating agency,

(4) investments in money market funds complying with the risk limiting conditions of Rule 2a-7 or any successor rule of the SEC under the Investment Company Act,

(5) repurchase obligations of any commercial bank satisfying the requirements of clause (2) of this definition, having a term of not more than 30 days, with respect to securities issued or fully guaranteed or insured by the United States government,

(6) securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government, as the case may be, are rated at least "A" by S&P or "A" by Moody's, and

(7) securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (2) of this definition.

"Code" means the Internal Revenue Code of 1986, as amended.

"Consolidated Coverage Ratio" as of any date of determination means the ratio of

(1) the aggregate amount of EBITDA of Rent-A-Center and its Restricted Subsidiaries for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination for which consolidated financial statements of Rent-A-Center are available, to

(2) Consolidated Interest Expense for such four fiscal quarters; provided, however, that:

(a) if Rent-A-Center or any Restricted Subsidiary

(i) has incurred any Indebtedness since the beginning of such period that remains outstanding on such date of determination or if the transaction giving rise to the need to calculate the Consolidated Coverage Ratio is an incurrence of Indebtedness, EBITDA and Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such Indebtedness as if such Indebtedness had been incurred on the first day of such period, except that in making such computation, the amount of Indebtedness under any revolving credit facility outstanding on the date of such calculation shall be computed based on

(A) the average daily balance of such Indebtedness during such four fiscal quarters or such shorter period for which such facility was outstanding or

(B) if such facility was created after the end of such four fiscal quarters, the average daily balance of such Indebtedness during the period from the date of creation of such facility to the date of such calculation, and the discharge of any other Indebtedness repaid, repurchased, defeased or otherwise discharged with the proceeds of such new Indebtedness as if such discharge had occurred on the first day of such period, or

(ii) has repaid, repurchased, defeased or otherwise discharged any Indebtedness since the beginning of the period that is no longer outstanding on such date of determination, or if the transaction giving rise to the need to calculate the Consolidated Coverage Ratio involves a discharge of Indebtedness, in each case other than Indebtedness incurred under any revolving credit facility unless such Indebtedness has been permanently repaid, EBITDA and Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such discharge of such Indebtedness, including with the proceeds of such new Indebtedness, as if such discharge had occurred on the first day of such period;

(b) if since the beginning of such period Rent-A-Center or any Restricted Subsidiary shall have made any Asset Disposition of any company or any business or any group of assets, the EBITDA for such period shall be reduced by an amount equal to the EBITDA, if positive, directly attributable to the assets that are the subject of such Asset Disposition for such period or increased by an amount equal to the EBITDA, if negative, directly attributable thereto for such period and Consolidated Interest Expense for such period shall be reduced by an amount equal to the Consolidated Interest Expense directly attributable to any Indebtedness of Rent-A-Center or any Restricted Subsidiary repaid, repurchased, defeased or otherwise discharged with respect to Rent-A-Center and its continuing Restricted Subsidiaries in connection with such Asset Disposition for such period, and, if the Capital Stock of any Restricted Subsidiary is sold, the Consolidated Interest Expense for such period directly attributable to the Indebtedness of such Restricted Subsidiary to the extent Rent-A-Center and its continuing Restricted Subsidiaries are no longer liable for such Indebtedness after such sale;

(c) if since the beginning of such period Rent-A-Center or any Restricted Subsidiary, by merger or otherwise, shall have made an Investment in any Person that thereby becomes a Restricted Subsidiary, or otherwise acquired any company or any business or any group of assets, including any such acquisition of assets occurring in connection with a transaction causing a calculation to be made hereunder, EBITDA and Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto, including the incurrence of any Indebtedness and including the pro forma expenses and cost reductions calculated on a basis consistent with Regulation S-X of the Securities Act, as if such Investment or acquisition occurred on the first day of such period; and

(d) if since the beginning of such period any Person, that subsequently became a Restricted Subsidiary or was merged with or into Rent-A-Center or any Restricted Subsidiary since the beginning of such period, shall have made any Asset Disposition or any Investment or acquisition of assets that would have required an adjustment pursuant to clause (b) or (c) above if made by Rent-A-Center or a Restricted Subsidiary during such period, EBITDA and Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto as if such Asset Disposition, Investment or acquisition of assets occurred on the first day of such period.

For purposes of this definition, whenever pro forma effect is to be given to an Asset Disposition, Investment or acquisition of assets, or any transaction governed by the provisions described under "-- Merger and Consolidation," or the amount of income or earnings relating thereto and the amount of Consolidated Interest Expense associated with any Indebtedness incurred or repaid, repurchased, defeased or otherwise discharged in connection therewith, the pro forma calculations in respect thereof shall be as

determined in good faith by a responsible financial or accounting officer of Rent-A-Center, based on reasonable assumptions. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest expense on such Indebtedness shall be calculated at a fixed rate as if the rate in effect on the date of determination had been the applicable rate for the entire period, taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term as at the date of determination in excess of 12 months. If any Indebtedness bears, at the option of Rent-A-Center or a Restricted Subsidiary, a fixed or floating rate of interest and is being given pro forma effect, the interest expense on such Indebtedness shall be computed by applying, at the option of Rent-A-Center or such Restricted Subsidiary, either a fixed or floating rate. If any Indebtedness which is being given pro forma effect was incurred under a revolving credit facility, the interest expense on such Indebtedness shall be computed based upon the average daily balance of such Indebtedness during the applicable period.

"Consolidated Interest Expense" means, as to any Person, for any period, the total consolidated interest expense of such Person and its Subsidiaries determined in accordance with GAAP, minus, to the extent included in such interest expense, amortization or write-off of financing costs plus, to the extent incurred by such Person and its Subsidiaries in such period but not included in such interest expense, without duplication,

(1) interest expense attributable to Capitalized Lease Obligations and the interest component of rent expense associated with Attributable Debt in respect of the relevant lease giving rise thereto, determined as if such lease were a capitalized lease, in accordance with GAAP,

(2) amortization of debt discount,

(3) interest in respect of Indebtedness of any other Person that has been Guaranteed by such Person or any Subsidiary, but only to the extent that such interest is actually paid by such Person or any Restricted Subsidiary,

(4) non-cash interest expense,

(5) net costs associated with Hedging Obligations,

(6) the product of

(a) mandatory Preferred Stock cash dividends in respect of all Preferred Stock of Subsidiaries of such Person and Disqualified Stock of such Person held by Persons other than such Person or a Subsidiary multiplied by

(b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP, and

(7) the cash contributions to any employee stock ownership plan or similar trust to the extent such contributions are used by such plan or trust to pay interest to any Person, other than the referent Person or any Subsidiary thereof, in connection with Indebtedness incurred by such plan or trust; provided, however, that as to Rent-A-Center, there shall be excluded therefrom any such interest expense of any Unrestricted Subsidiary to the extent the related Indebtedness is not Guaranteed or paid by Rent-A-Center or any Restricted Subsidiary.

For purposes of the foregoing, gross interest expense shall be determined after giving effect to any net payments made or received by such Person and its Subsidiaries with respect to Interest Rate Agreements.

"Consolidated Net Income" means, as to any Person, for any period, the consolidated net income (loss) of such Person and its Subsidiaries before preferred stock dividends, determined in accordance with GAAP; provided, however, that there shall not be included in such Consolidated Net Income:

(1) any net income (loss) of any Person if such Person is not (as to Rent-A-Center) a Restricted Subsidiary and, as to any other Person, an unconsolidated Person, except that

(a) the referent Person's equity in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the referent Person or a Subsidiary as a dividend or other distribution, subject, in the case of a dividend or other distribution to a Subsidiary, to the limitations contained in clause (3) below, and

(b) the net loss of such Person shall be included to the extent of the aggregate Investment of the referent Person or any of its Subsidiaries in such Person;

(2) any net income (loss) of any Person acquired in a pooling of interests transaction for any period prior to the date of such acquisition;

(3) any net income (loss) of any Restricted Subsidiary, as to Rent-A-Center, or of any Subsidiary, as to any other Person, if such Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions by such Subsidiary, directly or indirectly, to Rent-A-Center, except that

(a) such Person's equity in the net income of any such Subsidiary for such period shall be included in Consolidated Net Income up to the aggregate amount of cash that could have been distributed by such Subsidiary during such period to such Person or another Subsidiary as a dividend, subject, in the case of a dividend that could have been made to another Restricted Subsidiary, to the limitation contained in this clause, and

(b) the net loss of such Subsidiary shall be included in determining Consolidated Net Income;

(4) any extraordinary gain or loss; and

(5) the cumulative effect of a change in accounting principles.

"Consolidated Tangible Assets" means, as of any date of determination, the total assets, less goodwill and other intangibles, other than patents, trademarks, copyrights, licenses and other intellectual property, shown on the balance sheet of Rent-A-Center and its Restricted Subsidiaries as of the most recent date for which such a balance sheet is available, determined on a consolidated basis in accordance with GAAP less all write-ups, other than write-ups in connection with acquisitions, subsequent to the date of the indenture in the book value of any asset, except any such intangible assets, owned by Rent-A-Center or any of its Restricted Subsidiaries.

"Consolidation" means the consolidation of the accounts of each of the Restricted Subsidiaries with those of Rent-A-Center in accordance with GAAP; provided, however, that "Consolidation" will not include consolidation of the accounts of any Unrestricted Subsidiary, but the interest of Rent-A-Center in any Unrestricted Subsidiary will be accounted for as an investment. The term "Consolidated" has a correlative meaning.

"Currency Agreement" means in respect of a Person any foreign exchange contract, currency swap agreement or other similar agreement or arrangement, including derivative agreements or arrangements, as to which such Person is a party or a beneficiary.

"Default" means any event or condition that is, or after notice or passage of time or both would be, an Event of Default.

"Designated Senior Indebtedness" means

(1) the Bank Indebtedness and

(2) any other Senior Indebtedness which, at the date of determination, has an aggregate principal amount of, or under which, at the date of determination, the holders thereof are committed to lend up to, at least $25 million and is specifically designated by Rent-A-Center in the instrument evidencing or governing such Senior Indebtedness as "Designated Senior Indebtedness" for purposes of the indenture.

"Disqualified Stock" means, with respect to any Person, any Capital Stock that by its terms, or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable, or upon the happening of any event

(1) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise,

(2) is convertible or exchangeable for Indebtedness or Disqualified Stock or

(3) is redeemable at the option of the holder thereof, in whole or in part, in the case of clauses (1), (2) and (3), on or prior to the 91st day after the Stated Maturity of the notes.

"Domestic Subsidiary" means any Restricted Subsidiary of Rent-A-Center that was formed under the laws of the United States or any state of the United States or the District of Columbia or that guarantees or otherwise provides direct credit support for any Indebtedness of Rent-A-Center.

"EBITDA" means, as to any Person, for any period, the Consolidated Net Income for such period, plus the following to the extent included in calculating such Consolidated Net Income:

(1) income tax expense,

(2) Consolidated Interest Expense,

(3) depreciation expense, other than depreciation expense relating to rental merchandise,

(4) amortization expense, and

(5) other non-cash charges or non-cash losses, and minus any gain, but not loss, realized upon the sale or other disposition of any asset of Rent-A-Center or its Restricted Subsidiaries, including pursuant to any Sale/Leaseback Transaction, that is not sold or otherwise disposed of in the ordinary course of business.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Foreign Subsidiary" means a Restricted Subsidiary of Rent-A-Center that is organized under the laws of any country other than the United States and substantially all the assets of which are located outside the United States.

"GAAP" means generally accepted accounting principles in the United States of America as in effect on the date of the indenture, for purposes of the definitions of the terms "Consolidated Coverage Ratio," "Consolidated Interest Expense," "Consolidated Net Income" and "EBITDA," all defined terms in the indenture to the extent used in or relating to any of the foregoing definitions, and all ratios and computations based on any of the foregoing definitions, and as in effect from time to time, for all other purposes of the indenture, including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as approved by a significant segment of the accounting profession. All ratios and computations based on GAAP contained in the indenture shall be computed in conformity with GAAP.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other nonfinancial obligation of any other Person, including any such obligation, direct or indirect, contingent or otherwise, of such Person

(1) to purchase or pay, or advance or supply funds for the purchase or payment of, such Indebtedness or such other obligation of such other Person, whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise, or

(2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part; provided, however, that the term "Guarantee" shall not include endorsements for collection or deposits made in the ordinary course of business.

The term "Guarantee" used as a verb has a correlative meaning.

"Guarantor" means

(1) Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc. (formerly known as Advantage Companies, Inc.), Get It Now, LLC, Rent-A-Center Texas, L.P., and Rent-A-Center Texas, L.L.C.; and

(2) any Domestic Subsidiary created or acquired by Rent-A-Center after the date of the indenture.

"Guarantor Senior Indebtedness" means, with respect to a Guarantor, the following obligations, whether outstanding on the date of the indenture or thereafter incurred, without duplication:

(1) any Guarantee of the Senior Credit Facility by such Guarantor and all other Guarantees by such Guarantor of Senior Indebtedness of Rent-A-Center or Guarantor Indebtedness for any other Guarantor; and

(2) all obligations consisting of the principal of, premium and accrued and unpaid interest, including interest accruing on or after the filling of any petition in bankruptcy or for reorganization relating to the Guarantor regardless of whether post filing interest is allowed in such proceeding, on, and fees and other amounts owing in respect of, all other Indebtedness of the Guarantor, unless, in the instrument creating or evidencing the same or pursuant to which the same is outstanding, it is expressly provided that the obligations in respect of such Indebtedness are not senior in right of payment to the obligations of such Guarantor under the Guarantee; provided, however, that Guarantor Senior Indebtedness will not include

(a) any obligations of such Guarantor to another Guarantor or any other Affiliate of the Guarantor or any such Affiliate's Subsidiaries,

(b) any liability for Federal, state, local, foreign or other taxes owed or owing by such Guarantor,

(c) any accounts payable or other liability to trade creditors arising in the ordinary course of business, including Guarantees thereof or instruments evidencing such liabilities, or other current liabilities, other than current liabilities which constitute Bank Indebtedness or the current portion of any long-term Indebtedness which would constitute Senior Indebtedness but for the operation of this clause (c),

(d) any Indebtedness, Guarantee or obligation of such Guarantor that is expressly subordinate or junior to any other Indebtedness, Guarantee or obligation of such Guarantor, including any Guarantor Senior Subordinated Indebtedness and Guarantor Subordinated Obligations of such Guarantor,

(e) Indebtedness which is represented by redeemable Capital Stock, or

(f) that portion of any Indebtedness that is incurred in violation of the indenture. If any Designated Senior Indebtedness is disallowed, avoided or subordinated pursuant to the provisions of Section 548 of Title 11 of the United States Code or any applicable state fraudulent conveyance law, such Designated Senior Indebtedness nevertheless will constitute Senior Indebtedness.

"Guarantor Senior Subordinated Indebtedness" means with respect to a Guarantor, the obligations of such Guarantor under the Guarantee and any other Indebtedness of such Guarantor, whether outstanding on the date of the indenture or thereafter incurred, that specifically provides that such Indebtedness is to rank pari passu in right of payment with the obligations of such Guarantor under the Guarantee and is not expressly subordinated by its terms in right of payment to any Indebtedness of such Guarantor which is not Guarantor Senior Indebtedness of such Guarantor.

"Guarantor Subordinated Obligation" means, with respect to a Guarantor, any Indebtedness of such Guarantor, whether outstanding on the date of the indenture or thereafter incurred, which is expressly subordinate in right of payment to the obligations of such Guarantor under its Guarantee pursuant to a written agreement.

"Hedging Obligations" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement or Currency Agreement.

"Incur" means issue, assume, enter into any Guarantee of, incur or otherwise become liable for; provided, however, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Subsidiary, whether by merger, consolidation, acquisition or otherwise, shall be deemed to be incurred by such Subsidiary at the time it becomes a Subsidiary. Any Indebtedness issued at a discount, including Indebtedness on which interest is payable through the issuance of additional Indebtedness, shall be deemed incurred at the time of original issuance of the Indebtedness at the initial accreted amount thereof.

"Indebtedness" means, with respect to any Person on any date of determination, without duplication:

(1) the principal of Indebtedness of such Person for borrowed money,

(2) the principal of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments,

(3) all reimbursement obligations of such Person, including reimbursement obligations in respect of letters of credit or other similar instruments, the amount of such obligations being equal at any time to the aggregate then undrawn and unexpired amount of such letters of credit or other instruments plus the aggregate amount of drawings thereunder that have not then been reimbursed,

(4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, except Trade Payables, which purchase price is due more than one year after the date of placing such property in final service or taking final delivery and title thereto or the completion of such services,

(5) all Capitalized Lease Obligations and Attributable Debt of such Person,

(6) the redemption, repayment or other repurchase amount of such Person with respect to any Disqualified Stock or, if such Person is a Subsidiary of Rent-A-Center, any Preferred Stock of such Subsidiary, but excluding, in each case, any accrued dividends, the amount of such obligation to be equal at any time to the maximum fixed involuntary redemption, repayment or repurchase price for such Capital Stock, or if such Capital Stock has no fixed price, to the involuntary redemption, repayment or repurchase price therefor calculated in accordance with the terms thereof as if then redeemed, repaid or repurchased, and if such price is based upon or measured by the fair market value of such Capital Stock, such fair market value shall be as determined in good faith by the Board of Directors or the Board of Directors of the issuer of such Capital Stock,

(7) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; provided, however, that the amount of Indebtedness of such Person shall be the lesser of

(a) the fair market value of such asset at such date of determination and

(b) the amount of such Indebtedness of such other Persons,

(8) all Indebtedness of other Persons to the extent Guaranteed by such Person, and

(9) to the extent not otherwise included in this definition, net Hedging Obligations of such Person, such obligations to be equal at any time to the termination value of such agreement or arrangement giving rise to such Hedging Obligation that would be payable by such Person at such time.

The amount of Indebtedness of any Person at any date shall be determined as set forth above or otherwise provided in the indenture, or otherwise in accordance with GAAP.

"Interest Rate Agreement" means with respect to any Person any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement, including derivative agreements or arrangements, as to which such Person is party or a beneficiary; provided, however, any such agreements entered into in connection with the Notes shall not be included.

"Investment" in any Person by any other Person means any direct or indirect advance, loan or other extension of credit, other than to customers, directors, officers or employees of any Person in the ordinary course of business, or capital contribution to, by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others, or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by, such Person. If Rent-A-Center or any Restricted Subsidiary of Rent-A-Center sells or otherwise disposes of any Capital Stock of any direct or indirect Restricted Subsidiary of Rent-A-Center such that, after giving effect to any such sale or disposition, such entity is no longer a Subsidiary of Rent-A-Center, Rent-A-Center shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Capital Stock of such Subsidiary not sold or disposed of.

"Leverage Ratio" means, with respect to any Person on any date of determination, the ratio of (1) total Indebtedness as of such date to (2) EBITDA for the period of four consecutive quarters most recently ended on such date.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind, including any conditional sale or other title retention agreement or lease in the nature thereof.

"Moody's" means Moody's Investors Service, Inc., and its successors.

"Net Available Cash" from an Asset Disposition means cash payments received, including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Disposition or received in any other noncash form, therefrom, in each case net of

(1) all legal, title and recording tax expenses, commissions and other fees and expenses incurred, including, without limitation, fees and expenses of legal counsel, accountants and financial advisors, and all Federal, state, provincial, foreign and local taxes required to be paid or accrued as a liability under GAAP, as a consequence of such Asset Disposition,

(2) all payments made on any Indebtedness that is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon such assets, or that must by its terms, or

in order to obtain a necessary consent to such Asset Disposition, or by applicable law be repaid out of the proceeds from such Asset Disposition,

(3) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Disposition or to any other Person, other than Rent-A-Center or any Restricted Subsidiary, owning a beneficial interest in the assets disposed of in such Asset Disposition, and

(4) appropriate amounts to be provided by the seller as a reserve, in accordance with GAAP, against any liabilities associated with the assets disposed of in such Asset Disposition and retained by Rent-A-Center or any Restricted Subsidiary after such Asset Disposition.

"Net Cash Proceeds" means, with respect to any issuance or sale of any securities of Rent-A-Center or any Subsidiary by Rent-A-Center or any Subsidiary, or any capital contribution, the cash proceeds of such issuance, sale or contribution net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees and expenses actually incurred in connection with such issuance, sale or contribution and net of taxes paid or payable as a result thereof.

"Non-Guarantor Subsidiary" means Legacy Drive Trust so long as Investments in Legacy Drive Trust are limited to amounts not in excess of amounts required and actually applied to finance the activities of Legacy Drive Trust in accordance with its trust instrument as the same is in effect as of the date of the indenture (as may be amended or modified from time to time to the extent that such amendment or modification, taken as a whole, is not disadvantageous to the holders of notes).

In the event Legacy Drive Trust ceases to be a Non-Guarantor Subsidiary, Legacy Drive Trust will become a Guarantor and execute a supplemental indenture and deliver an opinion of counsel satisfactory to the Trustee within 10 Business Days of the date on which it ceased to be a Non-Guarantor Subsidiary.

"Non-Recourse Debt" means Indebtedness

(1) as to which neither Rent-A-Center nor any Restricted Subsidiary

(a) provides any Guarantee or credit support of any kind, including any undertaking, Guarantee, indemnity, agreement or instrument that would constitute Indebtedness, or

(b) is directly or indirectly liable, as a guarantor or otherwise, and

(2) no default with respect to which, including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary, would permit, upon notice, lapse of time or both, any holder of any other Indebtedness of Rent-A-Center or any Restricted Subsidiary to declare a default under such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity.

"Note Guarantee" means, individually, any Guarantee of payment of the notes by a Guarantor pursuant to the terms of the indenture, and, collectively, all such Guarantees. Each such Guarantee will be in the form prescribed in the indenture.

"Officer" means the Chief Executive Officer, President, Chief Financial Officer, any Vice President, Controller, Secretary or Treasurer of Rent-A-Center.

"Officer's Certificate" means a certificate signed by at least one Officer.

"Opinion of Counsel" means a written opinion from legal counsel. The counsel may be an employee of or counsel to Rent-A-Center or the Trustee.

"Permitted Holders" means Apollo and Mark E. Speese, their respective Affiliates and successors or assigns and any Person acting in the capacity of an underwriter in connection with a public or private offering of Rent-A-Center's Capital Stock.

"Permitted Investment" means an Investment by Rent-A-Center or any Restricted Subsidiary in any of the following:

(1) a Restricted Subsidiary, Rent-A-Center or a Person that will, upon the making of such Investment, become a Restricted Subsidiary;

(2) another Person if as a result of such Investment such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all its assets to, Rent-A-Center or a Restricted Subsidiary;

(3) Temporary Cash Investments or Cash Equivalents;

(4) receivables owing to Rent-A-Center or any Restricted Subsidiary, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; provided, however, that such trade terms may include such concessionary trade terms as Rent-A-Center or any such Restricted Subsidiary deems reasonable under the circumstances;

(5) securities or other Investments received as consideration in connection with RTO Facility Swaps or in sales or other dispositions of property or assets made in compliance with the covenant described under "-- Certain Covenants -- Limitation on Sales of Assets;"

(6) securities or other Investments received in settlement of debts created in the ordinary course of business and owing to Rent-A-Center or any Restricted Subsidiary, or as a result of foreclosure, perfection or enforcement of any Lien, or in satisfaction of judgments, including in connection with any bankruptcy proceeding or other reorganization of another Person;

(7) Investments in existence or made pursuant to legally binding written commitments in existence on the date of the indenture;

(8) Currency Agreements, Interest Rate Agreements and related Hedging Obligations, which obligations are incurred in compliance with the covenant described under "-- Certain Covenants -- Limitations on Indebtedness;"

(9) pledges or deposits

(a) with respect to leases or utilities provided to third parties in the ordinary course of business or

(b) otherwise described in the definition of "Permitted Liens;"

(10) Investments in a Related Business in an amount not to exceed $25 million in the aggregate; and

(11) other Investments in an aggregate amount not to exceed the sum of $25 million and the aggregate non-cash net proceeds received by Rent-A-Center from the issue or sale of its Capital Stock, other than Disqualified Stock, subsequent to the date of the indenture, other than non-cash proceeds from an issuance or sale of such Capital Stock to a Subsidiary of Rent-A-Center or an employee stock ownership plan or similar trust; provided, however, that the value of such non-cash net proceeds shall be as conclusively determined by the Board of Directors in good faith, except that in the event the value of any non-cash net proceeds shall be $50 million or more, the value shall be as determined in writing by an independent investment banking firm of nationally recognized standing.

"Permitted Liens" means:

(1) Liens for taxes, assessments or other governmental charges not yet delinquent or the nonpayment of which in the aggregate would not be reasonably expected to have a material adverse effect on Rent-A-Center and its Restricted Subsidiaries, or that are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of Rent-A-Center or such Subsidiary, as the case may be, in accordance with GAAP;

(2) carriers', warehousemen's, mechanics', landlords', materialmen's, repairmen's or other like Liens arising in the ordinary course of business in respect of obligations that are not overdue for a period of more than 60 days or that are bonded or that are being contested in good faith and by appropriate proceedings;

(3) pledges, deposits or Liens in connection with workers' compensation, unemployment insurance and other social security legislation and/or similar legislation or other insurance-related obligations, including, without limitation, pledges or deposits securing liability to insurance carriers under insurance or self-insurance arrangements;

(4) pledges, deposits or Liens to secure the performance of bids, tenders, trade, government or other contracts, other than for borrowed money, obligations for or under or in respect of utilities, leases, licenses, statutory obligations, surety, judgment and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(5) easements, including reciprocal easement agreements, rights-of-way, building, zoning and similar restrictions, utility agreements, covenants, reservations, restrictions, encroachments, changes, and other similar encumbrances or title defects incurred, or leases or subleases granted to others, in the ordinary course of business, which do not in the aggregate materially interfere with the ordinary conduct of the business of Rent-A-Center and its Subsidiaries, taken as a whole;

(6) Liens existing on, or provided for under written arrangements existing on, the date of the indenture, or, in the case of any such Liens securing Indebtedness of Rent-A-Center or any of its Subsidiaries existing or arising under written arrangements existing on the date of the indenture, securing any Refinancing Indebtedness in respect of such Indebtedness so long as the Lien securing such Refinancing Indebtedness is limited to all or part of the same property or assets, plus improvements, accessions, proceeds or dividends or distributions in respect thereof, that secured, or under such written arrangements could secure, the original Indebtedness;

(7) Liens securing Hedging Obligations incurred in compliance with the covenant described under "-- Certain Covenants -- Limitation on Indebtedness;"

(8) Liens arising out of judgments, decrees, orders or awards in respect of which Rent-A-Center shall in good faith be prosecuting an appeal or proceedings for review which appeal or proceedings shall not have been finally terminated, or the period within which such appeal or proceedings may be initiated shall not have expired;

(9) Liens securing

(a) Indebtedness incurred in compliance with clause (1), (4) or (5) of the second paragraph of the covenant described under "-- Certain Covenants -- Limitation on Indebtedness," or clause (3) thereof, other than Refinancing Indebtedness incurred in respect of Indebtedness described in the first paragraph thereof, or

(b) Bank Indebtedness;

(10) Liens on properties or assets of Rent-A-Center securing Senior Indebtedness;

(11) Liens existing on property or assets of a Person at the time such Person becomes a Subsidiary of Rent-A-Center, or at the time Rent-A-Center or a Restricted Subsidiary acquires such property or assets; provided, however, that such Liens are not created in connection with, or in contemplation of, such other Person becoming such a Subsidiary, or such acquisition of such property or assets, and that such Liens are limited to all or part of the same property or assets, plus improvements, accessions, proceeds or dividends or distributions in respect thereof, that secured, or, under the written arrangements under which such Liens arose, could secure, the obligations to which such Liens relate;

(12) Liens on Capital Stock of an Unrestricted Subsidiary that secure Indebtedness or other obligations of such Unrestricted Subsidiary;

(13) Liens securing the Notes; and

(14) Liens securing Refinancing Indebtedness incurred in respect of any Indebtedness secured by, or securing any refinancing, refunding, extension, renewal or replacement, in whole or in part, of any other obligation secured by, any other Permitted Liens, provided, that any such new Lien is limited to all or part of the same property or assets, plus improvements, accessions, proceeds or dividends or distributions in respect thereof, that secured, or, under the written arrangements under which the original Lien arose, could secure, the obligations to which such Liens relate.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, limited liability company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock" as applied to the Capital Stock of any corporation means Capital Stock of any class or classes, however designated, that is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such corporation, over shares of Capital Stock of any other class of such corporation.

"Public Equity Offering" means a public sale of Capital Stock (other than Disqualified Stock) of Rent-A-Center other than (i) public offerings with respect to Rent-A-Center's Capital Stock registered on Form S-4 or Form S-8 and (ii) other issuances upon exercise of options by employees of Rent-A-Center or any of its Restricted Subsidiaries.

"Purchase Money Obligations" means any Indebtedness of Rent-A-Center or any Restricted Subsidiary incurred to finance the acquisition, construction or capital improvement of any property or business, including Indebtedness incurred within 90 days following such acquisition or construction, including Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or assumed by Rent-A-Center or a Restricted Subsidiary in connection with the acquisition of assets from such Person; provided, however, that any Lien on such Indebtedness shall not extend to any property other than the property so acquired or constructed.

"Refinancing Indebtedness" means Indebtedness that is incurred to refund, refinance, replace, renew, repay or extend, including pursuant to any defeasance or discharge mechanism (collectively, "refinances," and "refinanced" shall have a correlative meaning) any Indebtedness existing on the date of the indenture or incurred in compliance with the indenture, including Indebtedness of Rent-A-Center that refinances Indebtedness of any Restricted Subsidiary, to the extent permitted in the indenture, and Indebtedness of any Restricted Subsidiary that refinances Indebtedness of another Restricted Subsidiary, including Indebtedness that refinances Refinancing Indebtedness; provided, however, that

(1) the Refinancing Indebtedness has a Stated Maturity no earlier than the Stated Maturity of the Indebtedness being refinanced,

(2) the Refinancing Indebtedness has an Average Life at the time such Refinancing Indebtedness is incurred that is equal to or greater than the Average Life of the Indebtedness being refinanced,

(3) if the Indebtedness being refunded, refinanced, replaced, renewed, repaid, extended, defeased or discharged is Subordinated Obligations, such Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the notes on terms at least as favorable to the holders of notes as those contained in the documentation governing the Indebtedness being refunded, refinanced, replaced, renewed, repaid, extended, defeased or discharged, and

(4) such Refinancing Indebtedness is incurred in an aggregate principal amount, or if issued with original issue discount, an aggregate issue price, that is equal to or less than the aggregate principal amount, or if issued with original issue discount, the aggregate accreted value, then outstanding of the Indebtedness being refinanced, plus fees, underwriting discounts, premiums and other costs and

expenses incurred in connection with such Refinancing Indebtedness; provided, further, however, that Refinancing Indebtedness shall not include

(a) Indebtedness of a Restricted Subsidiary that refinances Indebtedness of Rent-A-Center or

(b) Indebtedness of Rent-A-Center or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary.

"Related Business" means those businesses, other than the car rental business, in which Rent-A-Center or any of its Subsidiaries is engaged on the date of the indenture or that are reasonably related or incidental thereto.

"Representative" means the Trustee, agent or representative, if any, for an issue of Senior Indebtedness.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" means any Subsidiary of Rent-A-Center other than an Unrestricted Subsidiary.

"RTO Facility" means any facility through which Rent-A-Center or any of its Restricted Subsidiaries conducts the business of renting merchandise to its customers and any facility through which a franchise of Rent-A-Center or any of its Subsidiaries conducts the business of renting merchandise to customers.

"RTO Facility Swap" means an exchange of assets, including Capital Stock of a Subsidiary or Rent-A-Center, of substantially equivalent fair market value, as conclusively determined in good faith by the Board of Directors, by Rent-A-Center or a Restricted Subsidiary for one or more RTO Facilities or for cash, Capital Stock, Indebtedness or other securities of any Person owning or operating one or more RTO Facilities and primarily engaged in a Related Business; provided, however, that any Net Cash Proceeds received by Rent-A-Center or any Restricted Subsidiary in connection with any such transaction must be applied in accordance with the covenant described under "-- Certain Covenants -- Limitation on Sales of Assets."

"Sale/Leaseback Transaction" means an arrangement relating to property now owned or hereafter acquired by Rent-A-Center or a Restricted Subsidiary whereby Rent-A-Center or such Restricted Subsidiary transfers such property to a Person and Rent-A-Center or such Restricted Subsidiary leases it from such Person, other than leases

(1) between Rent-A-Center and a Restricted Subsidiary or

(2) required to be classified and accounted for as capitalized leases for financial reporting purposes in accordance with GAAP.

"SEC" means the Securities and Exchange Commission.

"Secured Indebtedness" means any Indebtedness of Rent-A-Center secured by a Lien.

"Senior Credit Agreement" means the amended and restated credit agreement dated as of December 31, 2002, among Rent-A-Center, Rent-A-Center East, Inc., the banks and other financial institutions party thereto from time to time, Comerica, N.A. as the documentation agent, NationsBank, N.A. as syndication agent, and JPMorgan Chase Bank, as administrative agent, as such agreement may be assumed by any successor in interest, and as such agreement may be further amended, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with Rent-A-Center, Rent-A-Center East, Inc., or any subsidiary of Rent-A-Center as borrower, whether with the original agent and lenders or other agents and lenders or otherwise, and whether provided under the original Senior Credit Agreement or otherwise).

"Senior Credit Facility" means the collective reference to the Senior Credit Agreement, any Loan Documents, as defined therein, any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages, letter of credit applications and other security agreements and collateral documents, and other instruments and documents, executed and delivered pursuant to or in connection with any of the foregoing, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time, whether in whole or in part, whether with the original agent and lenders or other agents and lenders or otherwise, and whether provided under the original Senior Credit Agreement or otherwise. Without limiting the generality of the foregoing, the term "Senior Credit Facility" shall include any agreement

(1) changing the maturity of any Indebtedness incurred thereunder or contemplated thereby,

(2) adding Subsidiaries of Rent-A-Center as additional borrowers or guarantors thereunder,

(3) increasing the amount of Indebtedness incurred thereunder or available to be borrowed thereunder or

(4) otherwise altering the terms and conditions thereof.

"Senior Indebtedness" means the following obligations, whether outstanding on the date of the indenture or thereafter issued, without duplication:

(1) all obligations consisting of Bank Indebtedness; and

(2) all obligations consisting of the principal of and premium, if any, and accrued and unpaid interest, including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to Rent-A-Center regardless of whether postfiling interest is allowed in such proceeding, on, and fees and other amounts owing in respect of, all other Indebtedness of Rent-A-Center, unless, in the instrument creating or evidencing the same or pursuant to which the same is outstanding, it is provided that the obligations in respect of such Indebtedness are not superior in right of payment to the notes; provided, however, that Senior Indebtedness shall not include

(a) any obligation of Rent-A-Center to any Subsidiary or any other Affiliate of Rent-A-Center, or any such Affiliate's Subsidiaries,

(b) any liability for Federal, state, foreign, local or other taxes owed or owing by Rent-A-Center,

(c) any accounts payable or other liability to trade creditors arising in the ordinary course of business, including Guarantees thereof or instruments evidencing such liabilities, or other current liabilities, other than current liabilities which constitute Bank Indebtedness or the current portion of any long-term Indebtedness which would constitute Senior Indebtedness but for the operation of this clause (c),

(d) any Indebtedness, Guarantee or obligations of Rent-A-Center that is expressly subordinate or junior to any other Indebtedness, Guarantee or obligation of Rent-A-Center,

(e) Indebtedness which is represented by redeemable Capital Stock or

(f) that portion of any Indebtedness that is incurred in violation of the indentures.

If any Designated Senior Indebtedness is disallowed, avoided or subordinated pursuant to the provisions of Section 548 of Title 11 of the United States Code or any applicable state fraudulent conveyance law, such Designated Senior Indebtedness nevertheless will constitute Senior Indebtedness.

"Senior Subordinated Indebtedness" means the notes and any other Indebtedness of Rent-A-Center that

(1) specifically provides that such Indebtedness is to rank pari passu with the notes or is otherwise entitled Senior Subordinated Indebtedness, and

(2) is not subordinated by its terms to any Indebtedness or other obligation of Rent-A-Center that is not Senior Indebtedness.

"Significant Subsidiary" means

(1) each Subsidiary that for the most recent fiscal year of such Subsidiary had consolidated revenues greater than $50 million or as at the end of such fiscal year had assets or liabilities greater than $50 million, and

(2) any group of Subsidiaries that, taken together, would constitute a Significant Subsidiary.

"S&P" means Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc., and its successors.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision, but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency beyond the control of the issuer unless such contingency has occurred.

"Subordinated Obligation" means any Indebtedness of Rent-A-Center, whether outstanding on the date of the indenture or thereafter incurred, which is subordinate or junior in right of payment to the notes pursuant to a written agreement.

"Subsidiary" of any Person means any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other interests, including partnership interests, entitled, without regard to the occurrence of any contingency, to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by

(1) such Person or

(2) one or more Subsidiaries of such Person.

"Successor Company" shall have the meaning assigned thereto in clause (1) under "-- Merger and Consolidation."

"Temporary Cash Investments" means any of the following:

(1) any investment in direct obligations

(a) of the United States of America or any agency thereof or obligations Guaranteed by the United States of America or any agency thereof or

(b) of any foreign country recognized by the United States of America rated at least "A" by S&P or "A1" by Moody's,

(2) investments in time deposit accounts, certificates of deposit and money market deposits maturing within 180 days of the date of acquisition thereof issued by a bank or trust company that is organized under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America having capital and surplus aggregating in excess of $250 million, or the foreign currency equivalent thereof, and whose long-term debt is rated "A" by S&P or "A-1" by Moody's,

(3) repurchase obligations with a term of not more than 180 days for underlying securities of the types described in clause (1) or (2) above entered into with a bank meeting the qualifications described in clause (2) above,

(4) Investments in commercial paper, maturing not more than 180 days after the date of acquisition, issued by a corporation, other than an Affiliate of Rent-A-Center, organized and in existence under the laws of the United States of America or any foreign country recognized by the

United States of America with a rating at the time as of which any Investment therein is made of "P-1," or higher, according to Moody's or "A-1," or higher, according to S&P,

(5) Investments in securities with maturities of six months or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P or "A" by Moody's,

(6) any money market deposit accounts issued or offered by a domestic commercial bank or a commercial bank organized and located in a country recognized by the United States of America, in each case, having capital and surplus in excess of $250 million, or the foreign currency equivalent thereof, or investments in money market funds complying with the risk limiting conditions of Rule 2a-7, or any short-term successor rule, of the SEC, under the Investment Company Act of 1940, as amended, and

(7) similar short-term investments approved by the Board of Directors in the ordinary course of business.

"TIA" means the Trust Indenture Act of 1939 (15 U.S.C. Sections 77aaa-77bbbb) as in effect on the date of the indenture.

"Trade Payables" means, with respect to any Person, any accounts payable or any indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person arising in the ordinary course of business in connection with the acquisition of goods or services.

"Trustee" means the party named as such in the indenture until a successor replaces it and, thereafter, means the successor.

"Trust Officer" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of the indenture.

"Unrestricted Subsidiary" means

(1) any Subsidiary of Rent-A-Center that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors in the manner provided below and

(2) any Subsidiary of an Unrestricted Subsidiary. The Board of Directors may designate any Subsidiary of Rent-A-Center, including any newly acquired or newly formed Subsidiary of Rent-A-Center, to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or owns or holds any Lien on any property of, Rent-A-Center or any other Subsidiary of Rent-A-Center that is not a Subsidiary of the Subsidiary to be so designated; provided, however, that either

(a) the Subsidiary to be so designated has total consolidated assets of $100,000 or less or

(b) if such Subsidiary has consolidated assets greater than $100,000, then such designation would be permitted under "-- Certain Covenants -- Limitation on Restricted Payments." The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided, however, that immediately after giving effect to such designation

(i) Rent-A-Center could incur at least $1.00 of additional Indebtedness under paragraph (a) in the covenant described under "-- Certain Covenants -- Limitation on Indebtedness" and

(ii) no Default or Event of Default shall have occurred and be continuing. Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing

with the Trustee a copy of the resolution of Rent-A-Center's Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing provisions.

"Voting Stock" of an entity means all classes of Capital Stock of such entity then outstanding and normally entitled to vote in the election of directors or all interests in such entity with the ability to control the management or actions of such entity.

"Wholly Owned Subsidiary" means a Restricted Subsidiary of Rent-A-Center all the Capital Stock of which, other than directors' qualifying shares, is owned by Rent-A-Center or another Wholly Owned Subsidiary.

REGISTRATION RIGHTS AGREEMENT

In connection with the issuance of the old 7 1/2% notes on May 6, 2003, we and the initial purchasers of the old 7 1/2% notes entered into a registration rights agreement. Pursuant to this agreement, we agreed to:

- file with the SEC on or prior to August 4, 2003 a registration statement, relating to this exchange offer for the old 7 1/2% notes under the Securities Act; and

- use our reasonable efforts to cause this exchange offer registration statement to be declared effective under the Securities Act on or prior to November 2, 2003.

As soon as practicable after the effectiveness of this exchange offer registration statement, we will offer to the holders of transfer restricted securities, as defined below, who are not prohibited by any law or policy of the SEC from participating in this exchange offer, the opportunity to exchange their transfer restricted securities for an issue of the exchange notes which are identical in all material respects to the old 7 1/2% notes, except that the exchange notes will not contain terms with respect to transfer restrictions and would be registered under the Securities Act. We will keep this exchange offer open for not less than 20 business days or longer, if required by applicable law after the date on which notice of this exchange offer is mailed to the holders of old 7 1/2% notes.

If:

- this exchange offer is not permitted by applicable law (after we have complied with the procedures set forth in the registration rights agreement), or

- any holder of old 7 1/2% notes notifies us in writing within 20 business days following the consummation of this exchange offer that (i) such holder was prohibited by law or policy of the SEC from participating in this exchange offer or (ii) such holder may not resell the exchange notes to the public without delivering a prospectus and this prospectus is not appropriate or available for such resales by such holder,

then we will file with the SEC a shelf registration statement to cover resales of transfer restricted securities by such holders who satisfy certain conditions relating to the provision of information in connection with the shelf registration statement.

For purposes of the foregoing, "transfer restricted securities" means each old 7 1/2% note until the earliest of:

- the date on which such old 7 1/2% note has been exchanged in this exchange offer for an exchange note which is entitled to be resold to the public without complying with the prospectus delivery requirements of the Securities Act, or

- the date on which such old 7 1/2% note has been disposed of in accordance with a shelf registration statement, or

- the date on which such old 7 1/2% note is distributed to the public pursuant to Rule 144 under the Securities Act,

as well as each exchange note and the related subsidiary guarantees acquired by a broker-dealer in exchange for an old 7 1/2% note acquired for its own account as a result of market making activities or other trading activities until the date on which such exchange note is disposed of by a broker-dealer pursuant to the section entitled "Plan of Distribution" (including the delivery of this prospectus).

We will use our commercially reasonable efforts to have this exchange offer registration statement or, if applicable, the shelf registration statement, declared effective by the SEC as promptly as practicable after the filing thereof. Unless this exchange offer would not be permitted by a policy of the SEC, we will commence this exchange offer and use our commercially reasonable efforts to consummate this exchange offer as promptly as practicable, but in any event prior to 180 days after the issue date. If necessary, we

will use our commercially reasonable efforts to keep the shelf registration statement effective for a period of two years after the issue date.

If:

- this exchange offer registration statement is not filed with the SEC on or prior to August 4, 2003, or

- a shelf registration statement is not filed with the SEC on or prior to 30 days after our obligation to do so arises, or

- this exchange offer registration statement is not declared effective on or prior to November 2, 2003, or

- a shelf registration statement is not declared effective on or prior to 90 days after the filing deadline for such shelf registration statement, or

- this exchange offer is not consummated on or prior to December 15, 2003, or

- this exchange offer registration statement or the shelf registration statement is filed and declared effective but shall thereafter cease to be effective, at any time that we are obligated to maintain the effectiveness thereof, without being succeeded within two business days by an amendment that is filed and subsequently declared effective within five business days,

we will be obligated to pay liquidated damages to each holder of old 7 1/2% notes, during the period of one or more such above events, in an amount equal to ..25% per annum for the first 90-day period, which increases by .25% per annum for each subsequent 90-day period, up to a maximum of 1.00% per annum on the principal amount of the old 7 1/2% notes constituting transfer restricted securities held by such holder until the applicable registration statement is filed or declared effective, this exchange offer is consummated or any such registration statement, declared effective but thereafter ceasing to be effective or usable for its intended purpose, which was not succeeded within two business days by a post-effective amendment curing such failure and declared effective within five business days, again becomes effective, as the case may be. All accrued liquidated damages shall be paid to holders in the same manner as interest payments on the old 7 1/2% notes on semi-annual payment dates which correspond to interest payment dates for the old 7 1/2% notes. The accrual of liquidated damages will cease on the day on which the registration default is cured.

The registration rights agreement also provides that we shall:

- make available, promptly upon request and on a daily basis, for a period of 180 days after the consummation of this exchange offer, or such time as all exchange notes have been sold, a prospectus meeting the requirements of the Securities Act to any broker-dealer for use in connection with any resale of any such exchange notes; and

- pay all expenses incident to this exchange offer, including the expense of one counsel to the holders of the notes and will indemnify certain holders of the notes, including any broker-dealer, against certain liabilities, including liabilities under the Securities Act.

Each holder of old 7 1/2% notes who wishes to exchange such old 7 1/2% notes for exchange notes in this exchange offer will be required to make certain representations, including representations that:

- any exchange notes it receives will be acquired in the ordinary course of its business;

- it is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any person to participate in a distribution of the exchange notes; and

- it is not an "affiliate," as defined in Rule 405 under the Securities Act, of us. See "Description of Notes -- Certain Definitions."

If the holder is not a broker-dealer, it will be required to represent that it is not engaged in, and does not intend to engage in, a distribution of the exchange notes. If the holder is a broker-dealer that will

receive exchange notes for its own account in exchange for notes that were acquired as a result of market-making activities or other trading activities, it will be required to acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes.

Holders of old 7 1/2% notes will be required to make certain representations to Rent-A-Center in order to participate in this exchange offer and will be required to deliver information to be used in connection with the shelf registration statement and benefit from the provisions regarding liquidated damages set forth in the preceding paragraphs.

For so long as the old 7 1/2% notes are outstanding, we will continue to make all required filings in a timely manner in order to permit resales of the old 7 1/2% notes pursuant to Rule 144A under the Securities Act.

The foregoing description of the registration rights agreement is a summary only, does not purport to be complete and is qualified in its entirety by reference to all provisions of the registration rights agreement which is filed as an exhibit to the registration statement of which this prospectus is a part. However, we believe that this prospectus disclosure presents all the material terms of the registration rights agreement.

MATERIAL U.S. FEDERAL TAX CONSEQUENCES

The following is a summary of certain United States federal income and estate tax considerations relating to the exchange of the old 7 1/2% notes for the exchange notes and the ownership and disposition of the exchange notes, but does not purport to be a complete analysis of all the potential tax considerations relating thereto. This summary is based upon the Internal Revenue Code of 1986, as amended, and regulations, rulings and decisions thereunder now in effect (or, in the case of certain United States Treasury Regulations, now in proposed form), all of which are subject to change, possibly on a retroactive basis. This summary deals only with holders that hold the old 7 1/2% notes as "capital assets" (generally, property held for investment) and the holders that will hold the exchange notes as capital assets and does not address tax considerations applicable to investors that may be subject to special tax rules, including financial institutions, tax-exempt organizations, insurance companies, dealers in securities or currencies, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, persons that will hold the notes as a position in a hedging transaction, "straddle" or "conversion transaction" for tax purposes, regulated investment companies, real estate investment trusts, partnerships, "S" corporations, or United States Holders (as defined below) that have a "functional currency" other than the U.S. dollar. If a partnership holds the old 7 1/2% notes or exchange notes, as applicable, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our notes, you should consult your tax advisor.

This summary does not discuss alternative minimum tax consequences, if any, or any state, local or foreign tax consequences to holders of old 7 1/2% notes and the exchange notes, as applicable. We have not sought any ruling from the Internal Revenue Service with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the Internal Revenue Service will agree with these statements and conclusions.

INVESTORS CONSIDERING THE PURCHASE OF THE EXCHANGE NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE UNITED STATES FEDERAL INCOME AND ESTATE TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL OR FOREIGN TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

UNITED STATES HOLDERS

As used in this tax discussion, a "United States Holder" means the beneficial owner of a note that for United States federal income tax purposes is:

(1) a citizen or resident of the United States,

(2) a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any political subdivision of the United States,

(3) an estate the income of which is subject to United States federal income taxation regardless of its source, or

(4) a trust (A) if it is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (B) that has a valid election in effect under applicable United States Treasury Regulations to be treated as a United States person.

EXCHANGE OFFER

The exchange of the old 7 1/2% notes for the exchange notes will not constitute a taxable exchange. As a result, (1) you will not recognize taxable gain or loss as a result of exchanging such notes; (2) the holding period of the exchange notes will include the holding period of the old 7 1/2% notes exchanged therefor; and (3) the adjusted tax basis of the exchange notes received will be the same as the adjusted tax basis of the old 7 1/2% notes exchanged therefor immediately before such exchange.

INTEREST

Interest on an old 7 1/2% note and an exchange note, as applicable, generally will be includable in your income as ordinary income at the time the interest is received or accrued, in accordance with your method of accounting for United States federal income tax purposes.

MARKET DISCOUNT

If you purchase an exchange note after original issuance for an amount that is less than its stated redemption price at maturity, the difference will be treated as "market discount" (unless such difference is less than a de minimis amount as defined by the Internal Revenue Code), and the market discount provisions of the Internal Revenue Code will apply to the exchange note. The market discount rules generally provide that if you purchase a note at a market discount and thereafter receive any full or partial payment, including a payment on maturity, or recognize any gain on a sale or other disposition of the note, including a gift, such payment, gain or appreciation, in the case of a gift, will be treated as ordinary income, to the extent that such gain does not exceed the market discount that accrued while the note was held by you. The amount of the market discount treated as having accrued will be determined either (i) on a straight-line basis by multiplying the market discount times a fraction, the numerator of which is the number of days the exchange note was held by you and the denominator of which is the total number of days after the date you acquired the exchange note up to (and including) the exchange note's maturity date, or (ii) if you so elect, on a constant interest rate method.

If you acquire an exchange note at a market discount, you may elect to include the market discount in income as the discount thereon accrues, either on a straight-line basis or, if elected, on a constant interest rate basis. The current inclusion election, once made, applies to all market discount obligations acquired by you on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the Internal Revenue Service. If you elect to include market discount in income in accordance with this paragraph, the foregoing rules with respect to the recognition of ordinary income on a sale or other disposition of such note would not apply.

If you acquire a debt instrument at a market discount and do not elect to include such market discount in income on a current basis, as described above, you may be required to defer a portion of any interest expense that may otherwise be deductible on any indebtedness incurred or maintained to purchase or carry such note until you dispose of the exchange note in a taxable transaction.

AMORTIZABLE BOND PREMIUM

If you purchase an exchange note for an amount that is in excess of the exchange note's stated redemption price at maturity, such excess may constitute "amortizable bond premium." You may generally elect to amortize and deduct the amortizable bond premium over the period from the acquisition date to the exchange note's maturity date. If you elect to amortize bond premium, you must reduce your adjusted tax basis in the exchange note by the amount of the aggregate deductions allowable for amortizable bond premium. If you do not elect to make such an election, the premium will decrease the gain or increase the loss otherwise recognizable on the sale or other disposition of the exchange note. Any election to amortize bond premium will generally apply to all debt instruments held or subsequently acquired by you on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the Internal Revenue Service.

The amortizable bond premium deduction is treated as an offset to interest income on the note for federal income tax purposes. You are urged to consult with your tax advisor as to the consequences of the treatment of such premium as an offset to interest income for federal income tax purposes.

SALE, EXCHANGE OR REDEMPTION OF THE NOTES

Upon the sale, exchange or redemption of an exchange note, you generally will recognize capital gain or loss equal to the difference between:

(1) the amount of cash proceeds and the fair market value of any property received on the sale, exchange or redemption (except to the extent this amount is attributable to accrued but unpaid interest not previously included in income, which will be taxable as ordinary income), and

(2) your adjusted tax basis in the exchange note.

Your adjusted tax basis in an exchange note generally will equal the amount you paid for the exchange note, less any principal payments received by you and the amount of aggregate deductions, if any, allowable for amortizable bond premium. The gain or loss will be long-term capital gain or loss if you held the exchange note for more than one year. Long-term capital gains of individuals, estates and trusts are generally taxed at a maximum rate of 15%. The deductibility of capital losses is subject to certain limitations.

INFORMATION REPORTING AND BACKUP WITHHOLDING TAX

In general, information reporting requirements will apply to certain non-corporate United States Holders with respect to payments of principal and interest on an old 7 1/2% note and an exchange note, as applicable, and to the proceeds of the sale of such notes, and a backup withholding tax also may apply to these payments. If you are such a United States Holder, you generally will be subject to backup withholding at the applicable rate of 28% unless you provide to us or our paying agent a correct taxpayer identification number and certain other information, certified under penalties of perjury, or you otherwise establish an exemption.

Any amounts withheld from a payment under the backup withholding rules may be allowed as a credit against your United States federal income tax liability and may entitle you to a refund, provided that the required information is furnished to the Internal Revenue Service.

NON-UNITED STATES HOLDERS

As used in this tax discussion, a non-United States Holder means any beneficial owner of a note that is not a United States Holder. The rules governing the United States federal income and estate taxation of a non-United States Holder are complex, and no attempt will be made herein to provide more than a summary of those rules. Special rules may apply to a non-United States Holder that is a controlled foreign corporation, passive foreign investment company or foreign personal holding company and therefore subject to special treatment under the Internal Revenue Code. NON-UNITED STATES HOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS TO DETERMINE THE EFFECT OF FEDERAL, STATE, LOCAL AND FOREIGN TAX LAWS WITH REGARD TO AN INVESTMENT IN THE EXCHANGE NOTES, INCLUDING ANY REPORTING REQUIREMENTS.

INTEREST

Generally, payments of interest on an old 7 1/2% note and an exchange note, as applicable, will qualify for the "portfolio interest" exemption and, therefore, will not be subject to United States federal income tax or withholding tax, provided that this interest income is not effectively connected with a United States trade or business conducted by you and provided that you:

(1) do not actually or constructively own 10% or more of the combined voting power of all classes of our stock entitled to vote,

(2) are not, for United States federal income tax purposes, a controlled foreign corporation related to us through stock ownership,

(3) are not a bank receiving interest on a loan entered into in the ordinary course of your business within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, and

(4) you appropriately certify as to your foreign status.

You can generally meet the certification requirement by providing a properly executed Form W-8BEN or appropriate substitute form to us, or our paying agent. If you hold the old 7 1/2% notes and exchange notes, as applicable, through a financial institution or other agent acting on your behalf, you may be required to provide appropriate certifications to the agent. Your agent will then generally be required to provide appropriate certifications to us or our paying agent, either directly or through other intermediaries. Special rules apply to foreign partnerships, estates and trusts, and in certain circumstances certifications as to the foreign status of partners, trust owners or beneficiaries may have to be provided to us or our paying agent. In addition, special rules apply to qualified intermediaries that enter into withholding agreements with the Internal Revenue Service, and such intermediaries generally are not required to forward any certification forms received from non-United States Holders.

Except to the extent that an applicable treaty otherwise provides, a non-United States Holder generally will be taxed in the same manner as a United States Holder with respect to interest if the interest income is effectively connected with a United States trade or business of the non-United States Holder. Effectively connected interest received by a corporate non-United States Holder may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate (or, if applicable, a lower treaty rate). Even though this effectively connected interest is subject to income tax, and may be subject to the branch profits tax, it is not subject to withholding tax (unless derived through a partnership) if the non-United States Holder delivers Internal Revenue Service Form W-8ECI (or successor form) annually to us or our agent.

Interest income of a non-United States Holder that is not effectively connected with a United States trade or business and that does not qualify for the portfolio interest exemption described above will generally be subject to a withholding tax at a 30% rate (or, if applicable, a lower treaty rate).

SALE, EXCHANGE OR REDEMPTION OF THE EXCHANGE NOTES

You will generally not be subject to United States federal income tax or withholding tax on any gain realized on the sale, exchange, redemption or other disposition of an exchange note unless:

(1) the gain is effectively connected with your conduct of a United States trade or business,

(2) you are an individual who has been present in the United States for a period or periods aggregating 183 days or more during the taxable year of the disposition, and certain other requirements are met, or

(3) you are subject to tax pursuant to the provisions of the Internal Revenue Code applicable to certain United States expatriates.

CERTAIN U.S. FEDERAL ESTATE TAX CONSIDERATIONS FOR NON-UNITED STATES HOLDERS

An exchange note beneficially owned by an individual who is not a citizen or resident of the United States at the time of death will generally not be includable in the decedent's gross estate for United States federal estate tax purposes, provided that the beneficial owner did not at the time of death actually or constructively own 10% or more of the combined voting power of all classes of our stock entitled to vote, and provided that, at the time of the holder's death, payments with respect to that note would not have been effectively connected with the holder's conduct of a trade or business within the United States.

INFORMATION REPORTING AND BACKUP WITHHOLDING TAX

United States information reporting requirements and backup withholding tax generally will not apply to payments of interest and principal on an old 7 1/2% note and an exchange note, as applicable, to a non-United States Holder if the statement described in "Non-United States Holders -- Payment of Interest" is

duly provided by the holder or the holder otherwise establishes an exemption, provided that we do not have actual knowledge or reason to know that the holder is a United States person or that the exemption conditions are not satisfied.

Information reporting requirements and backup withholding tax generally will not apply to any payment of the proceeds of the sale of an exchange note effected outside the United States by a foreign office of a "broker" (as defined in applicable United States Treasury Regulations). However, if the broker:

(1) is a United States person,

(2) derives 50% or more of its gross income from all sources for certain periods from the conduct of a United States trade or business,

(3) is a controlled foreign corporation as to the United States, or

(4) is a foreign partnership in which one or more United States persons, in the aggregate, own more than 50% of the income or capital interests in the partnership or is a foreign partnership that is engaged in a trade or business in the United States,

payment of the proceeds will be subject to information reporting requirements unless the broker has documentary evidence in its records that the beneficial owner is a non-United States Holder and certain other conditions are met, or the beneficial owner otherwise establishes an exemption.

Payment of the proceeds of any sale of an exchange note to or through the United States office of a foreign or U.S. broker is subject to information reporting and backup withholding requirements, unless the beneficial owner of the exchange note provides the statement described in "Non-United States Holders -- Payment of Interest" or otherwise establishes an exemption and the broker does not have actual knowledge or reason to know that the payee is a United States person or that the exemption conditions are not satisfied.

Any amounts withheld from a payment to a non-United States Holder under the backup withholding rules generally will be allowed as a credit against the non-United States Holder's United States federal income tax liability and may entitle the non-United States Holder to a refund, provided that the required information is provided to the Internal Revenue Service.

THE FEDERAL TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE EXCHANGE OF THE OLD 7 1/2% NOTES FOR THE EXCHANGE NOTES AND THE OWNERSHIP AND DISPOSITION OF THE EXCHANGE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN FEDERAL OR OTHER TAX LAWS.

PLAN OF DISTRIBUTION

Based on interpretations by the SEC set forth in no-action letters issued to third parties, we believe that exchange notes issued pursuant to this exchange offer in exchange for the old 7 1/2% notes may be offered for resale, resold and otherwise transferred by holders thereof, other than any holder which is:

- an "affiliate" of us within the meaning of Rule 405 under the Securities Act;

- a broker-dealer who acquired notes directly from us; or

- broker-dealers who acquired notes as a result of market-making or other trading activities,

without compliance with the registration and prospectus delivery provisions of the Securities Act provided that such exchange notes are acquired in the ordinary course of such holders' business, and such holders are not engaged in, and do not intend to engage in, and have no arrangement or understanding with any person to participate in a distribution of such exchange notes. However, broker-dealers receiving exchange notes in this exchange offer will be subject to a prospectus delivery requirement with respect to resales of such exchange notes. To date, the SEC has taken the position that these broker-dealers may fulfill their prospectus delivery requirements with respect to transactions involving an exchange of securities such as the exchange pursuant to this exchange offer, other than a resale of an unsold allotment from the sale of the old 7 1/2% notes to the initial purchasers, with the prospectus contained in this exchange offer registration statement. Pursuant to the registration rights agreement, we have agreed to permit these broker-dealers to use this prospectus in connection with the resale of such exchange notes. We have agreed that, for a period of 180 days after the consummation of this exchange offer, or such time as all exchange notes have been sold, we will make this prospectus, and any amendment or supplement to this prospectus, available to any broker-dealer that requests such documents in the letter of transmittal.

Each holder of old 7 1/2% notes who wishes to exchange old 7 1/2% notes for exchange notes in this exchange offer will be required to make certain representations to us as set forth in "The Exchange Offer -- Purpose and Effect of the Exchange Offer."

Each broker-dealer that receives exchange notes for its own account pursuant to this exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for old 7 1/2% notes where such old 7 1/2% notes were acquired as a result of market-making activities or other trading activities. Until , 2003, all dealers effecting transactions in the exchange notes may be required to deliver a prospectus.

We will not receive any proceeds from any sale of exchange notes by broker-dealers. Exchange notes received by broker-dealers for their own account pursuant to this exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the exchange notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or at negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such exchange notes. Any broker-dealer that resells exchange notes that were received by it for its own account pursuant to this exchange offer and any broker or dealer that participates in a distribution of such exchange notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of exchange notes and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal state that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 180 days after the consummation of this exchange offer, or such time as all exchange notes have been sold, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of

transmittal. We have agreed to pay all expenses incident to this exchange offer, including the expenses of one counsel for the holders of the notes, other than commissions or concessions of any broker-dealers and will indemnify the holders of the notes, including any broker-dealers, against certain liabilities, including liabilities under the Securities Act.

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The financial statements as of December 31, 2001 and 2002, and for each of the three years in the period ended December 31, 2002, included in this prospectus have been so included in reliance on the report of Grant Thornton LLP, independent certified public accountants, given on the authority of such firm as experts in accounting and auditing.

Grant Thornton LLP has advised us that from December 28, 1998 through March 27, 2000, a benefit plan managed by a third-party brokerage firm for the benefit of Grant Thornton LLP's employees owned up to 120 shares of our common stock. Accordingly, this has raised an issue as to Grant Thornton LLP's independence. Grant Thornton LLP has disclosed the situation to the SEC. Grant Thornton LLP has also advised us that, after consultation with the SEC, Grant Thornton LLP is permitted to sign audit opinions and consents to incorporation by reference as necessary in connection with documents filed by us with the SEC and other third parties.

LEGAL MATTERS

The validity of the exchange notes offered by this prospectus will be passed upon for us by Winstead Sechrest & Minick P.C., Dallas, Texas.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission, or SEC. You may read this information at the SEC's public reference room at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549.

Please call 1-800-SEC-0330 for further information on its regional public reference rooms. You may also obtain copies of this information by mail from the Public Reference Section of the SEC, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, at prescribed rates. Our SEC filings are also available to the public at the SEC's web site at http://www.sec.gov. You may also inspect reports, proxy statements and other information about us at the offices of The Nasdaq Stock Market, Inc. National Market System, 1735 K. Street, N.W., Washington, D.C. 20006-1500.

We, together with the subsidiary guarantors, have filed a registration statement on Form S-4 to register with the SEC the exchange notes to be issued in exchange for the old 7 1/2% notes. This prospectus is part of that registration statement. As allowed by the SEC's rules, this prospectus does not contain all of the information you can find in the registration statement or the exhibits to the registration statement.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference in this prospectus is considered to be a part of this prospectus, and later information filed with the SEC or contained in this prospectus updates and supersedes this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until our offering is completed:

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2002;

- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2003;

- Our Current Report on Form 8-K dated April 23, 2003;

- Our Current Report on Form 8-K dated May 1, 2003; and

- The portions of our proxy statement for our 2003 annual meeting of our stockholders that have been incorporated by reference into our annual report.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Rent-A-Center, Inc.
Attention: Corporate Secretary
5700 Tennyson Parkway
Third Floor
Plano, Texas 75024
Telephone: (972) 801-1100

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Stockholders
Rent-A-Center, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of Rent-A-Center, Inc. and Subsidiaries as of December 31, 2002 and 2001, and the related consolidated statements of earnings, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2002. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Rent-A-Center, Inc. and Subsidiaries as of December 31, 2002 and 2001, and the consolidated results of their operations and their consolidated cash flows for each of the three years in the period ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note D to the consolidated financial statements, the Company adopted Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets" ("SFAS 142") on January 1, 2002.

GRANT THORNTON LLP

Dallas, Texas
February 10, 2003

RENT-A-CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2001	MARCH 31, 2002	2003	(UNAUDITED) (IN THOUSANDS, EXCEPT PER SHARE DATA)
ASSETS			
Cash and cash equivalents	$ 107,958	$ 85,723	$ 103,151
Accounts receivable	1,664	5,922	9,447
Prepaid expenses and other assets	29,846	42,882	25,717
Rental merchandise, net On rent	531,627	510,184	556,415
Held for rent	122,074	121,540	136,909
Property assets, net	106,883	105,949	109,015
Deferred income taxes	8,772	--	--
Intangible assets, net	711,096	743,852	788,964
	$1,619,920	$1,616,052	$1,729,618
LIABILITIES			
Accounts payable -- trade	$ 49,930	$ 43,461	$ 79,392
Accrued liabilities	170,196	122,717	165,234
Deferred income taxes	--	86,142	75,712
Senior debt	428,000	249,500	249,500
Subordinated notes payable, net of discount	274,506	271,830	271,849
	922,632	773,650	841,687
COMMITMENTS AND CONTINGENCIES	--	--	--
PREFERRED STOCK Redeemable convertible voting preferred stock, net of placement costs, $.01 par value; 5,000,000 shares authorized; 292,434 and 2 shares issued and outstanding in 2001 and 2002, respectively, and 2 shares at March 31, 2003	291,910	2	2
STOCKHOLDERS' EQUITY Common stock, $.01 par value; 125,000,000 shares authorized; 27,726,092 and 39,538,042 shares issued in 2001 and 2002, respectively, and 39,747,712 shares at March 31, 2003	277	395	397
Additional paid-in capital	191,438	532,675	539,339
Accumulated comprehensive loss	(6,319)	(3,726)	(2,351)
Retained earnings	269,982	428,621	479,547
Treasury stock, 2,224,179 and 4,599,269 shares at cost in 2001 and 2002, respectively, and 4,875,269 shares at March 31, 2003	(50,000)	(115,565)	(129,003)
	405,378	842,400	887,929
	$1,619,920	$1,616,052	$1,729,618

See accompanying notes to consolidated financial statements.

RENT-A-CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

THREE MONTHS ENDED DECEMBER 31,	YEAR ENDED MARCH 31,				
	2000	2001	2002	2002	2003
	(UNAUDITED)				
(IN THOUSANDS, EXCEPT PER SHARE DATA)					
Revenues					
Store Rentals and fees	$1,459,664	$1,650,851	$1,828,534	$ 443,705	$ 493,419
Installment sales	-	-	--	6,137	-- 6,045
Merchandise sales	81,166	94,733	115,478	39,605	52,664
Other	3,018	3,476	2,589	614	715
Franchise Merchandise sales	51,769	53,584	51,514	13,253	12,072
Royalty income and fees	5,997	5,884	5,792	1,433	1,491
	1,601,614	1,808,528	2,010,044	498,610	566,406
Operating expenses					
Direct store expenses					
Depreciation of rental merchandise	299,298	343,197	383,400	92,223	106,660
Cost of installment sales	--	--	3,776	--	3,231
Cost of merchandise sold	65,332	72,539	84,628	26,982	36,548
Salaries and other expenses	866,234	1,019,402	1,070,265	262,619	292,496
Franchise cost of merchandise sold	49,724	51,251	49,185	12,653	11,551
	-	1,280,588	1,486,389	1,591,254	394,477	450,486
General and administrative expenses	48,093	55,359	63,296	15,117	16,756
Amortization of intangibles	28,303	30,194	5,045	720	2,873
Class action litigation settlements	(22,383)	52,000	--	--	--
Total operating expenses	1,334,601	1,623,942	1,659,595	410,314	470,115
Operating profit	267,013	184,586	350,449	88,296	96,291
Interest expense	74,324	60,874	64,682	15,798	13,523
Interest income	(1,706)	(1,094)	(2,676)	(723)	(771)
Earnings before income taxes	194,395	124,806	288,443	73,221	83,539
Income tax expense	91,368	58,589	116,270	29,658	32,580
	-	-	-	-	-
NET EARNINGS	103,027	66,217	172,173	43,563	50,959
Preferred dividends	10,420	15,408	10,212	4,992	--
Net earnings allocable to common stockholders	$ 92,607	$ 50,809	$ 161,961	$ 38,571	$ 50,959

========== ========== Basic
earnings per common
share.....
$ 3.79 $ 1.97 $ 5.51 $ 1.57 $
1.46 ========== ==========
========== ==========
========== Diluted earnings
per common
share.....
$ 2.96 $ 1.79 $ 4.74 $ 1.20 $
1.42 ========== ==========
========== ==========
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See accompanying notes to consolidated financial statements.

RENT-A-CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

COMMON STOCK SHARES	COMMON STOCK AMOUNT	ADDITIONAL PAID-IN CAPITAL	ACCUMULATED EARNINGS	TREASURY STOCK	COMPREHENSIVE INCOME (LOSS)	TOTAL
			(IN THOUSANDS)			
Balance at January 1, 2000	25,297	$253	$105,627	$125,810	$ (25,000)	$ --	$206,690
Net earnings	--	--	--	103,027	--	--	103,027
Preferred dividends	--	--	--	(10,330)	--	--	(10,330)
Issuance of stock options for services	--	--	65	--	--	--	65
Exercise of stock options	403	4	8,430	--	--	--	8,434
Tax benefits related to exercise of stock options	--	--	1,485	--	--	--	1,485
Balance at December 31, 2000	25,700	257	115,607	218,507	(25,000)	--	309,371
Net earnings	--	--	--	66,217	--	--	66,217
Other comprehensive income (loss): Cumulative effect of adoption of SFAS 133	--	--	--	--	--	1,378	1,378
Losses on interest rate swaps, net of tax	--	--	--	--	--	(11,556)	(11,556)
Reclassification adjustment for losses included in net earnings, net of tax	--	--	--	--	--	3,859	3,859
Other comprehensive loss	--	--	--	--	--	(6,319)	(6,319)
Comprehensive income							59,898
Purchase of treasury stock (1,234 shares)	--	--	--	--	(25,000)	--	(25,000)
Issuance of common stock in public offering, net of issuance costs of $3,253	1,150	12	45,610	--	--	--	45,622
Preferred dividends	--	--	4,064	(14,742)	--	(10,678)	
Issuance of stock options for services	--	--	111	--	--	--	111
Exercise of stock options	876	8	20,309	--	--	--	20,317
Tax benefits related to exercise of stock options	--	--	5,737	--	--	--	5,737
Balance at December 31, 2001	27,726	277	191,438	269,982	(50,000)	(6,319)	405,378
Net earnings	--	--	--	172,173	--	--	172,173
Other comprehensive income: Losses on interest rate swaps, net of tax	--	--	--	--	--	(6,836)	(6,836)
Reclassification adjustment for losses included in net earnings, net of tax	--	--	--	--	--	9,429	9,429
Other comprehensive income	--	--	--	--	--	2,593	2,593
Comprehensive income							174,766
Purchase of treasury stock (2,375 shares)	--	--	--	--	(65,565)	--	(65,565)
Preferred dividends	--	--	5,383	(13,534)	--	(8,151)	
Conversion of preferred stock to common (10,782 shares)	10,782	108	299,951	--	--	--	300,059
Issuance of stock options for services	--	--	112	--	--	--	112
Exercise of stock options	1,030	10	26,782	--	--	--	26,792
Tax benefits related to exercise of stock options	--	--	9,009	--	--	--	9,009
Balance at December 31, 2002	39,538	395	532,675	428,621	(115,565)	(3,726)	842,400
Net Earnings	--	--	--	50,959	--	--	50,959
Other Comprehensive income: Gains on interest rate swaps, net of tax	--	--	--	--	--	3,986	3,986
Reclassification adjustment for gains included in net earnings, net of tax	--	--	--	--	--	(2,611)	(2,611)
Other comprehensive income	--	--	--	--	--	1,375	1,375
Comprehensive income							
Purchase of treasury	--	--	--	--	--	52,334	

stock (276,000 shares).... -- -- -- -- (13,438) -- (13,438) Issuance of stock options for services..... -- -- 28 -- -- -- 28 Exercise of stock options..... 210 2 6,161 -- -- -- 6,163 Tax benefits related to exercise of stock options..... -- -- 475 -- -- -- 475 Other..... -- -- -- (33) -- -- (33) ------ ---- -------- -------- --------- -------- -------- Balance at March 31, 2003 (unaudited)..... 39,748 $397 $539,339 $479,547 $(129,003) $ (2,351) $887,929 ====== ==== ======== ======== ========= ======== ========

See accompanying notes to consolidated financial statements.

RENT-A-CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

THREE MONTHS ENDED MARCH 31,	YEAR ENDED DECEMBER 31,				
	2000	2001	2002	2002	2003
				(UNAUDITED)	
(IN THOUSANDS)					
Cash flows from operating activities					
Net earnings	$ 103,027	$ 66,217	$ 172,173	$ 43,563	$ 50,959
Adjustments to reconcile net earnings to net cash provided by operating activities					
Depreciation of rental merchandise	299,298	343,197	383,400	92,223	106,660
Depreciation of property assets	33,144	37,910	38,359	9,466	10,120
Amortization of intangibles	28,303	30,194	5,045	720	2,873
Amortization of financing fees	2,705	2,760	5,944	690	262
Deferred income taxes	77,738	23,856	94,914	12,076	(10,430)
Changes in operating assets and liabilities, net of effects of acquisitions					
Rental merchandise	(342,233)	(391,932)	(342,954)	(93,826)	(117,896)
Accounts receivable -- trade	629	1,590	(4,258)	(1,144)	(3,525)
Prepaid expenses and other assets	(6,624)	(1,709)	(15,973)	(3,435)	15,422
Accounts payable -- trade	12,197	(15,766)	(6,469)	15,468	35,931
Accrued liabilities and other	(16,621)	79,413	(35,691)	20,530	34,414
Net cash provided by operating activities	191,563	175,730	294,490	96,331	124,790
Cash flows from investing activities					
Purchase of property assets	(37,937)	(57,532)	(37,596)	(8,100)	(9,245)
Proceeds from sale of property assets	1,403	706	398	374	223
Acquisitions of businesses, net of cash acquired	(42,538)	(49,835)	(59,504)	(3,549)	(91,065)
Net cash used in investing activities	(79,072)	(106,661)	(96,702)	(11,275)	(100,087)
Cash flows from financing activities					
Purchase of treasury stock	--	(25,000)	(65,565)	(34,724)	(13,438)
Proceeds from issuance of common stock, net of issuance costs	--	45,622	--	--	--
Exercise of stock options	8,434	20,317	26,792	8,974	6,163
Proceeds from debt	242,975	99,506	--	--	--
Repurchase of senior subordinated notes, net of loss	--	--	(2,750)	--	--
Repayments of debt	(349,084)	(138,051)	(178,500)	--	--
Net cash provided by (used in) financing activities	(97,675)	2,394	(220,023)	(25,750)	(7,275)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	14,816	71,463	(22,235)	59,306	17,428
Cash and cash equivalents at beginning of period	21,679	36,495	107,958	107,958	85,723
Cash and cash equivalents at end of period	$ 36,495	$ 107,958	$ 85,723	$ 167,264	$ 103,151
Supplemental cash flow information					
Cash paid during the year for:					
Interest	$ 75,956	$ 56,306	$ 53,307	$ 18,585	$ 20,839
Income taxes	$ 9,520	$ 21,526	$ 31,868	2,018	2,569

During the years ended December 31, 2000, 2001 and 2002 and the three months ended March 31, 2002, the Company paid Series A preferred dividends of approximately $10.3 million, $10.7 million, $8.2 million and $2.8 million by issuing 10,330, 10,678, 8,151 and 2,764 shares of Series A preferred stock, respectively. During the three months ended March 31, 2003, the Company paid Series A preferred dividends of approximately $20.00 in cash.

See accompanying notes to consolidated financial statements.

NOTE A -- SUMMARY OF ACCOUNTING POLICIES AND NATURE OF OPERATIONS

A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows:

PRINCIPLES OF CONSOLIDATION AND NATURE OF OPERATIONS

Effective as of December 31, 2002, the Company completed a tax-free internal reorganization of its corporate structure. The reorganization was effected through an inversion merger whereby Rent-A-Center, Inc. became a wholly-owned subsidiary of Rent-A-Center Holdings, Inc., a newly formed Delaware holding company. Upon the merger, Rent-A-Center, Inc. changed its name to Rent-A-Center East, Inc. ("Rent-A-Center East") and Rent-A-Center Holdings, Inc. adopted the name Rent-A-Center, Inc.

At December 31, 2002, the Company operated 2,407 company-owned stores nationwide and in Puerto Rico, including 23 stores in Wisconsin operated by a subsidiary, Get It Now, LLC, under the name "Get It Now." These financial statements include the accounts of Rent-A-Center, Inc. ("Rent-A-Center") and its direct and indirect wholly-owned subsidiaries (collectively, the "Company"). All significant intercompany accounts and transactions have been eliminated. Rent-A-Center's primary operating segment consists of leasing household durable goods to customers on a rent-to-own basis. Get It Now offers merchandise on an installment sales basis in Wisconsin.

ColorTyme, Inc. ("ColorTyme"), an indirect wholly-owned subsidiary of Rent-A-Center, is a nationwide franchisor of 318 franchised rent-to-own stores operating in 40 states. These rent-to-own stores offer high quality durable products such as home electronics, appliances, computers, and furniture and accessories. ColorTyme's primary source of revenues is the sale of rental merchandise to its franchisees, who, in turn, offer the merchandise to the general public for rent or purchase under a rent-to-own program. The balance of ColorTyme's revenues are generated primarily from royalties based on franchisees' monthly gross revenues.

RENTAL MERCHANDISE

Rental merchandise is carried at cost, net of accumulated depreciation. Depreciation for all merchandise is provided using the income forecasting method, which is intended to match as closely as practicable the recognition of depreciation expense with the consumption of the rental merchandise, and assumes no salvage value. The consumption of rental merchandise occurs during periods of rental and directly coincides with the receipt of rental revenue over the rental-purchase agreement period, generally 6 to 30 months. Under the income forecasting method, merchandise held for rent is not depreciated, and merchandise on rent is depreciated in the proportion of rents received to total rents provided in the rental contract, which is an activity based method similar to the units of production method. On July 1, 2002, the Company began accelerating the depreciation on computers that are 21 months old or older and which have become idle using the straight-line method for a period of at least six months. As of December 31, 2002, the Company has recognized an additional $2.4 million in depreciation expense due to this accelerated method on computers. The purpose for this change is to better reflect the depreciable life of a computer and to encourage the sale of older computers. Though this method will accelerate the depreciation expense on the affected computers, the Company does not expect it to have a material effect on its financial position, results of operations or cash flows in future periods.

Rental merchandise which is damaged and inoperable, or not returned by the customer after becoming delinquent on payments, is written-off when such impairment occurs.

CASH EQUIVALENTS

For purposes of reporting cash flows, cash equivalents include all highly liquid investments with an original maturity of three months or less.

RENTAL REVENUE AND FEES

Merchandise is rented to customers pursuant to rental-purchase agreements which provide for weekly or monthly rental terms with non-refundable rental payments. Generally, the customer has the right to acquire title either through a purchase option or through payment of all required rentals. Rental revenue and fees are recognized over the rental term. No revenue is accrued because the customer can cancel the rental contract at any time and Rent-A-Center cannot enforce collection for non-payment of rents.

ColorTyme's revenue from the sale of rental merchandise is recognized upon shipment of the merchandise to the franchisee.

Get It Now's revenue from the sale of merchandise through an installment credit sale is recognized at the time of the sale, as is the cost of the merchandise sold, net of a provision for uncollectable accounts.

PROPERTY ASSETS AND RELATED DEPRECIATION

Furniture, equipment and vehicles are stated at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of the respective assets (generally five years) by the straight-line method. Leasehold improvements are amortized over the term of the applicable leases by the straight-line method.

INTANGIBLE ASSETS AND AMORTIZATION

The Company adopted SFAS 142, "Goodwill and Other Intangible Assets," effective January 1, 2002 and has identified one reporting unit. In accordance with SFAS 142, the Company discontinued recording goodwill amortization effective January 1, 2002. Non-compete agreements, franchise network and customer relationships are amortized over two to five years, ten years and 18 to 24 months, respectively.

ACCOUNTING FOR IMPAIRMENT OF LONG-LIVED ASSETS

The Company evaluates all long-lived assets, including all intangible assets and rental merchandise, for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. Impairment is recognized when the carrying amounts of such assets cannot be recovered by the undiscounted net cash flows they will generate.

DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company's objective in managing its exposure to fluctuations in interest rates is to decrease the volatility of earnings and cash flows associated with changes in the applicable rates. To achieve this objective, the Company has entered into interest-rate swap agreements. The interest-rate swaps are derivative instruments related to forecasted transactions and are considered to hedge future cash flows. The effective portion of any gains or losses are included in accumulated other comprehensive income (loss) until earnings are affected by the variability of cash flows. Any ineffective portion is recognized currently into earnings. The cash flows of the interest-rate swaps are expected to be effective in achieving offsetting cash flows attributable to fluctuations in the cash flows of the floating-rate senior credit facility. If it becomes probable a forecasted transaction will no longer occur, the interest-rate swap will continue to be carried on the balance sheet at fair value, and gains or losses that were deferred in accumulated other comprehensive income (loss) will be recognized immediately into earnings. If the interest-rate swaps are

terminated prior to their expiration dates, any cumulative gains and losses will be deferred and recognized into earnings over the remaining life of the underlying exposure. If the hedged liabilities are to be sold or extinguished, the Company will recognize the gain or loss on the designated financial instruments currently into earnings.

Changes in the fair value of the effective cash flow hedges are recorded in accumulated other comprehensive income (loss). The effective portion that has been deferred in accumulated other comprehensive income (loss) will be reclassified to earnings when the hedged items impact earnings.

The Company's adoption of SFAS No. 133 on January 1, 2001 resulted in the recognition of approximately $2.6 million, or $1.4 million after taxes, of derivative assets on the Company's consolidated balance sheet and $1.4 million of hedging gains included in accumulated other comprehensive income as the cumulative effect of a change in accounting principle.

The interest-rate swaps were and are based on the same index as their respective underlying debt. The interest-rate swaps have been effective in achieving offsetting cash flows attributable to the fluctuations in the cash flows of the hedged risk, and no amount has been required to be reclassified from accumulated other comprehensive income (loss) into earnings for hedge ineffectiveness during the years ended December 31, 2001 and 2002. The interest-rate swap resulted in an increase of interest expense of $3.9 million and $9.4 million for the years ended December 31, 2001 and 2002, respectively. The fair value of the interest-rate swaps decreased by $6.3 million, net of tax, during the year ended December 31, 2001, and increased by $2.6 million, net of tax, during the year ended December 31, 2002, which have been recorded in accumulated other comprehensive income. The estimated net amount of existing loss expected to be reclassified into earnings during 2003 is approximately $3.7 million. During the year ended December 31, 2002, the amount of cash flow loss reclassified to earnings because it became probable that the original forecasted transaction would not occur was not material.

INCOME TAXES

The Company provides deferred taxes for temporary differences between the tax and financial reporting bases of assets and liabilities at the rate expected to be in effect when taxes become payable.

EARNINGS PER COMMON SHARE

Basic earnings per common share are based upon the weighted average number of common shares outstanding during each period presented. Diluted earnings per common share are based upon the weighted average number of common shares outstanding during the period, plus, if dilutive, the assumed exercise of stock options and the assumed conversion of convertible securities at the beginning of the year, or for the period outstanding during the year for current year issuances.

ADVERTISING COSTS

Costs incurred for producing and communicating advertising are expensed when incurred. Advertising expense was $61.2 million, $69.1 million, and $62.7 million in 2000, 2001 and 2002, respectively.

STOCK-BASED COMPENSATION

The Company has in place a long-term incentive plan for the benefit of certain key employees, consultants and directors, which is described more fully in Note K. The Company accounts for this plan under the recognition and measurement principles of APB Opinion No. 25, Accounting for Stock Issued to Employees, and related Interpretations. No stock-based employee compensation cost is reflected in net earnings, as all options granted under those plans had an exercise price equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net earnings

and earnings per share if the Company had applied the fair value recognition provisions of FASB Statement No. 123, Accounting for Stock-Based Compensation, to stock-based employee compensation.

	THREE MONTHS ENDED DECEMBER 31,	YEAR ENDED MARCH 31,			
	2000	2001	2002	2002	2003
	(UNAUDITED)	(IN THOUSANDS, EXCEPT PER SHARE DATA)			
Net earnings allocable to common stockholders As reported	$92,607	$50,809	$161,961	$38,571	$50,959
Deduct: Total stock-based employee compensation under fair value based method for all awards, net of related tax expense	10,272	7,380	11,290	2,823	3,704
Pro forma	$82,335	$43,429	$150,671	$35,748	$47,255
Basic earnings per common share As reported	$ 3.79	$ 1.97	$ 5.51	$ 1.57	$ 1.46
Pro forma	$ 3.37	$ 1.68	$ 5.13	$ 1.46	$ 1.35
Diluted earnings per common share As reported	$ 2.96	$ 1.79	$ 4.74	$ 1.20	$ 1.42
Pro forma	$ 2.67	$ 1.59	$ 4.43	$ 1.12	$ 1.32

The fair value of these options was estimated at the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions: expected volatility of 55.2% to 57.3%; risk-free interest rates of 6.5%, 4.2% to 5.3% and 3.5% to 5.5% for the years ended December 31, 2000, 2001, and 2002, respectively and 5.1% and 3.7% in March 31, 2002 and 2003, respectively; no dividend yield; and expected lives of seven years.

USE OF ESTIMATES

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and revenues during the reporting period. Actual results could differ from those estimates.

OTHER COMPREHENSIVE INCOME

Other comprehensive income refers to revenues, expenses, gains and losses that under generally accepted accounting principles are included in comprehensive income but are excluded from net income as these amounts are recorded directly as an adjustment to stockholders' equity. The Company's other comprehensive income is attributed to changes in the fair value of interest rate swap agreements, net of tax.

NEW ACCOUNTING PRONOUNCEMENTS

Accounting for Costs Associated with Exit or Disposal Activities. In June 2002, the FASB issued Statement 146, Accounting for Costs Associated with Exit or Disposal Activities. This statement requires entities to recognize costs associated with exit or disposal activities when liabilities are incurred rather than when the entity commits to an exit or disposal plan, as currently required. Examples of costs covered by

this guidance include one-time employee termination benefits, costs to terminate contracts other than capital leases, costs to consolidate facilities or relocate employees, and certain other exit or disposal activities. This statement is effective for fiscal years beginning after December 31, 2002, and will impact any exit or disposal activities the Company initiates after that date.

Stock-Based Employee Compensation. In December 2002, the FASB issued Statement 148 (SFAS 148), Accounting for Stock-Based Compensation -- Transition and Disclosure: an amendment of FASB Statement 123 (SFAS 123), to provide alternative transition methods for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the disclosure requirements of SFAS 123 to require prominent disclosures in annual financial statements about the method of accounting for stock-based employee compensation and the pro forma effect on reported results of applying the fair value based method for entities that use the intrinsic value method of accounting. The pro forma effect disclosures are also required to be prominently disclosed in interim period financial statements. This statement is effective for financial statements for fiscal years ending after December 15, 2002 and is effective for financial reports containing condensed financial statements for interim periods beginning after December 15, 2002, with earlier application permitted. The Company does not plan to change to the fair value based method of accounting for stock-based employee compensation at this time and have included the disclosure requirements of SFAS 148 in these financial statements.

Accounting for Guarantees. In November 2002, the FASB issued FASB Interpretation 45, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others (FIN 45). FIN 45 requires a guarantor entity, at the inception of a guarantee covered by the measurement provisions of the interpretation, to record a liability for the fair value of the obligation undertaken in issuing the guarantee. The Company previously did not record a liability when guaranteeing obligations unless it became probable that the Company would have to perform under the guarantee. FIN 45 applies prospectively to guarantees the Company issues or modifies subsequent to December 31, 2002, but has certain disclosure requirements effective for interim and annual periods ending after December 15, 2002. The Company has historically issued guarantees related to ColorTyme franchisees and other limited purposes and does not anticipate FIN 45 will have a material effect on its 2003 financial statements. Disclosures required by FIN 45 are included in these financial statements.

Consolidation of Variable Interest Entities. In January 2003, the FASB issued FASB Interpretation 46 (FIN 46), Consolidation of Variable Interest Entities. FIN 46 clarifies the application of Accounting Research Bulletin 51, Consolidated Financial Statements, for certain entities that do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties or in which equity investors do not have the characteristics of a controlling financial interest ("variable interest entities"). Variable interest entities within the scope of FIN 46 will be required to be consolidated by their primary beneficiary. The primary beneficiary of a variable interest entity is determined to be the party that absorbs a majority of the entity's expected losses, receives a majority of its expected returns, or both. FIN 46 applies immediately to variable interest entities created after January 31, 2003, and to variable interest entities in which an enterprise obtains an interest after that date. It applies in the first fiscal year or interim period beginning after June 15, 2003, to variable interest entities in which an enterprise holds a variable interest that it acquired before February 1, 2003. The Company is in the process of determining what impact, if any, the adoption of the provisions of FIN 46 will have upon its financial condition or results of operations.

INTERIM FINANCIAL STATEMENTS

In the opinion of management, the unaudited interim consolidated financial statements as of March 31, 2003 and for the three months ended March 31, 2002 and 2003, include all adjustments,

consisting only of those of a normal recurring nature, necessary to present fairly the Company's consolidated financial position as of March 31, 2003 and the results of their consolidated operations and cash flows for the three month periods ended March 31, 2002 and 2003. The results of operations for the three months ended March 31, 2003 and not necessarily indicative of the results to be expected for the full year.

NOTE B -- RENTAL MERCHANDISE

	2001	2002
	(IN THOUSANDS)	
On rent		
Cost	$885,015	$906,305
Less accumulated depreciation	353,388	396,121
	$531,627	$510,184
Held for rent		
Cost	$156,013	$161,316
Less accumulated depreciation	33,939	39,776
	$122,074	$121,540

RECONCILIATION OF RENTAL MERCHANDISE

	2000	2001	2002
Beginning merchandise value	$ 531,223	$ 587,232	$ 653,701
Inventory additions through acquisitions	13,074	17,734	18,469
Purchases	462,126	526,909	494,903
Depreciation of rental merchandise	(299,298)	(343,197)	(383,400)
Cost of goods sold	(65,332)	(72,539)	(88,404)
Skip stolens	(38,219)	(44,293)	(48,110)
Other inventory deletions(1)	(16,342)	(18,145)	(15,435)
Ending merchandise value	$ 587,232	$ 653,701	$ 631,724

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(1) Other inventory deletions includes LDW claims and unrepairable and missing merchandise, as well as acquisition write-offs.

NOTE C -- PROPERTY ASSETS

DECEMBER 31,	2001	2002
	(IN THOUSANDS)	
Furniture and equipment	$ 94,689	$113,579
Transportation equipment	27,384	24,972
Building and leasehold improvements	85,699	99,025
Construction in progress	6,083	1,013
	213,855	238,589
Less accumulated depreciation	106,972	132,640
	$106,883	$105,949

NOTE D -- INTANGIBLE ASSETS AND ACQUISITIONS

Intangibles consist of the following (in thousands):

DECEMBER 31, 2001 DECEMBER 31, 2002 MARCH 31, 2003						
	AVG. GROSS GROSS GROSS LIFE					
CARRYING ACCUMULATED CARRYING ACCUMULATED CARRYING ACCUMULATED						
	(YEARS)	AMOUNT AMORTIZATION	AMOUNT AMORTIZATION	AMOUNT AMORTIZATION		
	(UNAUDITED)					
Amortizable intangible assets						
Franchise network...	10	$ 3,000	$ 1,650	$ 3,000	$ 2,025	
Non-compete agreements.....	5	1,677	1,405	1,510	1,444	6,010
Customer relationships.....	1.5	3,994	1,882	12,706	6,365	20,694
		8,938				
Intangible assets not subject to amortization						
Goodwill.....		806,524	99,162	835,557	99,162	871,055
		99,162				
Total intangibles.....		$815,195	$104,099	$852,773	$108,921	$900,759
		$111,795				

Aggregate Amortization Expense

Year ended December 31, 2001	$30,194
Year ended December 31, 2002	$ 5,045
Three months ended March 31, 2003	$ 2,873

SUPPLEMENTAL INFORMATION REGARDING INTANGIBLE ASSETS AND AMORTIZATION.

Estimated amortization expense, assuming current intangible balances and no new acquisitions, for each of the years ending December 31 is as follows:

ESTIMATED AMORTIZATION EXPENSE	(IN THOUSANDS)
2003	$ 9,201
2004	5,074
2005	1,427
2006	1,275
2007	94
Total	$17,071

Changes in the carrying amount of goodwill for the year ended December 31, 2002, and for the three months ended March 31, 2003 are as follows (in thousands):

Balance as of January 1, 2002	$707,362
Additions from acquisitions	31,278
Tax benefit not recorded from previous acquisition	(6,125)

Post purchase price allocation adjustments	3,880
Balance as of January 1, 2003	736,395
Additions from acquisitions	35,498
Balance as of March 31, 2003 (unaudited)	$771,893

There were no impairment losses to goodwill for the year ended December 31, 2002.

In contrast to accounting standards in effect during 2000 and 2001, SFAS 142, Goodwill and Other Intangible Assets, which became effective beginning in 2002, provides that goodwill should not be amortized. Accordingly, with the adoption of SFAS 142 in 2002, the Company discontinued the amortization of goodwill. The information presented below reflects adjustments to information reported in 2000 and 2001 as if SFAS 142 had been applied in those years.

Net earnings and earnings per common share, excluding the after tax effect of amortization expense related to goodwill, for the years ending December 31, 2000, 2001 and 2002 are as follows:

YEAR ENDED DECEMBER 31,		
	2000	2001 2002
	(UNAUDITED) (IN THOUSANDS, EXCEPT PER SHARE DATA)	
Reported net earnings	$103,027	$66,217 $172,173
Goodwill amortization, net of tax	24,323	24,892 -
Adjusted net earnings	$127,350	$91,109 $172,173
BASIC EARNINGS PER COMMON SHARE:		
Reported earnings per share	$ 3.79	$ 1.97 $ 5.51
Add back: Goodwill amortization, net of tax	1.00	.97 --
Adjusted earnings per share	$ 4.79	$ 2.94 $ 5.51
DILUTED EARNINGS PER COMMON SHARE:		
Reported earnings per share	$ 2.96	$ 1.79 $ 4.74
Add back: Goodwill amortization, net of tax	.70	.67 --
Adjusted earnings per share	$ 3.66	$ 2.46 $ 4.74

ACQUISITIONS

The following table provides information concerning the acquisitions made during the years ended December 31, 2000, 2001 and 2002:

YEAR ENDED DECEMBER 31,			
	2000	2001	2002
(DOLLAR AMOUNTS IN THOUSANDS) Number of stores acquired	74	95	83
Number of locations accounts were acquired from	73	90	126
Number of transactions	35	52	53
Total purchase price	$42,538	$49,835	$59,504
Amounts allocated to:			
Goodwill	$27,507	$29,845	$31,278
Non-compete agreements	--	--	10
Customer relationships	1,745	2,150	8,783
Property assets	183	46	946
Rental merchandise	13,074	17,734	18,469
Other assets	29	60	18

Acquisitions during 2002 were not significant, individually or in the aggregate, to the Company's consolidated financial position or statement of operations as of December 31, 2002 and for the year then

ended. One of the transactions, which took place in June 2001, consisted of 54 stores, for approximately $21.0 million in cash. All acquisitions have been accounted for as purchases, and the operating results of the acquired businesses have been included in the financial statements since their date of acquisition.

NOTE E -- SENIOR CREDIT FACILITY

The Company has a Senior Credit Facility (the "Facility") with a syndicate of banks. The Company also has other debt facilities. These facilities consist of the following:

DECEMBER 31, 2001 DECEMBER 31, 2002	FACILITY AMOUNT	MAXIMUM AMOUNT OUTSTANDING	AVAILABLE AMOUNT	MAXIMUM FACILITY AMOUNT AVAILABLE	MATURITY
(IN THOUSANDS) Senior Credit Facility: Term Loan "B".....	$148,850	$148,850	$ --	$ 72,404	$ 72,404
Term Loan "C".....	192,754	192,754	--	128,753	128,753
Term Loan "D".....	86,396	86,396	--	48,343	48,343
Tranche D LC(1).....	--	--	80,000	--	--
Revolver(2).....	120,000	--	56,425	120,000	--
Other Indebtedness: Line of credit.....	10,000	--	10,000	10,000	--
Total Debt Facilities.....	$558,000	$428,000	$66,425	$459,500	$249,500

(1) On May 3, 2002, the Company amended the Facility to provide for a new Tranche D LC Facility in an aggregate amount at closing equal to $80.0 million to support its outstanding letters of credit. Under this new Tranche D LC Facility, in the event that a letter of credit is drawn upon, the Company has the right to either repay the Tranche D LC lenders the amount withdrawn or request a loan in that amount. Interest on any requested Tranche D LC loan accrues at an adjusted prime rate plus 1.75% or, at the Company's option, at the Eurodollar Rate plus 2.80%, with the entire amount of the Tranche D LC Facility due on December 31, 2007.

(2) At December 31, 2001 and 2002, the amounts available under the Company's revolving facility were reduced by approximately $63.6 million and $5.7 million, respectively, for outstanding letters of credit used to support the Company's insurance obligations. The Company provides assurance to its insurance providers that if they are not be able to draw funds from the Company for claims paid, they have the ability to draw against the Company's letters of credit. At that time, the Company would then owe the drawn amount to the financial institution providing the letter of credit. One of the Company's letters of credit is renewed automatically every year unless the Company notifies the institution not to renew. The other letter of credit expires in August 2003, but is automatically renewed each year for a one year period unless the institution notifies the Company no later than thirty days prior to the applicable expiration date that such institution does not elect to renew the letter of credit for such additional one year period.

Borrowings under the Facility bear interest at varying rates equal to 0.50%

to 2.00% over the designated prime rate (4.25% per annum at December 31, 2002) or 1.50% to 3.0% over LIBOR (1.38% at December 31, 2002) at the Company's option, and are subject to quarterly adjustments based on certain leverage ratios. For the year ended December 31, 2002, the average effective rate on outstanding borrowings under the senior credit facilities was 4.94%, before considering the interest rate swap agreements as described below, and 7.77%, after giving effect to the interest rate swap agreements in effect during 2002. A commitment fee equal to 0.25% to 0.50% of the unused portion of the revolving credit facility is payable quarterly.

The Facility is collateralized by substantially all of the Company's tangible and intangible assets, and is unconditionally guaranteed by each of the Company's subsidiaries and parent corporation. In addition, the Facility contains several financial covenants as defined therein, including a maximum consolidated leverage ratio, a minimum consolidated interest coverage ratio, and a minimum consolidated fixed charge coverage ratio, as well as restrictions on capital expenditures, additional indebtedness, and the disposition of assets not in the ordinary course of business.

The following are scheduled maturities of senior debt at December 31, 2002:

YEAR ENDING DECEMBER 31, (IN THOUSANDS)	
2003	$ 1,063
2004	13,040
2005	49,093
2006	114,111
2007	72,193
	$249,500

To reduce its risk of greater interest expense because of floating-rate interest obligations under the Facility, the Company entered into three interest-rate swap agreements. One expired in 2001. The two remaining, with an aggregate notional amount of $250 million, expire in August ($140.0 million) and September ($110.0 million) of 2003. Those agreements effectively converted a portion of the Company's floating-rate interest obligations to fixed-rate interest obligations. The fixed Eurodollar Rate applicable to the $250 notional amount was 5.60% at December 31, 2001 and 2002. The interest-rate swaps had negative a fair value of $3.7 million, net of tax, at December 31, 2002.

NOTE F -- SUBORDINATED NOTES PAYABLE

Rent-A-Center East had $271.8 million, net of discount, of subordinated notes outstanding, maturing on August 15, 2008, including $100.0 million which were issued in December 2001 at 99.5% of par. The notes require semi-annual interest-only payments at 11%, and are guaranteed by Rent-A-Center (the "Parent") and certain of Rent-A-Center East's direct and wholly-owned subsidiaries, consisting of ColorTyme, Rent-A-Center West, Inc., Get It Now, Rent-A-Center Texas, L.L.C. and Rent-A-Center Texas, L.P. (collectively, the "Subsidiary Guarantors" and, together with the Parent, the "Guarantors"). The notes are redeemable at Rent-A-Center East's option, at any time on or after August 15, 2003, at a set redemption price that varies depending upon the proximity of the redemption date to final maturity. Upon a change of control, the holders of the subordinated notes have the right to require Rent-A-Center East to redeem the notes.

The notes contain restrictive covenants, as defined therein, including a consolidated interest coverage ratio and limitations on incurring additional indebtedness, selling assets of the Subsidiary Guarantors, granting liens to third parties, making restricted payments and engaging in a merger or selling substantially all of Rent-A-Center East's assets.

The Parent and the Subsidiary Guarantors have fully, jointly and severally, and unconditionally guaranteed the obligations of Rent-A-Center East with respect to these notes. The only direct or indirect subsidiaries of the Parent that are not Guarantors are minor subsidiaries. There are no restrictions on the ability of any of the Guarantors to transfer funds to Rent-A-Center East in the form of loans, advances or dividends, except as provided by applicable law.

Set forth below is certain condensed consolidating financial information as of December 31, 2001 and 2002 and March 31, 2003, and for each of the three years in the period ended December 31, 2002 and for the three months ended March 31, 2002 and 2003. The financial information includes the Subsidiary Guarantors from the dates they were acquired or formed by Rent-A-Center and Rent-A-Center East and is presented using the push-down basis of accounting.

CONDENSED CONSOLIDATING BALANCE SHEETS

	PARENT COMPANY	RENT-A-CENTER EAST	SUBSIDIARY GUARANTORS	CONSOLIDATING ADJUSTMENTS	TOTALS
			(IN THOUSANDS)		
DECEMBER 31, 2001					
Merchandise inventory, net	$ 653,701	$ --	$ --	$ --	$ 653,701
Intangible assets, net	367,271	--	343,825	--	711,096
Other assets	578,077	--	18,788	(341,742)	255,123
Total assets	$1,599,049	$ --	$362,613	$(341,742)	$1,619,920
Senior Debt	$ 428,000	$ --	$ --	$ --	$ 428,000
Other liabilities	489,174	--	5,458	--	494,632
Preferred stock	291,910	--	--	--	291,910
Stockholder's equity	389,965	--	357,155	(341,742)	405,378
Total liabilities and equity	$1,599,049	$ --	$362,613	$(341,742)	$1,619,920
DECEMBER 31, 2002					
Merchandise inventory, net	$ --	$ 630,256	$ 1,468	$ --	$ 631,724
Intangible assets, net	--	400,327	343,525	--	743,852
Other assets	417,507	121,758	42,953	(341,742)	240,476
Total assets	$ 417,507	$1,152,341	$387,946	$(341,742)	$1,616,052
Senior Debt	$ --	$ 249,500	$ --	$ --	$ 249,500
Other liabilities	--	495,511	28,639	--	524,150
Preferred stock	2	--	--	--	2
Stockholder's equity	417,505	407,330	359,307	(341,742)	842,400
Total liabilities and equity	$ 417,507	$1,152,341	$387,946	$(341,742)	$1,616,052

	MARCH 31, 2003				
(UNAUDITED) Merchandise inventory, net.....	$ --	$ 503,387	$189,937	$ --	$ 693,324
Intangible assets, net.....	--	355,221	433,743	--	788,964
Other assets.....	423,825	127,871	37,376	(341,742)	247,330
Total assets.....	$ 423,825	$ 986,479	$661,056	$(341,742)	$1,729,618
Senior debt.....	$ --	$ 249,500	$ --	$ --	$ 249,500
Other liabilities.....	--	386,920	205,267	--	592,187
Preferred stock.....	2	--	--	--	2
Stockholders' equity.....	423,823	350,059	455,789	(341,742)	887,929
Total liabilities and equity.....	$ 423,825	$ 986,479	$661,056	$(341,742)	$1,729,618

CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS

	PARENT	RENT-A-CENTER	SUBSIDIARY GUARANTORS	COMPANY	EAST TOTAL
			(IN THOUSANDS)		
YEAR ENDED DECEMBER 31, 2000					
Total revenues	$1,543,848	$ --	$ 57,766	$1,601,614	
Direct store expenses	1,230,864	--	--	1,230,864	
Other	205,342	--	62,381	267,723	
Net earnings (loss)	$ 107,642	$ --	$ (4,615)	$ 103,027	
YEAR ENDED DECEMBER 31, 2001					
Total revenues	$1,749,060	$ --	$ 59,468	$1,808,528	
Direct store expenses	1,435,138	--	--	1,435,138	
Other	243,266	--	63,907	307,173	
Net earnings (loss)	$ 70,656	$ --	$ (4,439)	$ 66,217	
YEAR ENDED DECEMBER 31, 2002					
Total revenues	$ --	$1,946,601	$ 63,443	$2,010,044	
Direct store expenses	--	1,538,293	3,776	1,542,069	
Other	--	238,288	57,514	295,802	
Net earnings	$ --	$ 170,020	$ 2,153	$ 172,173	
THREE MONTHS ENDED MARCH 31, 2002 (UNAUDITED)					
Total revenues	$ --	$ 483,924	$ --	$ 14,686	$ 498,610
Direct store expenses	381,824	--	--	381,824	
Other expenses	60,570	--	12,653	73,223	
Net earnings	$ 41,530	$ --	$ 2,033	$ 43,563	
THREE MONTHS ENDED MARCH 31, 2003 (UNAUDITED)					
Total revenues	$ --	$ 400,263	$166,143	$ 566,406	
Direct store expenses	--	297,466	141,469	438,935	
Other expenses	--	50,274	26,238	76,512	
Net earnings (loss)	$ --	$ 52,523	$ (1,564)	$ 50,959	

CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

	PARENT	RENT-A-CENTER EAST	SUBSIDIARY GUARANTORS	COMPANY TOTAL
			(IN THOUSANDS)	
YEAR ENDED DECEMBER 31, 2000				
Net cash provided by operating activities	$ 185,719	$ --	$ 5,844	$ 191,563
Cash flows from investing activities				
Purchase of property assets	(37,843)	--	(94)	(37,937)
Acquisitions of businesses	(42,538)	--	--	(42,538)
Other	1,403	--	--	1,403
Net cash used in investing activities	(78,978)	--	(94)	(79,072)
Cash flows from financing activities				
Proceeds from debt	242,975	--	--	242,975
Repayments of debt	(349,084)	--	--	(349,084)
Exercise of stock options	8,434	--	--	8,434
Intercompany advances	5,750	--	(5,750)	--
Net cash used in financing activities	(91,925)	--	(5,750)	(97,675)
Net increase in cash and cash equivalents	14,816	--	--	14,816
Cash and cash equivalents at beginning of year	21,679	--	--	21,679
Cash and cash equivalents at end of year	$ 36,495	$ --	$ --	$ 36,495
YEAR ENDED DECEMBER 31, 2001				
Net cash provided by operating activities	$ 169,178	$ --	$ 6,552	$ 175,730
Cash flows from investing activities				
Purchase of property assets	(57,477)	--	(55)	(57,532)
Acquisitions of businesses	(49,835)	--	--	(49,835)
Other	706	--	--	706
Net cash used in investing activities	(106,606)	--	(55)	(106,661)
Cash flows from financing activities				
Purchase of treasury stock	(25,000)	--	--	(25,000)
Exercise of stock options	20,317	--	--	20,317
Repayments of debt	(138,051)	--	--	(138,051)
Proceeds from debt	99,506	--	--	99,506
Proceeds from issuance of common stock	45,622	--	--	45,622
Intercompany advances	6,497	--	(6,497)	--
Net cash provided by (used in) financing activities	8,891	--	(6,497)	2,394
Net increase in cash and cash equivalents	71,463	--	--	71,463
Cash and cash equivalents at beginning of year	36,495	--	--	36,495
Cash and cash equivalents at end of year	$ 107,958	$ --	$ --	$ 107,958

	PARENT	RENT-A-CENTER EAST	SUBSIDIARY GUARANTORS	COMPANY TOTAL
		(IN THOUSANDS)		
YEAR ENDED DECEMBER 31, 2002				
Net cash provided by operating activities	$ --	$ 288,843	$ 5,647	$ 294,490
Cash flows from investing activities				
Purchase of property assets	--	(36,895)	(701)	(37,596)
Acquisitions of businesses	--	(59,504)	--	(59,504)
Other	--	398	--	398
Net cash used in investing activities	--	(96,001)	(701)	(96,702)
Cash flows from financing activities				
Purchase of treasury stock	--	(65,565)	--	(65,565)
Exercise of stock options	--	26,792	--	26,792
Repayments of debt	--	(178,500)	--	(178,500)
Repurchase of senior subordinated notes, net of loss	--	(2,750)	--	(2,750)
Intercompany advances	--	4,946	(4,946)	--
Net cash used in financing activities	--	(215,077)	(4,946)	(220,023)
Net decrease in cash and cash equivalents	--	(22,235)	--	(22,235)
Cash and cash equivalents at beginning of year	--	107,958	--	107,958
Cash and cash equivalents at end of year	$ --	$ 85,723	$ --	$ 85,723
THREE MONTHS ENDED MARCH 31, 2002 (UNAUDITED)				
Net cash provided by operating activities	$ 96,052	$ --	$ 279	$ 96,331
Cash flows from investing activities				
Purchase of property assets	(8,811)	--	711	(8,100)
Acquisitions of businesses, net of cash acquired	(3,549)	--	--	(3,549)
Other	374	--	--	374
Net cash provided by (used in) investing activities	(11,986)	--	711	(11,275)
Cash flows from financing activities				
Purchase of treasury stock	(34,724)	--	--	(34,724)
Exercise of stock options	8,974	--	--	8,974
Intercompany advances	990	--	(990)	--
Net cash used in financing activities	(24,760)	--	(990)	(25,750)
Net increase in cash and cash equivalents	59,306	--	--	59,306
Cash and cash equivalents at beginning of period	107,958	--	--	107,958
Cash and cash equivalents at end of period	$ 167,264	$ --	$ --	$ 167,264

	PARENT	RENT-A-CENTER EAST	SUBSIDIARY GUARANTORS	COMPANY TOTAL
	--	----------	---------	----------
			(IN THOUSANDS)	
THREE MONTHS ENDED MARCH 31, 2003				
(UNAUDITED) Net cash provided by operating activities.....	$ --	$ 89,864	$ 34,926	$ 124,790
--- Cash flows from investing activities				
Purchase of property assets.....	--	(6,730)	(2,515)	(9,245)
Acquisitions of businesses, net of cash acquired.....	-	-	(60,504)	(30,561)
(91,065) Other.....	--	163	60	223
---------	---------	---------	---------	---------
Net cash used in investing activities.....	--	(67,071)	(33,016)	(100,087)
Cash flows from financing activities				
Purchase of treasury stock.....	(13,438)	--	--	(13,438)
Exercise of stock options.....	6,163	--	--	6,163
Intercompany advances.....	7,275	(5,365)	(1,910)	--
---------	---------	---------	---------	----
Net cash used in financing activities.....	--	(5,365)	(1,910)	(7,275)
---------	---------	---------	---------	------
--- Net increase in cash and cash equivalents.....	--	17,428	--	17,428
------	---	---------	--------	---------
Cash and cash equivalents at beginning of period.....	--	85,723	--	85,723
---------	---------	---	-----	---------
Cash and cash equivalents at end of period....	$ --	$ 103,151	$ --	$ 103,151
=========	=========	========	=========	

NOTE G -- ACCRUED LIABILITIES

DECEMBER 31,	2001	2002
-----	--------	
(IN THOUSANDS)		
Taxes other than income.....	$ 19,071	$ 22,719
Income taxes payable.....	7,081	--
Accrued litigation costs.....	59,044	1,667
Accrued insurance costs.....	36,634	49,883
Accrued interest payable.....	10,618	13,684
Accrued compensation and other.....	37,748	34,764
--------	--------	--------
	$170,196	$122,717
	========	========

Included in the $59.0 million of accrued litigation cost in 2001 is approximately $52.0 million related to the gender discrimination class action litigation settlements as more fully described in Note J.

NOTE H -- REDEEMABLE CONVERTIBLE VOTING PREFERRED STOCK

In connection with the issuance of Rent-A-Center's Series A preferred stock in August 1998, Rent-A-Center entered into a registration rights agreement with affiliates of Apollo Management IV, L.P. ("Apollo") which, among other things, granted them two rights to request that their shares be registered, and a registration rights agreement with an affiliate of Bear Stearns, which granted them the right to participate in any company-initiated registration of shares, subject to certain exceptions. In May 2002, Apollo exercised one of their two rights to request that their shares be registered and an affiliate of Bear Stearns elected to participate in such registration. In connection therewith, Apollo and the affiliate of Bear Stearns converted 97,197 shares of Rent-A-Center's Series A preferred stock held by them into

3,500,000 shares of Rent-A-Center's common stock, which they sold in the May 2002 public offering that was the subject of Apollo's request. Rent-A-Center did not receive any of the proceeds from this offering.

On August 5, 2002, the first date on which Rent-A-Center had the right to optionally redeem the shares of Series A preferred stock, the holders of Rent-A-Center's Series A preferred stock converted all but two shares of Rent-A-Center's Series A preferred stock held by them into 7,281,548 shares of Rent-A-Center's common stock. As a result, the dividend on Rent-A-Center's Series A preferred stock has been substantially eliminated for future periods.

Rent-A-Center's Series A preferred stock is convertible, at any time, into shares of Rent-A-Center's common stock at a conversion price equal to $27.935 per share, and has a liquidation preference of $1,000 per share, plus all accrued and unpaid dividends. No distributions may be made to holders of common stock until the holders of the Series A preferred stock have received the liquidation preference. Dividends accrue on a quarterly basis, at the rate of $37.50 per annum, per share. Rent-A-Center accounts for shares of preferred stock distributed as dividends in-kind at the greater of the stated value or the value of the common stock obtainable upon conversion on the payment date. During 2001 and 2002, Rent-A-Center paid approximately $10.7 million and $8.2 million in Series A preferred dividends by issuing 10,678 and 8,151 shares of Series A preferred stock, respectively. At December 31, 2001 and 2002, Rent-A-Center had 292,434 and two shares, respectively, of its Series A preferred stock outstanding.

Holders of the Series A preferred stock are entitled to two seats on Rent-A-Center's Board of Directors, and are entitled to vote on all matters presented to the holders of Rent-A-Center's common stock. The number of votes per Series A preferred share is equal to the number of votes associated with the underlying voting common stock into which the Series A preferred stock is convertible.

NOTE I -- INCOME TAXES

The income tax provision reconciled to the tax computed at the statutory Federal rate is:

YEAR ENDED DECEMBER 31,	2000	2001	2002
Tax at statutory rate	35.0%	35.0%	35.0%
State income taxes, net of federal benefit	5.5%	5.7%	4.6%
Effect of foreign operations, net of foreign tax credits	0.2%	0.8%	0.1%
Goodwill amortization			5.0%
Other, net			1.3%
	(0.4%)	0.4%	
Total	47.0%	46.9%	40.1%

The components of the income tax provision are as follows:

YEAR ENDED DECEMBER 31,		
2000	2001	2002
(IN THOUSANDS)		
Current expense		
Federal	$ 6,099	$24,073
$ 11,211		
State	5,637	8,795
9,625		
Foreign	1,894	1,865
1,855		
Total current	13,630	34,733
22,691		
Deferred expense		
Federal	68,406	22,400
84,368		
State	9,332	1,456
9,211		
Total deferred	77,738	23,856
93,579		
Total	$91,368	$58,589
$116,270		

Deferred tax assets and liabilities consist of the following:

DECEMBER 31,		
2000	2001	2002
(IN THOUSANDS)		
Deferred tax assets		
State net operating loss carryforwards	$ 2,656	$ 1,698
Accrued expenses	49,187	--
Intangible assets	17,561	11,115
Property assets	23,393	22,791
Other tax credit carryforwards	5,862	--
Unrealized loss on interest rate swap agreements	3,872	2,537
--	102,531	38,141
Deferred tax liabilities		
Rental merchandise	(93,759)	(70,085)
Accrued expenses	(54,198)	--
(93,759)	(124,283)	
Net deferred taxes	$ 8,772	$ (86,142)

The Company has no alternative minimum tax credit carryforwards, but does have various state net operating loss carryforwards.

NOTE J -- COMMITMENTS AND CONTINGENCIES

The Company leases its office and store facilities and most delivery vehicles. Rental expense was $105.6 million, $127.6 million and $138.0 million for 2000, 2001, and 2002, respectively. Future minimum rental payments under operating leases with remaining noncancelable lease terms in excess of one year at December 31, 2002 are as follows:

YEAR ENDING DECEMBER 31, (IN THOUSANDS)	
2003	$128,535
2004	103,501
2005	77,545
2006	43,518
2007	16,502
Thereafter	3,459
	$373,060

From time to time, Rent-A-Center, along with its subsidiaries, is party to various legal proceedings arising in the ordinary course of business. Rent-A-Center is currently a party to the following material litigation:

Colon v. Thorn Americas, Inc. In November 1997, the plaintiffs filed this statutory compliance class action lawsuit in New York alleging various statutory violations of New York consumer protection laws. The plaintiffs are seeking damages compensatory, punitive damages, interest, attorney's fees and certain injunctive relief. Although Rent-A-Center intends to vigorously defend itself in this action, the ultimate outcome cannot presently be determined, and there can be no assurance that Rent-A-Center will prevail without liability.

Walker, et. al. v. Rent-A-Center, Inc. In January 2002, a putative class action was filed against Rent-A-Center and certain of its current and former officers alleging that the defendants violated Section 10(b) and/or Section 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder by issuing false and misleading statements and omitting material facts regarding Rent-A-Center's financial performance and prospects for the third and fourth quarters of 2001, as well as Sections 11, 12(a)(2) and 5 of the Securities Act of 1933 as a result of alleged misrepresentations and omissions in connection with an offering in May 2001. The complaint purports to be brought on behalf of all purchasers of Rent-A-Center's common stock from April 25, 2001 through October 8, 2001 and seeks damages in unspecified amounts. Rent-A-Center intends to vigorously defend itself in this matter. However, there can be no assurance that Rent-A-Center will prevail without liability.

Gregory Griffin, et. al. v. Rent-A-Center, Inc. On June 25, 2002, a suit originally filed by Gregory Griffin in state court in Philadelphia, Pennsylvania was amended to seek relief both individually and on behalf of a class of customers in Pennsylvania, alleging that the Company violated the Pennsylvania Goods and Services Installment Sales Act and the Pennsylvania Unfair Trade Practices and Consumer Protection Law. The amended complaint asserts that the Company's rental purchase transactions are, in fact, retail installment sales transactions, and as such, are not governed by the Pennsylvania Rental-Purchase Agreement Act, which was enacted after the adoption of the Pennsylvania Goods and Services Installment Sales Act and the Pennsylvania Unfair Trade Practices Act. Griffin's suit seeks class-wide remedies, including injunctive relief, unspecified statutory, actual and treble damages, as well as attorney's fees and costs. The Company intends to vigorously defend itself in this case. However, the Company cannot assure you that it will be found to have no liability in this matter.

State Wage and Hour Class Actions. On August 20, 2001, a putative class action was filed against the Company in state court in Multnomah County, Oregon entitled Rob Pucci, et. al. v. Rent-A-Center, Inc. alleging violations of Oregon state law regarding overtime, lunch and work breaks and failure to timely pay all wages due to Company employees in Oregon. The Company is subject to a similar suit pending in Clark County, Washington entitled Kevin Rose, et al. v. Rent-A-Center, Inc., et al. and two similar suits pending in Los Angeles, California entitled Jeremy Burdusis, et al. v. Rent-A-Center, Inc., et al. and Israel French, et al. v. Rent-A-Center, Inc., each of which allege similar violations of the wage and hour laws of those respective states. The Company intends to vigorously defend itself in these matters. However, given the early stage of these proceedings, there can be no assurance that the Company will prevail without liability.

An adverse ruling in one or more of the aforementioned cases could have a material and adverse effect on the Company's consolidated financial statements.

Wisconsin Attorney General Proceeding. In August 1999, the Wisconsin Attorney General filed suit against Rent-A-Center and its subsidiary ColorTyme in Wisconsin, alleging that its rent-to-rent transaction violates the Wisconsin Consumer Act and the Wisconsin Deceptive Advertising Statute. On November 12, 2002, Rent-A-Center and ColorTyme signed a settlement agreement for this suit with the Attorney General, which was approved by the court on the same day. Under the terms of the settlement, Rent-A-Center created a restitution fund in the amount of $7.0 million and paid $1.4 million to the state of Wisconsin for fines, penalties, costs and fees.

Gender Discrimination Actions. In June 2002, the Company agreed to settle the Wilfong and Tennessee EEOC gender discrimination matters for an aggregate of $47.0 million, including attorneys fees. The settlement contemplated dismissal of the Bunch proceeding, a similar suit for gender discrimination pending in a separate federal district court, and provided for a separate $2.0 million dispute resolution fund for the Bunch plaintiffs, which was subsequently approved by the Bunch court. On October 4, 2002, the court in the Wilfong matter approved the settlement the Company had reached with the Wilfong plaintiffs and entered a final judgment. The Company funded the settlement as provided for in the settlement agreement in December 2002. As contemplated by the Wilfong settlement, the Tennessee EEOC action was dismissed in December 2002, and the Bunch matter will be dismissed in the near future.

The Company is also involved in various other legal proceedings, claims and litigation arising in the ordinary course of business. Although occasional adverse decisions or settlements may occur, the Company believes that the final disposition of such matters will not have a material adverse effect on the financial position or results of operations of the Company.

ColorTyme is a party to an agreement with Textron Financial Corporation, who provides $40.0 million in financing to qualifying franchisees of ColorTyme of up to five times their average monthly revenues. Under this on going agreement, upon an event of default by the franchisee under agreements governing this financing and upon the occurrence of certain other events, Textron may assign the loans and the collateral securing such loans to ColorTyme, with ColorTyme then succeeding to the rights of Textron under the debt agreements, including the rights to foreclose on the collateral. An additional $10.0 million of financing is provided by Texas Capital Bank, National Association under an agreement similar to the Textron financing. Rent-A-Center guarantees the obligations of ColorTyme under these agreements, excluding the effects of any amounts that could be recovered under collateralization provisions, up to a maximum amount of $50.0 million, of which $33.8 million was outstanding as of December 31, 2002. Mark E. Speese, Rent-A-Center's Chairman of the Board and Chief Executive Officer, is a passive investor in Texas Capital Bank, owning less than 1% of its outstanding equity.

NOTE K -- STOCK BASED COMPENSATION

Rent-A-Center's long-term incentive plan (the "Plan") for the benefit of certain key employees, consultants and directors provides the Board of Directors broad discretion in creating equity incentives. Under the plan, 7,900,000 shares of Rent-A-Center's common stock are reserved for issuance under stock options, stock appreciation rights or restricted stock grants. Options granted to employees under the Plan become exercisable over a period of one to five years from the date of grant and may be exercised up to a maximum of 10 years from date of grant. Options granted to directors are exercisable immediately. There have been no grants of stock appreciation rights and all options have been granted with fixed prices. At December 31, 2002, there were 1,565,189 shares available for issuance under the Plan. However, pursuant to the terms of the Plan, when an optionee leaves the Company's employ, unvested options granted to that employee terminate and become available for re-issuance under the Plan. Vested options not exercised within 90 days from the date the optionee leaves the Company's employ terminate and become available for re-issuance under the Plan.

Information with respect to stock option activity is as follows:

2000	2001	2002
	WEIGHTED AVERAGE EXERCISE PRICE	WEIGHTED AVERAGE EXERCISE PRICE	WEIGHTED AVERAGE EXERCISE PRICE
	SHARES	SHARES	SHARES
Outstanding at beginning of year	3,590,038	$23.57	3,790,275	$24.32	3,957,940	$28.43
Granted	1,782,500	24.40	2,219,000	33.83	1,393,375	47.43
Exercised	(427,700)	21.34	(852,309)	23.10	(1,029,864)	25.96
Forfeited	(1,154,563)	23.60	(1,199,026)	29.20	(870,375)	34.44
Outstanding at end of year	3,790,275	$24.32	3,957,940	$28.43	3,451,076	$35.32
Options exercisable at end of year	1,097,961	$23.04	954,812	$24.14	852,763	$27.13

The weighted average fair value per share of options granted during 2000, 2001 and 2002 was $14.97, $20.34, and $29.10, respectively, all of which were granted at market value. Information about stock options outstanding at December 31, 2002 is summarized as follows:

OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
RANGE OF EXERCISE PRICES	NUMBER OUTSTANDING	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER EXERCISABLE	WEIGHTED AVERAGE EXERCISE PRICE
$3.34 to $6.67	27,850	2.36 years	$ 6.67	$6.68 to $18.50	172,205	6.56 years	$16.18	$18.51 to $28.50	1,291,138	8.02 years	$24.56	$28.51 to $33.88	679,433	8.28 years	$33.16	$33.89 to $49.05	405,950	8.42 years	$45.50	$49.06 to $61.78	874,500	9.54 years	$52.83		3,451,076		

OPTIONS EXCERCISABLE - NUMBER EXERCISABLE	WEIGHTED AVERAGE EXERCISE PRICE	RANGE OF EXERCISE PRICES - EXERCISABLE	EXERCISE PRICE -
27,850	$ 6.67	$6.68 to $18.50	
78,705	$16.23	$18.51 to $28.50	
512,450	$25.26	$28.51 to $33.88	
152,933	$32.62	$33.89 to $49.05	
80,825	$46.26	-------	852,763 =======

During 2000 and 2001, Rent-A-Center issued 25,000 and 12,500 options, respectively, to a non-employee for services. The options were valued at $65,000 and $168,378. No options were issued to non-employees during 2002. The expense related to these option agreements is recognized over the service period.

NOTE L -- EMPLOYEE BENEFIT PLAN

Rent-A-Center sponsors a defined contribution pension plan under Section 401(k) of the Internal Revenue Code for all employees who have completed at least three months of service. Employees may elect to contribute up to 20% of their eligible compensation on a pre-tax basis, subject to limitations. Rent-A-Center may make discretionary matching contributions to the 401(k) plan. During 2000, 2001 and 2002, Rent-A-Center made matching cash contributions of $2.5 million, $3.3 million, and $3.7 million, respectively, which represents 50% of the employees' contributions to the 401(k) plan up to an amount not to exceed 4% of each employee's respective compensation. Since March 15, 2000, employees have been permitted to elect to purchase Rent-A-Center common stock as part of their 401(k) plan. As of December 31, 2001 and 2002, respectively, 10.8% and 14.0% of the total plan assets consisted of the Company's common stock.

NOTE M -- FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial instruments include cash and cash equivalents, senior debt, subordinated notes payable and interest rate swap agreements. The carrying amount of cash and cash equivalents approximates fair value at December 31, 2001 and 2002, because of the short maturities of these instruments. The Company's senior debt is variable rate debt that reprices frequently and entails no significant change in credit risk, and as a result, fair value approximates carrying value. The fair value of the subordinated notes payable is estimated based on discounted cash flow analysis using interest rates currently offered for loans with similar terms to borrowers of similar credit quality. At December 31, 2002, the fair value of the subordinated notes was $292.7 million, which is $20.9 million above their carrying value of $271.8 million. Information relating to the fair value of the Company's interest rate swap agreements is set forth in Note E.

NOTE N -- EARNINGS PER COMMON SHARE

Summarized basic and diluted earnings per common share were calculated as follows:

(IN THOUSANDS, EXCEPT PER SHARE DATA) YEAR ENDED DECEMBER 31,	NET EARNINGS	SHARES	PER SHARE
2000 Basic earnings per common share	$ 92,607	24,432	$3.79
Effect of dilutive stock options	--	433	
Effect of preferred dividend	10,420	9,947	
Diluted earnings per common share	$103,027	34,812	$2.96
YEAR ENDED DECEMBER 31, 2001 Basic earnings per common share	$ 50,809	25,846	$1.97
Effect of dilutive stock options	--	908	
Effect of preferred dividend	15,408	10,325	
Diluted earnings per common share	$ 66,217	37,079	$1.79
YEAR ENDED DECEMBER 31, 2002 Basic earnings per common share	$161,961	29,383	$5.51
Effect of dilutive stock options	--	495	
Effect of preferred dividend	10,212	6,468	
Diluted earnings per common share	$172,173	36,346	$4.74
THREE MONTHS ENDED MARCH 31, 2002 (UNAUDITED) Basic earnings per common share	$ 38,571	24,515	$1.57
Effect of dilutive stock options	--	1,239	
Effect of preferred dividend	4,992	10,567	
Diluted earnings per common share	$ 43,563	36,321	$1.20
THREE MONTHS ENDED MARCH 31, 2003 (UNAUDITED) Basic earnings per common share	$ 50,959	34,896	$1.46
Effect of dilutive stock options	--	1,040	
Effect of preferred dividend	--	--	
Diluted earnings per common share	$ 50,959	35,936	$1.42

For the three years ended December 31, 2000, 2001, and 2002 and for the three months ended March 31, 2002 and 2003, the number of stock options that were outstanding but not included in the computation of diluted earnings per common share because their exercise price was greater than the average market price of the common stock and, therefore anti-dilutive, was 1,485,118, 628,000, 874,500, 577,000 and 932,000, respectively.

NOTE O -- UNAUDITED QUARTERLY DATA

Summarized quarterly financial data for 2001 and 2002 is as follows:

1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
(IN THOUSANDS, EXCEPT PER SHARE DATA) YEAR ENDED DECEMBER 31, 2001(1)			
Revenues			
$439,702	$442,759	$447,074	$478,993
Operating profit			
62,485	66,640	32,372	23,089
Net earnings			
24,998	27,545	9,974	3,700
Basic earnings per common share			
0.83	0.88	0.27	0.01
Diluted earnings per common share			
0.69	0.74	0.26	0.10

1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
(IN THOUSANDS, EXCEPT PER SHARE DATA) YEAR ENDED DECEMBER 31, 2002			
Revenues			
$498,610	$494,660	$494,561	$522,213
Operating profit			
88,296	88,240	84,087	89,826
Net earnings			
43,563	41,943	41,449	45,218
Basic earnings per common share			
1.57	1.48	1.24	1.29
Diluted earnings per common share			
1.20	1.14	1.14	1.26

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(1) Includes the effects of a pre-tax legal settlement of $52.0 million associated with a 2001 settlement of a class action lawsuit in the state of Missouri, Illinois and Tennessee.

NOTE P -- RELATED PARTY TRANSACTIONS

On October 8, 2001, Rent-A-Center announced the retirement of J. Ernest Talley as its Chairman and Chief Executive Officer, and the appointment of Mark E. Speese as its new Chairman and Chief Executive Officer. In connection with Mr. Talley's retirement, Rent-A-Center's Board of Directors approved the repurchase of $25.0 million worth of shares of its common stock beneficially held by Mr. Talley at a purchase price equal to the average closing price of its common stock over the 10 trading days beginning October 9, 2001, subject to a maximum of $27.00 per share and a minimum of $20.00 per share. Under this formula, the purchase price for the repurchase was calculated at $20.258 per share. Accordingly, on October 23, 2001, Rent-A-Center repurchased 493,632 shares of its common stock beneficially held by Mr. Talley at $20.258 per share for a total purchase price of $10.0 million, and on November 30, 2001, repurchased an additional 740,448 shares of its common stock beneficially held by Mr. Talley at $20.258 per share, for a total purchase price of an additional $15.0 million. Rent-A-Center also had the option to repurchase all of the remaining 1,714,086 shares of its common stock beneficially held by Mr. Talley at $20.258 per share for $34.7 million by February 5, 2002. Rent-A-Center exercised this option on January 25, 2002 and repurchased the remaining shares on January 30, 2002.

One of Rent-A-Center's directors serves as Vice Chairman of the Board of Directors of Intrust Bank, N.A., one of Rent-A-Center's lenders. Intrust Bank, N.A. was a $10.7 million participant in Rent-A-Center's senior credit facility as of December 31, 2002. Rent-A-Center also maintains a $10.0 million revolving line of credit with Intrust Bank, N.A. Although from time to time Rent-A-Center may draw funds from the revolving line of credit, no funds were advanced as of December 31, 2002. In addition, Intrust Bank, N.A. serves as trustee of Rent-A-Center's 401(k) plan.

In June 2000, Rent-A-Center purchased stores from Portland II RAC, Inc. and Wilson Enterprises of Maine, Inc., each of which were ColorTyme franchisees, for $19.4 million in cash based upon a purchase formula established at the time of the Thorn Americas acquisition. Rent-A-Center's current president held approximately 15% of the stock of each of the franchisees and received $1,833,046 in cash as a result of the purchase. In July 2000, partners of Rent-A-Center's President purchased his 33 1/3% interest in CTME, LLC, another of the ColorTyme's franchisees, for $37,500. Rent-A-Center's President no longer owns an interest in any ColorTyme franchisees.

On August 5, 1998, affiliates of Apollo purchased $250.0 million of Rent-A-Center's Series A preferred stock. Under the terms of the Series A preferred stock, the holders of the Series A preferred stock have the right to elect two members of Rent-A-Center's Board of Directors. Apollo has voting control over 100% of the issued and outstanding Series A preferred stock. In addition, pursuant to the terms of a stockholders agreement entered into between Apollo, Rent-A-Center and Mark E. Speese, Apollo has the right to nominate a third person to Rent-A-Center's Board of Directors.

In connection with the issuance of Rent-A-Center's Series A preferred stock in August 1998, Rent-A-Center entered into a registration rights agreement with Apollo which, among other things, granted them two rights to request that their shares be registered, and a registration rights agreement with an affiliate of Bear Stearns, which granted them the right to participate in any company-initiated registration of shares, subject to certain exceptions. In May 2002, Apollo exercised one of their two rights to request that their shares be registered and an affiliate of Bear Stearns elected to participate in such registration. In connection therewith, Apollo and the affiliate of Bear Stearns converted 97,197 shares of Rent-A-Center's Series A preferred stock held by them into 3,500,000 shares of Rent-A-Center's common stock, which they sold in the May 2002 public offering that was the subject of Apollo's request. Rent-A-Center did not receive any of the proceeds from this offering.

On August 5, 2002, the first date on which Rent-A-Center had the right to optionally redeem the shares of Series A preferred stock, the holders of Rent-A-Center's Series A preferred stock converted all but two shares of the Company's Series A preferred stock held by them into 7,281,548 shares of Rent-A-Center's common stock. In connection with Apollo's conversion of all but two of the shares of Series A preferred stock held by them, Rent-A-Center granted Apollo an additional right to effect a demand registration under the existing registration rights agreement Rent-A-Center entered into with them in 1998, such that Apollo now has two demand rights.

NOTE Q -- SUBSEQUENT EVENTS (UNAUDITED)

Acquisition. On February 8, 2003, the Company completed the acquisition of substantially all of the assets of 295 rent-to-own stores from Rent-Way, Inc. for an aggregate purchase price of $100.4 million in cash. Of the aggregate purchase price, the Company held back $10.0 million to pay for various indemnified liabilities and expenses, if any. The Company funded the acquisition entirely from cash on hand. Of the 295 stores, 176 were subsequently merged with the Company's existing store locations. The Company entered into this transaction seeing it as an opportunistic acquisition that would allow it to expand its store base in conjunction with the Company's strategic growth plans. The acquisition price was determined by evaluating the average monthly rental income of the acquired stores and applying a multiple to the total. The Company utilized a third party to review the valuation of certain intangible assets, which resulted in a $4.0 million decrease in the values assigned to customer relationships and a $4.0 million increase in the value placed on the non-compete agreement as compared to its original estimates as

disclosed in the Company's 2002 annual report on Form 10-K. The table below summarizes the allocation of the purchase price based on the fair values of the assets acquired:

	FAIR VALUES (IN THOUSANDS)
Inventory	$ 50,100
Property assets	4,300
Customer relationships	7,900
Non-compete agreement	4,500
Goodwill	33,600
Total assets acquired	$100,400

Customer relationships will be amortized over an 18 month period. The non-compete agreement is for four years and, in accordance with SFAS 142, the goodwill associated with the acquisition will not be amortized.

Recapitalization. Commencing in April 2003, the Company recapitalized a portion of its financial structure in a series of transactions. On May 6, 2003, the Company issued $300.0 million principal amount of 7 1/2% senior subordinated notes due 2010. Using a portion of those proceeds, on the same date, Rent-A-Center East repurchased approximately $183 million principal amount of 11% senior subordinated notes due 2008 pursuant to its tender offer for all of the $272.25 million principal amount of 11% notes. The Company will also use a portion of those proceeds to optionally redeem the remaining outstanding 11% notes on August 15, 2003. On May 28, 2003, the Company refinanced its senior debt by entering into a new $600.0 million senior credit facility, consisting of a $400.0 million term loan, a $120.0 million revolving credit facility and an $80.0 million additional term loan. On June 25, 2003, the Company repurchased approximately 1.77 million shares of its common stock at $73 per share pursuant to a modified "Dutch Auction" tender offer. On July 11, 2003, the Company repurchased approximately 775,000 shares of its common stock at $73 per share pursuant to an agreement with Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P. The purchases of the Company's common stock were financed by a portion of the proceeds of its new senior credit facilities.

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UNTIL , 2003, ALL DEALERS THAT EFFECT TRANSACTIONS IN THESE SECURITIES, WHETHER OR NOT PARTICIPATING IN THIS OFFERING, MAY BE REQUIRED TO DELIVER A PROSPECTUS. THIS IS IN addition TO THE DEALERS' OBLIGATION TO DELIVER A PROSPECTUS WHEN ACTING AS UNDERWRITERS AND WITH RESPECT TO THE UNSOLD ALLOTMENTS OR SUBSCRIPTIONS.

RENT-A-CENTER, INC.
COLORTYME, INC.
GET IT NOW, LLC
RENT-A-CENTER EAST, INC.
RENT-A-CENTER TEXAS, L.L.C.
RENT-A-CENTER TEXAS, L.P.
RENT-A-CENTER WEST, INC.

OFFER TO EXCHANGE
7 1/2% SENIOR SUBORDINATED NOTES
DUE 2010, SERIES B

FOR ALL OUTSTANDING
7 1/2% SENIOR SUBORDINATED NOTES
DUE 2010, SERIES A

PROSPECTUS

July , 2003

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 20. INDEMNIFICATION OF DIRECTORS AND OFFICERS

DELAWARE GENERAL CORPORATION LAW ("DGCL")

Subsection (a) of Section 145 of the Delaware General Corporation Law, or DGCL, empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Subsection (b) of 145 of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Section 145 of the DGCL further provides that to the extent a director or officer of a corporation has been successful on the merits or otherwise in defense of any such action, suit or proceeding referred to in subsections (a) and (b) of Section 145 or in the defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith; that the indemnification provided for by Section 145 shall not be deemed exclusive of any other rights which the indemnified party may be entitled; that indemnification provided by Section 145 shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of such person's heirs, executors and administrators; and empowers the corporation to purchase and maintain insurance on behalf of a director or officer of the corporation against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liabilities under Section 145 of the DGCL.

CERTIFICATE OF INCORPORATION

Our certificate of incorporation provides that our directors shall not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except for liability:

- for any breach of the director's duty of loyalty to us or our stockholders,

- for acts or occasions not in good faith or which involve intentional misconduct or a knowing violation of law,

- in respect of certain unlawful dividend payments or stock purchases or redemptions, or

- for any transaction from which the director derived an improper personal benefit.

If the DGCL is amended to authorize the further elimination or limitation of the liability of directors, then the liability of our directors, in addition to the limitation on personal liability provided in our certificate of incorporation, will be limited to the fullest extent permitted by the DGCL. Further, any repeal or modification of such provision of our certificate of incorporation by our stockholders will be prospective only, and will not adversely affect any limitation on the personal liability of our directors arising from an act or omission occurring prior to the time of such repeal or modification.

AMENDED AND RESTATED BYLAWS

Our bylaws provide that we shall indemnify and hold harmless our directors threatened to be or made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that such person is or was our director, whether the basis of such a proceeding is alleged action in such person's official capacity or in another capacity while holding such office, to the fullest extent authorized by the DGCL or any other applicable law, against all expense, liability and loss actually and reasonably incurred or suffered by such person in connection with such proceeding, so long as a majority of a quorum of disinterested directors, the stockholders or legal counsel through a written opinion determines that such person acted in good faith and in a manner he reasonably believed to be in or not opposed to our best interests, and in the case of a criminal proceeding, such person had no reasonable cause to believe his conduct was unlawful. Such indemnification shall continue as to a person who has ceased to serve in the capacity which initially entitled such person to indemnity thereunder and shall inure to the benefit of his or her heirs, executors and administrators. Our bylaws also contain certain provisions designed to facilitate receipt of such benefits by any such persons, including the prepayment of any such benefit.

INSURANCE

We have obtained a directors' and officers' liability insurance policy insuring our directors and officers against losses resulting from wrongful acts committed by them as our directors and officers, including liabilities arising under the Securities Act.

ITEM 21. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
1.1(1)	Purchase Agreement, dated May 1, 2003, among Rent-A-Center, Inc., Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P., Rent-A-Center Texas, L.L.C., Lehman Brothers Inc., J.P. Morgan Securities, Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., UBS Warburg LLC and Wachovia Securities, Inc. (Pursuant to the rules of the SEC, the schedules and annexes have been omitted. Upon the request of the SEC, Rent-A-Center, Inc. will supplementally supply such schedules and annexes to the SEC.)
2.1(2)	Agreement and Plan of Merger, dated as of December 30, 2002, but effective as of December 31, 2002, by and among Rent-A-Center, Inc., Rent-A-Center Holdings, Inc. and RAC Merger Sub, Inc.
2.2(3)	-- Asset Purchase Agreement, dated as of December 17, 2002, by and among Rent-A-Center East, Inc. and Rent-Way, Inc., Rent-Way of Michigan, Inc. and Rent-Way of TTIG, L.P. (Pursuant to the rules of

the SEC, the schedules and exhibits have been omitted. Upon the request of the SEC, Rent-A-Center, Inc. will supplementally supply such schedules and exhibits to the SEC.)
2.3(4) -- Letter Agreement, dated December 31, 2002
2.4(5) -- Letter Agreement, dated January 7, 2003
2.5(6) -- Letter Agreement, dated February 7, 2003
2.6(7) -- Letter Agreement, dated February 10, 2003
(Pursuant to the rules of the SEC, the exhibit has been omitted. Upon the request of the SEC, Rent-A-Center, Inc. will supplementally supply such exhibit to the SEC.)
2.7(8) -- Letter Agreement, dated March 10, 2003
(Pursuant to the rules of the SEC, the exhibit has been omitted. Upon the request of the SEC, Rent-A-Center, Inc. will supplementally supply such exhibit to the SEC.)
3.1(9) -- Certificate of Incorporation of Rent-A-Center, Inc., as amended
3.2(10) -- Amended and Restated Bylaws of Rent-A-Center, Inc.
3.3* -- Second Restated Certificate of Incorporation of Rent-A-Center East, Inc.
3.4* -- Certificate of Merger of RAC Merger Sub, Inc. with and into Rent-a-Center, Inc.

3.5* -- Third Amended and Restated Bylaws of Rent-A-Center East, Inc. 3.6(11) -- Articles of Incorporation of ColorTyme, Inc. 3.7(12) -- Articles of Merger of ColorTyme, Inc. into CT Acquisition 3.8(13) -- Bylaws of ColorTyme, Inc. 3.9(14) -- Amendment to the Bylaws of ColorTyme, Inc. 3.10(15) -- Restated Certificate of Incorporation of Rent-A-Center West, Inc. (formerly known as Advantage Companies, Inc.) 3.11(16) -- Bylaws of Rent-A-Center West, Inc. (formerly known as Advantage Companies, Inc.) 3.12(17) -- Amendment to Bylaws of Rent-A-Center West, Inc. (formerly known as Advantage Companies, Inc.) 3.13* -- Certificate of Formation of Get It Now, LLC 3.14* -- Operating Agreement of Get It Now, LLC 3.15* -- Certificate of Limited Partnership of Rent-A-Center Texas, L.P., as amended 3.16* -- Agreement of Limited Partnership of Rent-A-Center Texas, L.P. 3.17* -- Articles of Organization of Rent-A-Center Texas, L.L.C. 3.18* -- Operating Agreement of Rent-A-Center Texas, L.L.C.

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
4.1(18)	Form of Certificate evidencing Common Stock
4.2(19)	Certificate of Designations, Preferences and Relative Rights and Limitations of Series A Preferred Stock of Rent-A-Center, Inc. (formerly known as Rent-A-Center Holdings, Inc.)
4.3(20)	Form of Certificate evidencing Series A Preferred Stock
4.4*	Certificate of Designations, Preferences and Relative Rights and Limitations of Series C Preferred Stock of Rent-A-Center, Inc.
4.5*	Form of Certificate evidencing Series C Preferred Stock
4.6(21)	Indenture, dated as of December 19, 2001, by and among Rent-A-Center, Inc., as Issuer, ColorTyme, Inc., and Advantage Companies, Inc., as Subsidiary Guarantors, and The Bank of New York, as Trustee
4.7(22)	First Supplemental Indenture, dated as of May 1, 2002, by and among Rent-A-Center, Inc., ColorTyme, Inc., Advantage Companies, Inc. and The Bank of New York, as Trustee
4.8(23)	Second Supplemental Indenture, dated as of September 30, 2002, by and among Rent-A-Center, Inc.,

ColorTyme, Inc., Advantage Companies, Inc., Get It Now, LLC and The Bank of New York, as Trustee 4.9(24) -- Amended and Restated Third Supplemental Indenture, dated as of December 31, 2002, by and among Rent-A-Center, Inc., Rent-A-Center Holdings, Inc., ColorTyme, Inc., Rent-A-Center West, Inc. (formerly known as Advantage Companies, Inc.), Get It Now, LLC, Rent-A-Center Texas, LP, Rent-A-Center Texas, LLC and The Bank of New York, as Trustee 4.10(25) -- Indenture, dated as of May 6, 2003, by and among Rent-A-Center, Inc., as Issuer, Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P. and Rent-A-Center Texas, L.L.C., as Guarantors, and The Bank of New York, as Trustee 4.11* -- Form of 2003 Exchange Note 5.1* -- Opinion of Winstead, Sechrest & Minick P.C. regarding the legality of securities offered 10.1(26) -- Amended and Restated Rent-A-Center, Inc. Long-Term Incentive Plan 10.2(27) -- Amended and Restated Credit Agreement, dated as of August 5, 1998, as amended and restated as of December 31, 2002, among Rent-A-Center, Inc., Rent-A-Center East, Inc., Comerica

Bank, as Documentation Agent, Bank of America NA, as Syndication Agent, and JP Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Administrative Agent 10.3(28) -- First Amendment, dated as of April 22, 2003, to the Amended and Restated Credit Agreement, dated as of August 5, 1998, as amended and restated as of December 31, 2002, among Rent-A-Center, Inc., Rent-A-Center East, Inc., Comerica Bank, as Documentation Agent, Bank of America NA, as Syndication Agent, and JP Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Administrative Agent 10.4* -- Credit Agreement, dated as of May 28, 2003, among Rent-A-Center, Inc., Morgan Stanley Senior Funding Inc., as Documentation Agent, JPMorgan Chase Bank and Bear, Stearns & Co. Inc., each as Syndication Agent, and Lehman Commercial Paper Inc., as Administrative Agent 10.5(29) -- Guarantee and Collateral Agreement, dated as of August 5, 1998, as amended and restated as of December 31, 2002, made by Rent-A-Center, Inc., Rent-A-Center East, Inc. and certain of its Subsidiaries in favor of

	JP Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Administrative Agent
10.6* --	Guarantee and Collateral Agreement, dated as of May 28, 2003, made by Rent-A-Center, Inc., Rent-A-Center East, Inc. and certain of its Subsidiaries in favor of Lehman Commercial Paper Inc., as Administrative Agent

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
10.7(30)	-- Registration Rights Agreement, dated August 5, 1998, by and between Renters Choice, Inc., Apollo Investment Fund IV, L.P., and Apollo Overseas Partners IV, L.P., related to the Series A Convertible Preferred Stock
10.8(31)	-- Second Amendment to Registration Rights Agreement, dated as of August 5, 2002, by and among Rent-A-Center, Inc., Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P.
10.9(32)	-- Third Amendment to Registration Rights Agreement, dated as of December 31, 2002, by and among Rent-A-Center, Inc., Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P.
10.10*	-- Fourth Amendment to Registration Rights Agreement, dated as of July 11, 2003, by and between Rent-A-Center, Inc., Apollo Investment Fund IV, L.P., and Apollo Overseas Partners IV, L.P., related to the Series C Convertible Preferred Stock
10.11(33)	-- Registration Rights Agreement, dated as of May 6, 2003,

by and among Rent-A-Center, Inc., as Issuer, Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P. and Rent-A-Center Texas, L.L.C., as Guarantors, and Lehman Commercial Paper Inc., J.P. Morgan Securities, Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., UBS Warburg LLC and Wachovia Securities, Inc., as Initial Purchasers

10.12(34) -- Amended and Restated Stockholders Agreement, dated as of October 8, 2001, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., J. Ernest Talley, Mark E. Speese, Rent-A-Center, Inc., and certain other persons

10.13(35) -- Second Amended and Restated Stockholders Agreement, dated as of August 5, 2002, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., Mark E. Speese, Rent-A-Center, Inc., and certain other persons

10.14(36) -- Third Amended and Restated Stockholders Agreement, dated as of December 31, 2002, by and among Apollo Investment Fund IV, L.P., Apollo

Overseas Partners IV, L.P., Mark E. Speese, Rent-A-Center, Inc., and certain other persons

10.15* -- Fourth Amended and Restated Stockholders Agreement, dated as of July 11, 2003, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., Mark E. Speese, Rent-A-Center, Inc., and certain other persons

10.16(37) -- Common Stock Purchase Agreement, dated as of October 8, 2001, by and among J. Ernest Talley, Mary Ann Talley, the Talley 1999 Trust and Rent-A-Center, Inc.

10.17(38) -- Exchange and Registration Rights Agreement, dated December 19, 2001, by and among Rent-A-Center, Inc., ColorTyme, Inc., Advantage Companies, Inc., J.P. Morgan Securities, Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., and Lehman Brothers, Inc.

10.18(39) -- Amended and Restated Franchisee Financing Agreement, dated March 27, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.

10.19(40) -- Franchisee Financing Agreement, dated April 30, 2002, but effective as

of June 28, 2002, by and between Texas Capital Bank, National Association, ColorTyme, Inc. and Rent-A-Center, Inc.

10.20(41) -- First Amendment to Franchisee Financing Agreement, dated July 23, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.

10.21(42) -- Second Amendment to Franchisee Financing Agreement, dated September 30, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.

10.22(43) -- Third Amendment to Franchisee Financing Agreement, dated March 24, 2003, but effective as of December 31, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.

10.23* -- Supplemental Letter Agreement to Franchisee Financing Amendment, dated May 26, 2003, by and between Texas Capital Bank, National Association, ColorTyme, Inc. and Rent-A-Center, Inc.

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
10.24(44)	-- Stock Purchase and Exchange Agreement, dated April 25, 2003, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P. and Rent-A-Center, Inc.
21.1(45)	-- Subsidiaries of Rent-A-Center, Inc.
23.1*	-- Consent of Grant Thornton LLP
23.2*	-- Consent of Winstead Sechrest & Minick P.C. (included as part of its opinion filed as Exhibit 5.1)
24.1*	-- Power of Attorney (included on signature page of this S-4)
25.1*	-- Statement of eligibility of The Bank of New York
99.1*	-- Form of Letter of Transmittal concerning old 7 1/2% notes
99.2*	-- Form of Notice of Guaranteed Delivery concerning old 7 1/2% notes
99.3*	-- Form of Letter to Clients concerning old 7 1/2% notes
99.4*	-- Form of Letter to Brokers concerning old 7 1/2% notes

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* Filed herewith.

(1) Incorporated herein by reference to Exhibit 10.18 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 30, 2003

(2) Incorporated herein by reference to Exhibit 2.1 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(3) Incorporated herein by reference to Exhibit 2.2 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(4) Incorporated herein by reference to Exhibit 2.3 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(5) Incorporated herein by reference to Exhibit 2.4 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(6) Incorporated herein by reference to Exhibit 2.5 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(7) Incorporated herein by reference to Exhibit 2.6 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(8) Incorporated herein by reference to Exhibit 2.7 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(9) Incorporated herein by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(10) Incorporated herein by reference to Exhibit 3.2 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(11) Incorporated herein by reference to Exhibit 3.6 to the registrant's Registration Statement on Form S-4 filed on June 14, 1999

(12) Incorporated herein by reference to Exhibit 3.7 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(13) Incorporated herein by reference to Exhibit 3.10 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(14) Incorporated herein by reference to Exhibit 3.11 to the registrant's Registration Statement on Form S-4 filed on January 22, 2002

(15) Incorporated herein by reference to Exhibit 3.5 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(16) Incorporated herein by reference to Exhibit 3.8 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(17) Incorporated herein by reference to Exhibit 3.9 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(18) Incorporated herein by reference to Exhibit 4.1 to the registrant's Form S-4 filed on January 11, 1999

(19) Incorporated herein by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(20) Incorporated herein by reference to Exhibit 4.5 to the registrant's Registration Statement Form S-4 filed on January 11, 1999

(21) Incorporated herein by reference to Exhibit 4.6 to the registrant's Registration Statement on Form S-4 filed on January 22, 2002

(22) Incorporated herein by reference to Exhibit 4.9 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2002

(23) Incorporated herein by reference to Exhibit 4.7 to the registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002

(24) Incorporated herein by reference to Exhibit 4.7 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(25) Incorporated herein by reference to Exhibit 4.9 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003

(26) Incorporated herein by reference to Exhibit 99.1 to the registrant's Post-Effective Amendment No. 1 to Form S-8 dated as of December 31, 2002

(27) Incorporated herein by reference to Exhibit 10.2 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(28) Incorporated herein by reference to Exhibit 10.3 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003

(29) Incorporated herein by reference to Exhibit 10.3 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(30) Incorporated herein by reference to Exhibit 10.22 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998

(31) Incorporated herein by reference to Exhibit 10.10 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(32) Incorporated herein by reference to Exhibit 10.8 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(33) Incorporated herein by reference to Exhibit 10.19 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003

(34) Incorporated herein by reference to Exhibit 10.7 to the registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001

(35) Incorporated herein by reference to Exhibit 10.8 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(36) Incorporated herein by reference to Exhibit 10.6 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(37) Incorporated herein by reference to Exhibit 10.9 to the registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001

(38) Incorporated herein by reference to Exhibit 10.9 to the registrant's Registration Statement on Form S-4 filed on January 22, 2002

(39) Incorporated herein by reference to Exhibit 10.13 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(40) Incorporated herein by reference to Exhibit 10.14 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(41) Incorporated herein by reference to Exhibit 10.15 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(42) Incorporated herein by reference to Exhibit 10.14 to the registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002

(43) Incorporated herein by reference to Exhibit 10.16 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(44) Incorporated herein by reference to Exhibit 99(d)(1) to the registrant's Schedule TO filed on April 28, 2003

(45) Incorporated herein by reference to Exhibit 21.1 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

ITEM 22. UNDERTAKINGS

(a) The undersigned registrant hereby undertakes that insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(b) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (b)(1)(i) and (b)(1)(ii) do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Securities and Exchange Commission by the registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) If the registrant is a foreign private issuer, to file a post-effective amendment to the registration statement to include any financial statements required by Item 8.A. of Form 20-F at the start of any delayed offering or throughout a continuous offering. Financial statements and information otherwise required by Section 10(a)(3) of the Act need not be furnished, provided, that the registrant includes in the prospectus, by means of a post-effective amendment, financial statements required pursuant to this paragraph (b)(4) and other information necessary to ensure that all other information in the prospectus is at least as current as the date of those financial statements.

Notwithstanding the foregoing, with respect to registration statements on Form F-3, a post-effective amendment need not be filed to include financial statements and information required by Section 10(a)(3) of the Act or Rule 3-19 of this chapter if such financial statements and information are contained in periodic reports filed with or furnished to the Securities and Exchange Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference on the Form F-3.

(c) The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(d) The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

(e) The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Securities and Exchange Commission under Section 305(b)(2) of the Act.

(f) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Plano, State of Texas, on July 11, 2003.

RENT-A-CENTER, INC.

By: /s/ MARK E. SPEESE

Mark E. Speese
Chairman of the Board and
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Mark E. Speese and Robert D. Davis, and each or either one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement or any registration statement for this offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ MARK E. SPEESE Mark E. Speese	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	July 11, 2003
/s/ MITCHELL E. FADEL Mitchell E. Fadel	President, Chief Operating Officer and Director	July 11, 2003
/s/ ROBERT D. DAVIS Robert D. Davis	Senior Vice President -- Finance, Treasurer and Chief Financial Officer (Principal Financial and	July 11, 2003

Accounting Officer)		
/s/ LAURENCE M. BERG	Director	July 11, 2003
Laurence M. Berg		
/s/ MARY ELIZABETH BURTON	Director	July 11, 2003
Mary Elizabeth Burton		

SIGNATURE	TITLE	DATE
/s/ PETER P. COPSES	Director	July 11, 2003
Peter P. Copses		
/s/ ANDREW S. JHAWAR	Director	July 11, 2003
Andrew S. Jhawar		
/s/ J.V. LENTELL	Director	July 11, 2003
J.V. Lentell		

SUBSIDIARY GUARANTORS

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Plano, State of Texas, on July 11, 2003.

COLORTYME, INC.

By: /s/ STEVEN M. ARENDT

Steven M. Arendt
President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Mark E. Speese and Robert D. Davis, and each or either one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement or any registration statement for this offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ STEVEN M. ARENDT Steven M. Arendt	President and Chief Executive Officer (Principal Executive Officer)	July 11, 2003
/s/ MITCHELL E. FADEL Mitchell E. Fadel	Vice President and Director	July 11, 2003
/s/ MARK E. SPEESE Mark E. Speese	Vice President and Director	July 11, 2003
/s/ ROBERT D. DAVIS	Treasurer (Principal Financial	

and July 11, 2003 - ---------- ---------- ---------- ---------- ------- Accounting Officer) Robert D. Davis

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Plano, State of Texas, on July 11, 2003.

GET IT NOW, LLC

By: /s/ MARK E. SPEESE

Mark E. Speese
President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Mark E. Speese and Robert D. Davis, and each or either one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement or any registration statement for this offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ MARK E. SPEESE Mark E. Speese	President (Principal Executive Officer) and Director	July 11, 2003
/s/ MITCHELL E. FADEL Mitchell E. Fadel	Vice President and Director	July 11, 2003
/s/ ROBERT D. DAVIS Robert D. Davis	Treasurer (Principal Financial and Accounting Officer)	July 11, 2003

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Plano, State of Texas, on July 11, 2003.

RENT-A-CENTER EAST, INC.

By: /s/ MARK E. SPEESE

Mark E. Speese
President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Mark E. Speese and Robert D. Davis, and each or either one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement or any registration statement for this offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ MARK E. SPEESE	President (Principal Executive Officer) and Director	July 11, 2003
Mark E. Speese		
/s/ MITCHELL E. FADEL	Vice President and Director	July 11, 2003
Mitchell E. Fadel		
/s/ ROBERT D. DAVIS	Treasurer (Principal Financial and Accounting Officer) and Director	July 11, 2003
Robert D. Davis		

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Henderson, State of Nevada, on July 11, 2003.

RENT-A-CENTER TEXAS, L.L.C.

By: /s/ JAMES ASHWORTH
James Ashworth
President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Mark E. Speese and Robert D. Davis, and each or either one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement or any registration statement for this offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ JAMES ASHWORTH	President (Principal Executive, Financial and Accounting Officer)	July 11, 2003
James Ashworth		
/s/ MARK E. SPEESE	Manager	July 11, 2003
Mark E. Speese		

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Plano, State of Texas, on July 11, 2003.

RENT-A-CENTER TEXAS, L.P.

By: RENT-A-CENTER EAST, INC., its General Partner

By: /s/ MARK E. SPEESE

Mark E. Speese
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Mark E. Speese and Robert D. Davis, and each or either one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement or any registration statement for this offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ MARK E. SPEESE Mark E. Speese	Chief Executive Officer (Principal Executive Officer) and Director	July 11, 2003
/s/ MITCHELL E. FADEL Mitchell E. Fadel	President and Director	July 11, 2003
/s/ ROBERT D. DAVIS Robert D. Davis	Treasurer (Principal Financial and Accounting Officer) and Director	July 11, 2003

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Plano, State of Texas, on July 11, 2003.

RENT-A-CENTER WEST, INC.

By: /s/ MARK E. SPEESE

Mark E. Speese
President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Mark E. Speese and Robert D. Davis, and each or either one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement or any registration statement for this offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ MARK E. SPEESE Mark E. Speese	President (Principal Executive Officer) and Director	July 11, 2003
/s/ MITCHELL E. FADEL Mitchell E. Fadel	Vice President and Director	July 11, 2003
/s/ ROBERT D. DAVIS Robert D. Davis	Treasurer (Principal Financial and Accounting Officer)	July 11, 2003

INDEX TO EXHIBITS

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
1.1(1)	Purchase Agreement, dated May 1, 2003, among Rent-A-Center, Inc., Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P., Rent-A-Center Texas, L.L.C., Lehman Brothers Inc., J.P. Morgan Securities, Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., UBS Warburg LLC and Wachovia Securities, Inc. (Pursuant to the rules of the SEC, the schedules and annexes have been omitted. Upon the request of the SEC, Rent-A-Center, Inc. will supplementally supply such schedules and annexes to the SEC.)
2.1(2)	Agreement and Plan of Merger, dated as of December 30, 2002, but effective as of December 31, 2002, by and among Rent-A-Center, Inc., Rent-A-Center Holdings, Inc. and RAC Merger Sub, Inc.
2.2(3)	Asset Purchase Agreement, dated as of December 17, 2002, by and among Rent-A-Center East, Inc. and Rent-Way, Inc., Rent-Way of Michigan, Inc. and Rent-Way of TTIG, L.P. (Pursuant to the rules of the SEC, the schedules and

exhibits have been omitted. Upon the request of the SEC, Rent-A-Center, Inc. will supplementally supply such schedules and exhibits to the SEC.) 2.3(4) -- Letter Agreement, dated December 31, 2002 2.4(5) -- Letter Agreement, dated January 7, 2003 2.5(6) -- Letter Agreement, dated February 7, 2003 2.6(7) -- Letter Agreement, dated February 10, 2003 (Pursuant to the rules of the SEC, the exhibit has been omitted. Upon the request of the SEC, Rent-A-Center, Inc. will supplementally supply such exhibit to the SEC.) 2.7(8) -- Letter Agreement, dated March 10, 2003 (Pursuant to the rules of the SEC, the exhibit has been omitted. Upon the request of the SEC, Rent-A-Center, Inc. will supplementally supply such exhibit to the SEC.) 3.1(9) -- Certificate of Incorporation of Rent-A-Center, Inc., as amended 3.2(10) -- Amended and Restated Bylaws of Rent-A-Center, Inc. 3.3* -- Second Restated Certificate of Incorporation of Rent-A-Center East, Inc. 3.4* -- Certificate of Merger of RAC Merger Sub, Inc. with and into Rent-a-Center, Inc. 3.5* -- Third Amended and

Restated Bylaws of Rent-A-Center East, Inc. 3.6(11) -- Articles of Incorporation of ColorTyme, Inc. 3.7(12) -- Articles of Merger of ColorTyme, Inc. into CT Acquisition 3.8(13) -- Bylaws of ColorTyme, Inc. 3.9(14) -- Amendment to the Bylaws of ColorTyme, Inc. 3.10(15) -- Restated Certificate of Incorporation of Rent-A-Center West, Inc. (formerly known as Advantage Companies, Inc.) 3.11(16) -- Bylaws of Rent-A-Center West, Inc. (formerly known as Advantage Companies, Inc.) 3.12(17) -- Amendment to Bylaws of Rent-A-Center West, Inc. (formerly known as Advantage Companies, Inc.) 3.13* -- Certificate of Formation of Get It Now, LLC 3.14* -- Operating Agreement of Get It Now, LLC 3.15* -- Certificate of Limited Partnership of Rent-A-Center Texas, L.P., as amended 3.16* -- Agreement of Limited Partnership of Rent-A-Center Texas, L.P. 3.17* -- Articles of Organization of Rent-A-Center Texas, L.L.C. 3.18* -- Operating Agreement of Rent-A-Center Texas, L.L.C. 4.1(18) -- Form of Certificate evidencing Common Stock 4.2(19) -- Certificate of Designations, Preferences and Relative Rights and Limitations of Series A Preferred Stock of

Rent-A-Center, Inc. (formerly known as Rent-A-Center Holdings, Inc.) 4.3(20) -- Form of Certificate evidencing Series A Preferred Stock

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
4.4*	Certificate of Designations, Preferences and Relative Rights and Limitations of Series C Preferred Stock of Rent-A-Center, Inc.
4.5*	Form of Certificate evidencing Series C Preferred Stock
4.6(21)	Indenture, dated as of December 19, 2001, by and among Rent-A-Center, Inc., as Issuer, ColorTyme, Inc., and Advantage Companies, Inc., as Subsidiary Guarantors, and The Bank of New York, as Trustee
4.7(22)	First Supplemental Indenture, dated as of May 1, 2002, by and among Rent-A-Center, Inc., ColorTyme, Inc., Advantage Companies, Inc. and The Bank of New York, as Trustee
4.8(23)	Second Supplemental Indenture, dated as of September 30, 2002, by and among Rent-A-Center, Inc., ColorTyme, Inc., Advantage Companies, Inc., Get It Now, LLC and The Bank of New York, as Trustee
4.9(24)	Amended and Restated Third Supplemental Indenture, dated as of December 31, 2002, by and among Rent-A-Center, Inc., Rent-A-Center Holdings, Inc., ColorTyme, Inc., Rent-A-Center West, Inc. (formerly

known as Advantage Companies, Inc.), Get It Now, LLC, Rent-A-Center Texas, LP, Rent-A-Center Texas, LLC and The Bank of New York, as Trustee 4.10(25) -- Indenture, dated as of May 6, 2003, by and among Rent-A-Center, Inc., as Issuer, Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P. and Rent-A-Center Texas, L.L.C., as Guarantors, and The Bank of New York, as Trustee 4.11* -- Form of 2003 Exchange Note 5.1* -- Opinion of Winstead, Sechrest & Minick P.C. regarding the legality of securities offered 10.1(26) -- Amended and Restated Rent-A-Center, Inc. Long-Term Incentive Plan 10.2(27) -- Amended and Restated Credit Agreement, dated as of August 5, 1998, as amended and restated as of December 31, 2002, among Rent-A-Center, Inc., Rent-A-Center East, Inc., Comerica Bank, as Documentation Agent, Bank of America NA, as Syndication Agent, and JP Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Administrative Agent 10.3(28) -- First Amendment, dated as of April 22, 2003, to the Amended and Restated Credit Agreement, dated as of August 5,

1998, as amended and restated as of December 31, 2002, among Rent-A-Center, Inc., Rent-A-Center East, Inc., Comerica Bank, as Documentation Agent, Bank of America NA, as Syndication Agent, and JP Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Administrative Agent 10.4* -- Credit Agreement, dated as of May 28, 2003, among Rent-A-Center, Inc., Morgan Stanley Senior Funding Inc., as Documentation Agent, JPMorgan Chase Bank and Bear, Stearns & Co. Inc., each as Syndication Agent, and Lehman Commercial Paper Inc., as Administrative Agent 10.5(29) -- Guarantee and Collateral Agreement, dated as of August 5, 1998, as amended and restated as of December 31, 2002, made by Rent-A-Center, Inc., Rent-A-Center East, Inc. and certain of its Subsidiaries in favor of JP Morgan Chase Bank (formerly known as The Chase Manhattan Bank), as Administrative Agent 10.6* -- Guarantee and Collateral Agreement, dated as of May 28, 2003, made by Rent-A-Center, Inc., Rent-A-Center East, Inc. and certain of its Subsidiaries in favor of Lehman Commercial Paper Inc., as

Administrative Agent 10.7(30) -- Registration Rights Agreement, dated August 5, 1998, by and between Renters Choice, Inc., Apollo Investment Fund IV, L.P., and Apollo Overseas Partners IV, L.P., related to the Series A Convertible Preferred Stock 10.8(31) -- Second Amendment to Registration Rights Agreement, dated as of August 5, 2002, by and among Rent-A-Center, Inc., Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P. 10.9(32) -- Third Amendment to Registration Rights Agreement, dated as of December 31, 2002, by and among Rent-A-Center, Inc., Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P.

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
10.10*	Fourth Amendment to Registration Rights Agreement, dated as of July 11, 2003, by and between Rent-A-Center, Inc., Apollo Investment Fund IV, L.P., and Apollo Overseas Partners IV, L.P., related to the Series C Convertible Preferred Stock
10.11(33)	Registration Rights Agreement, dated as of May 6, 2003, by and among Rent-A-Center, Inc., as Issuer, Rent-A-Center East, Inc., ColorTyme, Inc., Rent-A-Center West, Inc., Get It Now, LLC, Rent-A-Center Texas, L.P. and Rent-A-Center Texas, L.L.C., as Guarantors, and Lehman Commercial Paper Inc., J.P. Morgan Securities, Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., UBS Warburg LLC and Wachovia Securities, Inc., as Initial Purchasers
10.12(34)	Amended and Restated Stockholders Agreement, dated as of October 8, 2001, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., J. Ernest Talley, Mark E. Speese, Rent-A-Center,

Inc., and certain other persons

10.13(35) -- Second Amended and Restated Stockholders Agreement, dated as of August 5, 2002, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., Mark E. Speese, Rent-A-Center, Inc., and certain other persons

10.14(36) -- Third Amended and Restated Stockholders Agreement, dated as of December 31, 2002, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., Mark E. Speese, Rent-A-Center, Inc., and certain other persons

10.15* -- Fourth Amended and Restated Stockholders Agreement, dated as of July 11, 2003, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., Mark E. Speese, Rent-A-Center, Inc., and certain other persons

10.16(37) -- Common Stock Purchase Agreement, dated as of October 8, 2001, by and among J. Ernest Talley, Mary Ann Talley, the Talley 1999 Trust and Rent-A-Center, Inc.

10.17(38) -- Exchange and Registration Rights Agreement, dated December 19, 2001, by and among Rent-A-Center, Inc., ColorTyme,

Inc., Advantage Companies, Inc., J.P. Morgan Securities, Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., and Lehman Brothers, Inc.

10.18(39) -- Amended and Restated Franchisee Financing Agreement, dated March 27, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.

10.19(40) -- Franchisee Financing Agreement, dated April 30, 2002, but effective as of June 28, 2002, by and between Texas Capital Bank, National Association, ColorTyme, Inc. and Rent-A-Center, Inc.

10.20(41) -- First Amendment to Franchisee Financing Agreement, dated July 23, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.

10.21(42) -- Second Amendment to Franchisee Financing Agreement, dated September 30, 2002, by and between Textron Financial Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.

10.22(43) -- Third Amendment to Franchisee Financing Agreement, dated March 24, 2003, but effective as of December 31, 2002, by and between Textron Financial

Corporation, ColorTyme, Inc. and Rent-A-Center, Inc.
10.23* -- Supplemental Letter Agreement to Franchisee Financing Amendment, dated May 26, 2003, by and between Texas Capital Bank, National Association, ColorTyme, Inc. and Rent-A-Center, Inc.
10.24(44) -- Stock Purchase and Exchange Agreement, dated April 25, 2003, by and among Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P. and Rent-A-Center, Inc.
21.1(45) -- Subsidiaries of Rent-A-Center, Inc.
23.1* -- Consent of Grant Thornton LLP
23.2* -- Consent of Winstead Sechrest & Minick P.C. (included as part of its opinion filed as Exhibit 5.1)
24.1* -- Power of Attorney (included on signature page of this S-4)

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
25.1*	Statement of eligibility of The Bank of New York
99.1*	Form of Letter of Transmittal concerning old 7 1/2% notes
99.2*	Form of Notice of Guaranteed Delivery concerning old 7 1/2% notes
99.3*	Form of Letter to Clients concerning old 7 1/2% notes
99.4*	Form of Letter to Brokers concerning old 7 1/2% notes

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* Filed herewith.

(1) Incorporated herein by reference to Exhibit 10.18 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 30, 2003

(2) Incorporated herein by reference to Exhibit 2.1 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(3) Incorporated herein by reference to Exhibit 2.2 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(4) Incorporated herein by reference to Exhibit 2.3 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(5) Incorporated herein by reference to Exhibit 2.4 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(6) Incorporated herein by reference to Exhibit 2.5 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(7) Incorporated herein by reference to Exhibit 2.6 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(8) Incorporated herein by reference to Exhibit 2.7 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(9) Incorporated herein by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(10) Incorporated herein by reference to Exhibit 3.2 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(11) Incorporated herein by reference to Exhibit 3.6 to the registrant's Registration Statement on Form S-4 filed on June 14, 1999

(12) Incorporated herein by reference to Exhibit 3.7 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(13) Incorporated herein by reference to Exhibit 3.10 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(14) Incorporated herein by reference to Exhibit 3.11 to the registrant's Registration Statement on Form S-4 filed on January 22, 2002

(15) Incorporated herein by reference to Exhibit 3.5 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(16) Incorporated herein by reference to Exhibit 3.8 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(17) Incorporated herein by reference to Exhibit 3.9 to the registrant's Registration Statement on Form S-4 filed on June 19, 1999

(18) Incorporated herein by reference to Exhibit 4.1 to the registrant's Form S-4 filed on January 11, 1999

(19) Incorporated herein by reference to Exhibit 3.1 to the registrant's Current Report on Form 8-K dated as of December 31, 2002

(20) Incorporated herein by reference to Exhibit 4.5 to the registrant's Registration Statement Form S-4 filed on January 11, 1999

(21) Incorporated herein by reference to Exhibit 4.6 to the registrant's Registration Statement on Form S-4 filed on January 22, 2002

(22) Incorporated herein by reference to Exhibit 4.9 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2002

(23) Incorporated herein by reference to Exhibit 4.7 to the registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002

(24) Incorporated herein by reference to Exhibit 4.7 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(25) Incorporated herein by reference to Exhibit 4.9 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003

(26) Incorporated herein by reference to Exhibit 99.1 to the registrant's Post-Effective Amendment No. 1 to Form S-8 dated as of December 31, 2002

(27) Incorporated herein by reference to Exhibit 10.2 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(28) Incorporated herein by reference to Exhibit 10.3 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003

(29) Incorporated herein by reference to Exhibit 10.3 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(30) Incorporated herein by reference to Exhibit 10.22 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998

(31) Incorporated herein by reference to Exhibit 10.10 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(32) Incorporated herein by reference to Exhibit 10.8 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(33) Incorporated herein by reference to Exhibit 10.19 to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003

(34) Incorporated herein by reference to Exhibit 10.7 to the registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001

(35) Incorporated herein by reference to Exhibit 10.8 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(36) Incorporated herein by reference to Exhibit 10.6 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(37) Incorporated herein by reference to Exhibit 10.9 to the registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001

(38) Incorporated herein by reference to Exhibit 10.9 to the registrant's Registration Statement on Form S-4 filed on January 22, 2002

(39) Incorporated herein by reference to Exhibit 10.13 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(40) Incorporated herein by reference to Exhibit 10.14 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(41) Incorporated herein by reference to Exhibit 10.15 to the registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002

(42) Incorporated herein by reference to Exhibit 10.14 to the registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002

(43) Incorporated herein by reference to Exhibit 10.16 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

(44) Incorporated herein by reference to Exhibit 99(d)(1) to the registrant's Schedule TO filed on April 28, 2003

(45) Incorporated herein by reference to Exhibit 21.1 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2002

EXHIBIT 3.3

SECOND RESTATED CERTIFICATE OF INCORPORATION OF RENT-A-CENTER, INC.

PURSUANT TO SECTION 245 OF THE DELAWARE GENERAL CORPORATION LAW

Rent-A-Center, Inc. (the "CORPORATION"), a corporation organized and existing under and by virtue of the Delaware General Corporation Law (the "DGCL"), hereby adopts this Second Restated Certificate of Incorporation (this "RESTATED CERTIFICATE OF INCORPORATION") that accurately restates and integrates the provisions of the existing Certificate of Incorporation of the Corporation and all amendments and supplements thereto that are in effect on the date hereof (the "CERTIFICATE OF INCORPORATION") and does hereby further certify that:

1. The name of the Corporation is Rent-A-Center, Inc. The Corporation was originally incorporated under the name "Vista of Puerto Rico, Inc." and the original certificate of incorporation of the Corporation was filed with the Secretary of State of Delaware on September 16, 1986.

2. The Certificate of Incorporation was amended to change the name of the Corporation to "Sight & Sound of Puerto Rico, Inc." by the Certificate of Amendment filed with the Secretary of State of Delaware on September 19, 1986.

3. The Certificate of Incorporation was amended to change the name of the Corporation to "Vista Rentals of Puerto Rico, Inc." by the Certificate of Amendment filed with the Secretary of State of Delaware on September 25, 1986.

4. The Corporation was the surviving entity in a merger evidenced by the Certificate of Agreement of Merger filed with the Secretary of State of Delaware on July 9, 1990. Pursuant to the Agreement of Merger, the Certificate of Incorporation and Bylaws of Vista Rentals of Puerto Rico, Inc., as amended by the Agreement of Merger, became the Certificate of Incorporation and Bylaws of Vista Rent to Own, Inc., and the name of the Corporation was changed to "Vista Rent to Own, Inc."

5. The Certificate of Incorporation was amended to change the name of the Corporation to "Renters Choice, Inc." by the Certificate of Amendment filed with the Secretary of State of Delaware on December 20, 1993.

6. The Certificate of Incorporation was amended and restated pursuant to Sections 242 and 245 of the DGCL evidenced by the Amended and Restated Certificate of Incorporation filed with the Secretary of State of Delaware on December 27, 1994.

7. The Corporation was the surviving entity in a merger evidenced by the Certificate of Ownership and Merger filed with the Secretary of State of Delaware on December 30, 1998. Pursuant to the Agreement and Plan of Merger, the Certificate of Incorporation and Bylaws of Renters Choice, Inc., as amended by the Agreement and Plan of Merger, became the Certificate

of Incorporation and Bylaws of Renters Choice, Inc., and the name of the Corporation was changed to "Rent-A-Center, Inc."

8. The Board of Directors of the Corporation duly adopted this Restated Certificate of Incorporation in accordance with Section 245 of the DGCL.

9. This Restated Certificate of Incorporation only restates and integrates and does not further amend the provisions of the Corporation's Certificate of Incorporation as theretofore amended or supplemented. There is no discrepancy between those provisions and the provisions of this Restated Certificate of Incorporation.

10. The existing Certificate of Incorporation, as theretofore amended or supplemented, shall be superseded and this Restated Certificate of Incorporation shall be the certificate of incorporation of the Corporation, but the original date of incorporation shall remain unchanged.

11. The text of the existing Certificate of Incorporation is hereby restated to read in its entirety as follows:

SECOND RESTATED
CERTIFICATE OF INCORPORATION

FIRST: The name of the corporation is Rent-A-Center, Inc.

SECOND: The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted by the Corporation is to engage in any lawful business, act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware or any successor statute (the "DGCL").

FOURTH: The aggregate number of shares of capital stock which the Corporation shall have authority to issue is 125,000,000 shares of common stock, having a par value of $0.01 per share (the "COMMON STOCK"), and 5,000,000 shares of preferred stock, having a par value of $0.01 per share (the "PREFERRED STOCK").

SECTION I. PREFERRED STOCK

Shares of Preferred Stock may be issued from time to time in one or more series as may be determined by the Board of Directors. Each series shall be distinctly designated. The Board of Directors of the Corporation is hereby expressly granted the authority to fix, by resolution or resolutions adopted prior to the issuance of any shares of each particular series of Preferred Stock and incorporated in a certificate of designation filed with the Secretary of State of the State of Delaware, the designation, powers (including voting powers and voting rights), preferences and relative, participating, optional or other special rights, and the qualifications, limitations or

restrictions thereof, if any, of such series, including, but without limiting the generality of the foregoing, the following:

(1) the designation of, and the number of shares of Preferred Stock which shall constitute, the series, which number may be increased (except as otherwise fixed by the Board of Directors) or decreased (but not below the number of shares thereof then outstanding) from time to time by action of the Board of Directors;

(2) the rate and times at which (or the method of determination thereof), and the terms and conditions upon which, dividends, if any, on shares of the series shall be paid, the nature of any preferences or the relative rights of priority of such dividends to the dividends payable on any other class or classes of stock of the Corporation or on any other series of Preferred Stock of the Corporation, and a statement whether or in what circumstances such dividends shall be cumulative;

(3) whether shares of the series shall be convertible into or exchangeable for shares of capital stock or other securities or property of the Corporation or of any other corporation or entity, and, if so, the terms and conditions of such conversion or exchange, including any provisions for the adjustment of the conversion or exchange rate in such events as the Board of Directors shall determine;

(4) whether shares of the series shall be redeemable, and, if so, the terms and conditions of such redemption, including the date or dates or event or events upon or after the occurrence of which they shall be redeemable, and the amount and type of consideration payable in case of redemption, which amount per share may vary under different conditions and at different redemption dates;

(5) the rights, if any, of the holders of shares of the series upon the voluntary or involuntary liquidation, merger, consolidation, distribution or sale of assets, dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of the series;

(6) whether shares of the series shall have a sinking fund or purchase account for the redemption or purchase of shares of the series, and, if so, the terms, conditions and amount of such sinking fund or purchase account;

(7) whether shares of the series shall have voting rights in addition to the voting rights provided by law and, if so, the terms of such voting rights, which may, without limiting the generality of the foregoing include (a) the right to more or less than one vote per share on any or all matters voted upon by the Corporation's stockholders and (b) the right to vote, as a series by itself or together with other series of Preferred Stock or together with all series of Preferred Stock as a class or with the Common Stock as a class, upon such matters, under such circumstances and upon such conditions as the Board of Directors may fix, including, without limitation, the right, voting as a series by itself or together with other series of Preferred Stock or together with all series of Preferred Stock as a class, to elect one or more directors of the Corporation generally in the event there shall have been a default in the payment of dividends on

any one or more series of Preferred Stock or under such other circumstances and upon such conditions as the Board of Directors may determine; and

(8) any other powers, preferences and relative, participating, optional or other rights, and qualifications, limitations or restrictions of shares of that series.

The relative powers, preferences and rights of each series of Preferred Stock in relation to the powers, preferences and rights of each other series of Preferred Stock shall, in each case, be as fixed from time to time by the Board of Directors in the resolution or resolutions adopted pursuant to the authority granted in this Section I, and the consent by class or series vote or otherwise, of the holders of Preferred Stock of such of the series of Preferred Stock as are from time to time outstanding shall not be required for the issuance by the Board of Directors of any other series of Preferred Stock, whether the powers, preferences and rights of such other series shall be fixed by the Board of Directors as senior to, or on a parity with, the powers, preferences and rights of such outstanding series, or any of them; provided, however, that the Board of Directors may provide in such resolution or resolutions adopted with respect to any series of Preferred Stock that the consent of the holders of a majority (or such greater proportion as shall be therein fixed) of the outstanding shares of such series voting thereon shall be required for the issuance of shares of any or all other series of Preferred Stock.

Pursuant to the authority conferred by this Section I, the Board of Directors created a series of 400,000 shares of Preferred Stock, designated as Series A Convertible Preferred Stock, by filing a Certificate of Designations, Preferences and Relative Rights and Limitations of Series A Convertible Preferred Stock of Rent-A-Center, Inc. (the "CERTIFICATE OF DESIGNATIONS") with the Secretary of State of Delaware on August 5, 1998. The Certificate of Designations is set forth in Exhibit "A" hereto and is incorporated herein by reference.

SECTION II. COMMON STOCK

(1) Dividends. After the requirements with respect to preferential dividends on the shares of any series of Preferred Stock shall have been met and after the Corporation shall have complied with all the requirements, if any, with respect to the setting aside of sums as sinking funds or redemption or purchase accounts and subject further to any other conditions which may be fixed in accordance with the provisions of this Restated Certificate of Incorporation, then, but not otherwise, the holders of Common Stock shall be entitled to receive such dividends, if any, as may be declared from time to time by the Board of Directors on the Common Stock, which dividends shall be paid out of assets legally available for the payment of dividends and shall be distributed to such holders pro rata in accordance with the number of shares of such Common Stock held by each such holder.

(2) Liquidation. After distribution in full of the preferential amounts, if any, to be distributed to the holders of the shares of any series of Preferred Stock in the event of voluntary or involuntary liquidation, distribution or sale of assets, dissolution or winding-up of the Corporation, the holders of the Common Stock shall be entitled to receive all the remaining assets of the Corporation, tangible and intangible, of whatever kind available for distribution to stockholders, which assets shall be distributed to such holders pro rata in accordance with the number of shares of Common Stock held by each such holder.

(3) Voting. Except as may otherwise be required by law, this Restated Certificate of Incorporation or the provisions of the resolution or resolutions as may be adopted by the Board of Directors pursuant to Section I, each holder of Common Stock shall have one vote in respect of each share of Common Stock held by such holder on each matter voted upon by the stockholders.

SECTION III. CAPITAL STOCK

(1) Regarding Preemptive Rights. No stockholder of the Corporation shall by reason of his holding shares of any class of stock have any preemptive or preferential right to subscribe for, purchase or otherwise acquire or receive any shares of any class of stock issued by the Corporation, whether now or hereafter authorized, or any shares of any class of stock of the Corporation now or hereafter acquired by the Corporation as treasury stock and subsequently reissued or sold or otherwise disposed of, or any notes, debentures, bonds or other securities convertible into or carrying options or warrants to purchase shares of any class of stock, whether now or hereafter authorized, whether or not the issuance of any such shares, or such notes, debentures, bonds or other securities, would adversely affect the dividend or voting rights of such stockholder, and the Board of Directors may issue shares of any class of stock of the Corporation, or any notes, debentures, bonds or other securities convertible into or carrying options or warrants to purchase shares of any class of stock, without offering any such shares of any class, either in whole or in part, to the existing stockholders of any class.

(2) Cumulative Voting. Cumulative voting of shares of any capital stock having voting rights is prohibited.

FIFTH: All corporate powers shall be exercised by the Board of Directors, except as otherwise provided by law or by this Restated Certificate of Incorporation. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

(1) Directors. In furtherance and not in limitation of the powers conferred by statute, this Restated Certificate of Incorporation or the Bylaws of the Corporation, the Board of Directors is expressly authorized:

(a) except as may be otherwise provided in the Bylaws, to make, alter, amend and repeal the Bylaws of the Corporation;

(b) to fix in or pursuant to the Bylaws from time to time the number of directors of the Corporation, none of whom need to be stockholders of the Corporation;

(c) to fix, determine and vary from time to time the amount to be maintained as surplus and the amount or amounts to be set apart as working capital; and

(d) to designate by resolution or resolutions passed by a majority of the whole Board of Directors one or more committees, each committee to consist of one or more of the directors of the Corporation, which, to the extent provided in said resolution or resolutions or in the Bylaws of the Corporation shall have and may exercise the power of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers on which the

Corporation desires to place a seal. Such committee or committees shall have such name or names as may be stated in the Bylaws of the Corporation or as may be determined from time to time by resolutions adopted by the Board of Directors.

The Corporation may confer powers upon the Board of Directors of the Corporation in its Bylaws in addition to the powers conferred upon the Board of Directors in this Restated Certificate of Incorporation and in addition to the powers and authorities expressly conferred upon the Board of Directors by law.

(2) Number, Election and Terms of Directors. The number, qualifications, terms of office, manner of election, time and place of meeting, compensation and powers and duties of the directors may be prescribed from time to time by the Bylaws, and the Bylaws may also contain any other provisions for the regulation and management of the affairs of the Corporation not inconsistent with the law or this Restated Certificate of Incorporation.

The number of directors which shall constitute the whole Board of Directors of the Corporation shall be not less than one (1) as specified from time to time in the Bylaws of the Corporation. The directors, other than those who may be elected by the holders of any series of Preferred Stock, shall be divided into three classes, Class I, Class II and Class III. Such classes shall be as nearly equal in number of directors as possible. Each director shall serve for a term ending on the third annual meeting following the annual meeting at which such director was elected; provided, however, that the directors first elected to Class I shall serve for a term expiring at the annual meeting next following the end of the calendar year 1994, the directors first elected to Class II shall serve for a term expiring at the second annual meeting next following the end of the calendar year 1994, and the directors first elected to Class III shall serve for a term expiring at the third annual meeting next following the end of the calendar year 1994. Each director shall hold office until the annual meeting at which such director's term expires and, the foregoing notwithstanding, shall serve until his successor shall have been duly elected and qualified, unless he shall resign, become disqualified, disabled or shall otherwise be removed.

At each annual election, the directors chosen to succeed those whose terms then expire shall be of the same class as the directors they succeed, unless, by reason of any intervening changes in the authorized number of directors, the Board shall designate one or more directorships whose term then expires as directorships of another class in order more nearly to achieve equality of number of directors among the classes.

Notwithstanding the rule that the three classes shall be as nearly equal in number of directors as possible, in the event of any change in the authorized number of directors, each director then continuing to serve as such shall nevertheless continue as a director of the class of which he is a member until the expiration of his current term, or his prior death, resignation or removal. If any newly created directorship may, consistent with the rule that the three classes shall be as nearly equal in number of directors as possible, be allocated to one or two or more classes, the Board shall allocate it to that of the available classes whose terms of office are due to expire at the earliest date following such allocation.

Election of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

(3) Removal of Directors. No director of the Corporation shall be removed from his office as a director by vote or other action of stockholders or otherwise except for cause. Except as may otherwise be provided by law, cause for removal of a director shall be deemed to exist only if: (i) the director whose removal is proposed has been convicted, or where a director is granted immunity to testify where another has been convicted, of a felony by a court of competent jurisdiction and such conviction is no longer subject to direct appeal; (ii) such director has been found by the affirmative vote of at least a majority of the entire Board of Directors at any regular or special meeting of this Board of Directors called for that purpose or by a court of competent jurisdiction to have been grossly negligent or guilty of misconduct in the performance of his duties to the Corporation in a matter of substantial importance to the Corporation; or (iii) such director has been adjudicated by a court of competent jurisdiction to be mentally incompetent, which mental incompetency directly affects his ability as a director of the Corporation.

(4) Vacancies. Except as provided in Article FOURTH hereof, newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

SIXTH: In the event the Corporation becomes subject to the reporting requirements of the Securities Exchange Act of 1934, no action required to be taken or that may be taken at any annual or special meeting of the stockholders of the Corporation may be taken without a meeting, and the power of stockholders to consent in writing to the taking of any action by written consent is specifically denied, except for action by unanimous written consent, which is expressly allowed. Except as otherwise required by law, special meetings of stockholders of the Corporation may be called only by the Board of Directors of the Corporation pursuant to a resolution approved by a majority of the entire Board of Directors or majority of an entire committee of such Board.

Notwithstanding any other provision of this Restated Certificate of Incorporation or the Bylaws (and in addition to any other vote that may be required by law, this Restated Certificate of Incorporation or the Bylaws), there shall be required to amend, alter, change or repeal, directly or indirectly, the provisions of paragraphs (2), (3) and (4) of Article FIFTH regarding the Board of Directors of the Corporation, and this Article SIXTH, regarding special meetings of stockholders and action by written consent, the affirmative vote of the holders of 80% of all voting stock of the Corporation.

SEVENTH: No director of the Corporation shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director involving any act or omission of any such director; provided, however, that the foregoing provisions shall not eliminate or limit the liability of a director (i) for any breach of such director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under

Section 174 of the DGCL, as the same exists or as such provision may hereafter be amended, supplemented or replaced, or (iv) for any transactions from which such director derived an improper personal benefit. If the DGCL is amended after the filing of this Restated Certificate of Incorporation to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation, in addition to the personal liability provided herein, shall be limited to the fullest extent permitted by such law, as so amended. Any repeal or modification of this Article SEVENTH by the stockholders of the Corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such repeal or modification.

EIGHTH: The Corporation shall, to the fullest extent permitted by the DGCL or other applicable law, as the same may be amended, supplemented and replaced from time to time, indemnify any and all past, present and future directors and officers of the Corporation from and against any and all costs, expenses (including attorneys' fees), damages, judgments, penalties, fines, punitive damages, excise taxes assessed with respect to an employee benefit plan and amounts paid in settlement in connection with any action, suit or proceeding, whether by or in the right of the Corporation, a class of its security holders or otherwise, in which the director or officer may be involved as a party or otherwise, by reason of the fact that such person was serving as a director, officer, employee or agent of the Corporation.

NINTH: The Corporation shall have the right, subject to any express provisions or restrictions contained in this Restated Certificate of Incorporation, from time to time to amend this Restated Certificate of Incorporation or any provision thereof in any manner now or hereafter provided by law, and all rights and powers at any time conferred upon the directors or stockholders of the Corporation by this Restated Certificate of Incorporation and Bylaws or any amendment thereof are subject to such right of the Corporation.

TENTH: The Bylaws of the Corporation may be altered, amended, added to or repealed by the stockholders at any annual or special meeting by the vote of stockholders entitled to cast at least a majority of the votes which all stockholders are entitled to cast (i.e., by the vote of a majority of the outstanding shares entitled to vote), and, except as may be otherwise required by law, the power to alter, amend, add to or repeal the Bylaws is also vested in the Board of Directors (subject always to the power of the stockholders to change such action).

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IN WITNESS WHEREOF, Rent-A-Center, Inc. has caused this Restated Certificate of Incorporation to be executed this 23rd day of December, 2002.

RENT-A-CENTER, INC.

[SEAL]

By: /s/ MARK E. SPEESE

Mark E. Speese
Chairman of the Board and Chief Executive Officer

ATTEST:

/s/ DAVID M. GLASGOW
- ---
David M. Glasgow
Secretary

EXHIBIT A

CERTIFICATE OF DESIGNATIONS, PREFERENCES
AND RELATIVE RIGHTS AND LIMITATIONS
OF
SERIES A PREFERRED STOCK
OF
RENT-A-CENTER, INC.

PURSUANT TO SECTION 151
OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE

Rent-A-Center, Inc., formerly known as "Renter's Choice, Inc.," a corporation organized and existing under the General Corporation Law of the State of Delaware, does by its Assistant Secretary hereby certify that pursuant to the provisions of Section 151 of the General Corporation Law of the State of Delaware, its Board of Directors, at a meeting held on August 4, 1998, duly adopted the following resolution establishing, the rights, preferences, privileges and restrictions of a series of preferred stock of the corporation which resolution remains in full force and effect as of the date hereof:

WHEREAS, the Board of Directors of Rent-A-Center, Inc., formerly known as "Renter's Choice, Inc.," (the "CORPORATION") is authorized, within the limitations and restrictions stated in its Amended and Restated Certificate of Incorporation (the "CERTIFICATE OF INCORPORATION"), to fix by resolution or resolutions adopted prior to the issuance of any shares of each particular series of preferred stock and incorporated in a certificate of designation filed with the Secretary of State of the State of Delaware, the designation, powers (including voting powers and voting rights), preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, as may be fixed from time to time by the Board of the Directors in the resolution or resolutions adopted pursuant to the authority granted under the Certificate of Incorporation; and

WHEREAS, it is the desire of the Board of Directors of the Corporation, pursuant to its authority as aforesaid, to authorize and fix the terms of a series of preferred stock and the number of shares constituting such series;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to Paragraph Fourth, Section 1 of the Certificate of Incorporation, there is hereby authorized such series of preferred stock on the terms and with the provisions herein set forth:

1. Certain Definitions.

Unless the context otherwise requires, the terms defined in this Section 1 shall have, for all purposes of this resolution, the meanings specified (with terms defined in the singular having comparable meanings when used in the plural).

Affiliate. The term "Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person and, in the case of a Person who is an individual, shall include (i) members of such specified Person's immediate family (as defined in Instruction 2 of Item 404(a) of Regulation S-K under the Securities Act) and (ii) trusts, the trustee and all beneficiaries of which are such specified Person or members of such Person's immediate family as determined in accordance with the foregoing clause (i). For the purposes of this definition, control when used with respect to any person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "affiliated," "controlling" and "controlled" have meanings correlative to the foregoing. Notwithstanding the foregoing, the Initial Holders and their Affiliates shall not be deemed Affiliates of the Corporation.

Change of Control. The term "Change of Control" shall mean the occurrence of any one of the following events: (I) the acquisition after the Initial Issue Date, in one or more transactions, of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) by (i) any person or entity (other than any Permitted Holder) or (ii) any group of persons or entities (excluding any Permitted Holders) who constitute a group (within the meaning of Section 13(d)(3) of the Exchange Act), in either case, of any securities of the Corporation such that, as a result of such acquisition, such person, entity or group beneficially owns (within the meaning of Rule 13d-3 under the Exchange Act), directly or indirectly, 40% or more of the then outstanding voting securities entitled to vote on a regular basis for a majority of the Board of Directors of the Corporation (but only to the extent that such beneficial ownership is not shared with any Permitted Holder who has the power to direct the vote thereof), provided, however, that no such Change of Control shall be deemed to have occurred if (A) the Permitted Holders beneficially own, in the aggregate, at such time, a greater percentage of such voting securities than such other person, entity or group or (B) at the time of such acquisition, the Permitted Holders (or any of them) possess the ability (by contract or otherwise) to elect, or cause the election of, a majority of the members of the Corporation's Board of Directors; (II) the acquisition by any person of all or substantially all of the assets of the Corporation; (III) the determination by the Corporation's Board of Directors to recommend the acceptance of any proposal set forth in a tender offer statement or proxy statement filed by any person with the Securities and Exchange Commission which indicates the intention on the part of that person to acquire, or acceptance of which would otherwise have the effect of that person acquiring, control of the Corporation; or (IV) upon, other than as a result of the death or disability of one or more of the directors within a three-month period, a majority of the members of the Board of Directors of the Corporation for any period of three consecutive months not being persons who (a) had been directors of the Corporation for at least the preceding 24 consecutive months or were elected by the holders of the Series A Preferred Stock, voting separately as a class, or (b) when they initially were elected to the Board of Directors of the Corporation, (x) were nominated (if they were elected by the stockholders) or elected (if they were elected by the directors) with the affirmative concurrence of 66-2/3% of the directors who were Continuing Directors at the time of the nomination or election by the Board of Directors of the Corporation and (y) were not elected as a result of an actual or threatened solicitation of proxies or consents by a person other than the Board or an agreement intended to avoid or settle such a proxy solicitation (the directors described in clauses (a) and (b) of this subsection (IV) being "Continuing Directors"); provided, however, that no Change of Control shall be deemed to have occurred by virtue of any merger of

the Corporation with any wholly owned subsidiary of the Corporation or any merger of two wholly owned subsidiaries of the Corporation if, in any such merger, the proportionate ownership interests of the stockholders of the Corporation remain unchanged.

Common Stock. The term "Common Stock" shall mean the common stock, par value $.01 per share, of the Corporation.

Conversion Date. The term "Conversion Date" shall have the meaning set forth in Sections 8(c) below, as applicable.

Conversion Price. The term "Conversion Price" shall have the meaning set forth in Section 8(d) below.

Convertible Preferred Nominees. The term "Convertible Preferred Nominees" shall have the meaning set forth in Section 4(b)(i) below.

Convertible Securities. The term "Convertible Securities" shall have the meaning set forth in Section 8(f)(iii).

Corporation Notice. The term "Corporation Notice" shall have the meaning set forth in Section 5(b)(ii)(A) below.

Current Market Price. The term "Current Market Price" shall mean the current market price of the Common Stock as computed in accordance with Section 8(f)(xi) below.

Dividend Payment Date. The term "Dividend Payment Date" shall have the meaning set forth in Section 3(a) below.

Dividend Rate. The term "Dividend Rate" shall have the meaning set forth in Section 3(a) below.

Exchange Act. The term "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

Initial Holders. The term "Initial Holders" shall mean those holders of Series A Preferred Stock as of the Initial Issue Date.

Initial Issue Date. The term "Initial Issue Date" shall mean the date that shares of Series A Preferred Stock are first issued by the Corporation.

Initial Series A Preferred Shares. The term "Initial Series A Preferred Shares" shall have the meaning set forth in Section 4(b)(i)(B) below.

IRR. The term "IRR" shall have the meaning set forth in Section 4(c)(ix) below.

Junior Stock. The term "Junior Stock" shall mean any stock of the Corporation, other than the Common Stock, ranking junior to the Series A Preferred Stock as to dividends and upon liquidation.

Liquidation. The term "Liquidation" shall mean any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary; provided, that neither the voluntary sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the property or assets of the Corporation, nor the consolidation or merger of the Corporation with one or more other entities, shall, by itself, be deemed a Liquidation.

Liquidation Preference Amount. The term "Liquidation Preference Amount" shall mean an amount equal to the sum of (i) $1,000 per share of Series A Preferred Stock, plus (ii) all accrued and unpaid dividends thereon calculated in accordance with Sections 3(a) and 3(b) hereof.

Permitted Holder. The term "Permitted Holder" shall mean (i) Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., or any entity controlled by either of the foregoing or any of the partners of the foregoing, (ii) an employee benefit plan of the Corporation or any subsidiary of the Corporation, or any participant therein, (iii) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its subsidiaries or (iv) any Permitted Transferee of any of the foregoing persons.

Permitted Transferee. The term "Permitted Transferee" shall mean, with respect to any Person, (i) any officer, director or partner of, or Person controlling, such Person, (ii) any other Person that is (x) an Affiliate of the general partner(s), investment manager(s) or investment advisor(s) of such Person, (y) an Affiliate of such Person or a Permitted Transferee of an Affiliate or (z) an investment fund, investment account or investment entity whose investment manager, investment advisor or general partner thereof is such Person or a Permitted Transferee of such Person or (iii) if a Permitted Transferee of a Person set forth in the foregoing clauses (i) and (ii) is an individual, (x) any spouse or issue of such individual, or any trust solely for the benefit of such individual, spouse or issue, and (y) upon such individual's death, any Person to whom Shares are transferred in accordance with the laws of descent and/or testamentary distribution, in each case in a bona fide distribution or other transaction not intended to avoid the provisions of this Agreement.

Person. The term "Person" shall mean an individual or a corporation, limited liability company, partnership, trust, or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

Quarterly Dividend Period. The term "Quarterly Dividend Period" shall have the meaning set forth in Section 3(a) below.

Redemption Date. The term "Redemption Date" shall have the meaning set forth in Section 5(a)(ii) below.

Redemption Event. A Redemption Event will be deemed to occur at the earliest of (i) the date upon which there is a Change of Control of the Corporation, (ii) the date upon which the Corporation's Common Stock is not listed for trading on a United States national securities exchange or the NASDAQ National Market System, or (iii) the eleventh anniversary of the Initial Issue Date.

Redemption Percentage. The term "Redemption Percentage" shall have the meaning set forth in Section 5(a)(i) below.

Redemption Price. The term "Redemption Price" shall have the meaning set forth in Section 5(a)(i) below.

Repurchase Date. The term "Repurchase Date" shall have the meaning set forth in Section 5(b)(i) below.

Repurchase Price. The term "Repurchase Price" shall have the meaning set forth in Section 5(b)(i) below.

Securities Act. The term "Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

Series A Preferred Stock. The term "Series A Preferred Stock" shall mean the Series A Preferred Stock authorized hereby.

Stockholders Agreement. The term "Stockholders Agreement" shall mean that certain stockholders agreement of the Corporation dated as of August 5, 1998, as in effect on the Initial Issue Date, a copy of which shall be maintained by the Secretary of the Corporation and which shall be available to any stockholder of the Corporation upon request.

Trading Days. The term "Trading Days" shall have the meaning set forth in Section 8(f)(xi) below.

2. Designation.

The series of preferred stock authorized hereby shall be designated as the "Series A Convertible Preferred Stock." The number of shares constituting such series shall initially be Four Hundred Thousand (400,000). The par value of the Series A Preferred Stock shall be $.01 per share.

3. Dividends.

(a) The holders of the shares of Series A Preferred Stock shall be entitled to receive cumulative quarterly dividends at a dividend rate equal to 3 3/4% per annum (the "DIVIDEND RATE") computed on the basis of $1,000 per share, when and as declared by the Board of Directors of the Corporation, out of funds legally available for the payment of dividends; provided, however, for the five-year period commencing with the Initial Issue Date, payments of dividends may be made, at the election of the Corporation, either (i) in cash or (ii) by issuing a number of additional fully paid and nonassessable shares (and/or fractional shares) of Series A Preferred Stock for each such share (or fractional share) of Series A Preferred Stock then outstanding determined by dividing (x) the dividend then payable on each such share (or fractional share) of Series A Preferred Stock (expressed as a dollar amount) by (y) 1,000. Quarterly dividend periods (each a "QUARTERLY DIVIDEND PERIOD") shall commence on January 1, April 1, July 1 and October 1, in each year, except that the first Quarterly Dividend Period shall commence on the date of issuance of the Series A Preferred Stock, and shall end on and include

the day immediately preceding the first day of the next Quarterly Dividend Period. Dividends on the shares of Series A Preferred Stock shall be payable on March 31, June 30, September 30, and December 31 of each year (a "DIVIDEND PAYMENT DATE"), commencing September 30, 1998. Each such dividend shall be paid to the holders of record of the Series A Preferred Stock as they shall appear on the stock register of the Corporation on such record date, not exceeding 45 days nor less than 10 days preceding such Dividend Payment Date, as shall be fixed by the Board of Directors of the Corporation or a duly authorized committee thereof.

Notwithstanding the foregoing paragraph, (A) for the four Quarterly Dividend Periods commencing with the ninth Quarterly Divided Period following the Initial Issue Date, no dividend shall be paid or accrued for any Quarterly Dividend Period in which the Current Market Price as of the related Dividend Payment Date is equal to or greater than two (2) times the Conversion Price and (B) for each Quarterly Dividend Period commencing with the thirteenth Quarterly Dividend Period following the Initial Issue Date, no dividend shall be paid or accrued for any Quarterly Dividend Period in which the Current Market Price as of the related Dividend Payment Date is equal to or greater than the Conversion Price accumulated forward to the payment date at a compound annual growth rate of Twenty-Five Percent (25%) per annum compounded quarterly.

If, on any Dividend Payment Date, the full dividends provided for in this Section 3(a) are not declared or paid to the holders of the Series A Preferred Stock, whether in cash or in additional shares of Series A Preferred Stock, then such dividends shall cumulate, with additional dividends thereon, compounded quarterly, at the dividend rate applicable to the Series A Preferred Stock as provided in this Section 3(a), for each succeeding full Quarterly Dividend Period during which such dividends shall remain unpaid. In the event the Corporation elects to pay dividends in additional shares of Series A Preferred Stock, the Corporation shall on the Dividend Payment Date deliver to the holders certificates representing such shares.

Notwithstanding anything to the contrary herein, in the event any conversion, redemption or liquidation occurs as of a date other than on a Dividend Payment Date, the holders of Series A Preferred Stock shall be paid a pro rata dividend equal to the dividend payable for that Quarterly Dividend Period multiplied by a fraction, the numerator of which is the number of days that have elapsed since the last Dividend Payment Date and the denominator of which is the number of days in the Quarterly Dividend Period in which the conversion, redemption or liquidation occurs.

(b) The amount of any dividends accrued on any share of the Series A Preferred Stock on any Dividend Payment Date shall be deemed to be the amount of any unpaid dividends accumulated thereon to and including such Dividend Payment Date, whether or not earned or declared. The amount of dividends accrued on any share of the Series A Preferred Stock on any date other than a Dividend Payment Date shall be deemed to be the sum of (i) the amount of any unpaid dividends accumulated thereon to and including the last preceding Dividend Payment Date, whether or not earned or declared, and (ii) an amount determined by multiplying (x) the Dividend Rate by (y) a fraction, the numerator of which shall be the number of days from the last preceding Dividend Payment Date to and including the date on which such calculation is made and the denominator of which shall be the full number of days in such Quarterly Dividend Period.

(c) Immediately prior to authorizing or making any distribution in redemption or liquidation with respect to the Series A Preferred Stock (other than a purchase or acquisition of Series A Preferred Stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding Series A Preferred Stock), the Board of Directors shall, to the extent of any funds legally available therefor, declare a dividend in cash on the Series A Preferred Stock payable on the distribution date in an amount equal to any accrued and unpaid dividends on the Series A Preferred Stock as of such date.

4. Voting Rights.

(a) Except as otherwise required by law, the shares of Series A Preferred Stock shall be entitled to vote together with the shares of voting Common Stock as one class at all annual and special meetings of stockholders of the Corporation, and to act by written consent in the same manner as the Common Stock, upon the following basis: each holder of Series A Preferred Stock shall be entitled to such number of votes for the Series A Preferred Stock held by the holder on the record date fixed for such meeting, or on the effective date of such written consent, as shall be equal to the number of whole shares of Common Stock into which all of such holder's shares of Series A Preferred Stock are convertible immediately after the close of business on the record date fixed for such meeting or the effective date of such written consent.

(b) (i) The holders of Series A Preferred Stock, voting as a separate class shall have the right to elect such number of directors (the "CONVERTIBLE PREFERRED NOMINEES") of the Corporation as set forth below, in addition to such holders' rights to vote for the election of directors, generally, in accordance with Section 4(a):

(A) Subject to Section 4(b)(i) (B) below, the number of Convertible Preferred Nominees shall be two (2). One Convertible Preferred Nominee shall be classified as a Class I Director of the Corporation, and the other Convertible Preferred Nominee shall be classified as a Class II Director of the Corporation. Each of the Finance Committee , the Audit Committee and the Compensation Committee of the Board of Directors shall have one Convertible Preferred Nominee as a member; and, in the event the Corporation establishes an Executive Committee of the Board of Directors, at least one Convertible Preferred Nominee shall be a member of such Executive Committee.

(B) At such time as the Initial Holders together with any and all of their Permitted Transferees cease to hold in aggregate 50% or more of the number of the Initial Series A Preferred Shares, the holders of Series A Preferred Stock shall be entitled to elect one Convertible Preferred Nominee under this Certificate; and, at such time as the Initial Holders cease to hold in aggregate 10 % or more of the number of the Initial Series A Preferred Shares, the holders of Series A Preferred Stock shall no longer be entitled to elect any Convertible Preferred Nominees under this Certificate.

(ii) The holders of the Series A Preferred Stock may exercise any right under Section 4(b)(i) to elect directors at a special meeting of the holders of the Series A Preferred Stock, at an annual meeting of the stockholders of the Corporation held for the purpose of electing directors, and in each written consent executed in lieu of any such meetings.

(iii) A director elected in accordance with Section 4(b)(i) will serve until the next annual meeting of stockholders of the Corporation at which other directors of the Corporation of the same class shall be elected and until his or her successor is elected and qualified by the holders of the Series A Preferred Stock, except as otherwise provided in the Corporation's Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws.

(iv) Notwithstanding anything to the contrary contained herein, the provisions of this Section 4(b) shall inure only to the benefit of the Initial Holders and their Permitted Transferees, and any shares of Series A Preferred Stock subsequently transferred by the Initial Holders to any Person other than one of their Permitted Transferees shall not be entitled to the benefits of this Section 4(b).

(c) While any shares of Series A Preferred Stock are outstanding, the Corporation will not, directly or indirectly, including through a merger or consolidation with any other corporation or otherwise, without approval of holders of at least a majority of the outstanding shares of Series A Preferred Stock, voting separately as a class, (i) increase the number of authorized shares of Series A Preferred Stock or authorize the issuance or issue of any shares of Series A Preferred Stock other than to existing holders of Series A Preferred Stock, (ii) issue any new class or series of equity security, (iii) amend, alter or repeal, in any manner whatsoever, the designations, preferences and relative rights and limitations and restrictions of the Series A Preferred Stock; (iv) amend, alter or repeal any of the provisions of the Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws of the Corporation in a manner that would negatively impact the holders of the Series A Preferred Stock, including (but not limited to) any amendment that is in conflict with the approval rights set forth in this Section 4; (v) directly or indirectly, redeem, purchase or otherwise acquire for value (including through an exchange), or set apart money or other property for any mandatory purchase or other analogous fund for the redemption, purchase or acquisition of any shares of Common Stock or Junior Stock, except for the repurchase by the Corporation of up to $25,000,000 in Common Stock from J. Ernest Talley, declare or pay any dividend or make any distribution (whether in cash, shares of capital stock of the Corporation, or other property) on shares of Common Stock or Junior Stock; (vi) cause the number of directors of the Corporation to be greater than seven (7); (vii) enter into any agreement or arrangement with or for the benefit of any Person who is an Affiliate of the Corporation with a value in excess of $5 million in a single transaction or a series of related transactions; (viii) effect a voluntary liquidation, dissolution or winding up of the Corporation; (ix) sell or agree to sell all or substantially all of the assets of the Corporation, unless such transaction (1) occurs after the fourth anniversary of the Initial Issue Date, (2) is a sale for cash and (3) results in an internal rate of return ("IRR") of 30% compounded quarterly or greater to the holder of the Series A Preferred Stock with respect to each share of Series A Preferred Stock issued on the Initial Issue Date; or (x) enter into any merger or consolidation or other business combination involving the Corporation (except a merger of a wholly-owned subsidiary of the Corporation into the Corporation in which the Corporation's capitalization is unchanged as a result of such merger) unless such transaction (1) occurs after the fourth anniversary of the Initial Issue Date, (2) is for cash and (3) results in an IRR of 30% compounded quarterly or greater to the holder of the Series A Preferred Stock with respect to each share of Series A Preferred Stock issued on the Initial Issue Date.

(d) While any shares of Series A Preferred Stock are outstanding, the Corporation will not, directly or indirectly, without the majority affirmative vote of the Finance Committee, issue debt securities of the Corporation with a value in excess of $10 million (including any refinancing of existing indebtedness).

(e) While any shares of Series A Preferred Stock are outstanding, the Corporation will not, directly or indirectly, without the unanimous affirmative vote of the Finance Committee, issue equity securities of the Corporation with a value in excess of $10 million (including any refinancing of existing indebtedness); provided, however, that the following equity issuances shall require only a majority affirmative vote of the Finance Committee: (A) a Common Stock offering within 24 months of the Initial Issue Date that is equal to or less than $75 million of gross proceeds to the Corporation and the selling price is equal to or greater than the Conversion Price, (B) a Common Stock offering in which the selling price (1) at any time prior to the third anniversary of the Initial Issue Date is equal to or greater than two times the Conversion Price and (2) thereafter, equal to or greater than the price that would imply a 25% or greater IRR compounded quarterly on the Conversion Price and (C) an issuance of equity in connection with an acquisition if the issuance is equal to or less than 10% of the outstanding Common Stock (calculated post-issuance of such shares of Common Stock).

5. Redemption.

(a) Optional Redemption.

(i) Optional Redemption by the Corporation.

(A) The Series A Preferred Stock may not be redeemed, in whole or in part, at the election of the Corporation prior to the fourth anniversary of the Initial Issue Date. The Corporation by resolution of its Board of Directors may redeem the Series A Preferred Stock, in whole or in part, at any time after the fourth anniversary of the Initial Issue Date. The redemption price per share (the "REDEMPTION PRICE") for such shares of Series A Preferred Stock so redeemed shall equal 105% of the Liquidation Preference Amount on the Redemption Date (as defined below).

(B) Notwithstanding the forgoing Section 5(a)(i)(A), an Initial Holder shall be entitled to reserve from redemption by the Corporation pursuant to Section 5(a)(i)(A) one share of the Series A Preferred Stock until such time as the Initial Holders and their Permitted Transferees collectively shall own less than 33 1/3% of the Shares issued to the Initial Holders on the Initial Issuance Date as defined below. For the purposes of this Section 5(a)(i)(B), "SHARES" shall mean shares of the Common Stock and the Series A Preferred Stock, and the preceding percentage shall be calculated as if each of the Shares had been exchanged or converted into shares of Common Stock immediately prior to each such calculation regardless of the existence of any restrictions on such exchange or conversion.

(C) In the event that at any time less than all of the Series A Preferred Stock outstanding is to be redeemed, the shares to be redeemed will be selected pro rata. Notwithstanding anything to the contrary, the Corporation may not redeem less than all of the

Series A Preferred Stock outstanding unless all accrued and unpaid dividends have been paid on all then outstanding shares of Series A Preferred Stock.

(ii) Notice of Redemption. Notice of any redemption pursuant to this Section 5(a) shall be mailed, postage prepaid, at least 30 days but not more than 60 days prior to the date of redemption specified in such notice (the "REDEMPTION DATE") to each holder of record of the Series A Preferred Stock to be redeemed at its address as the same shall appear on the stock register of the Corporation. Each such notice shall state: (A) the Redemption Date, (B) the place or places where certificates for such shares of Series A Preferred Stock are to be surrendered for payment, (C) the Redemption Price and (D) that unless the Corporation defaults in making the redemption payment, dividends on the shares of Series A Preferred Stock called for redemption shall cease to accrue on and after the Redemption Date. If less than all the shares of the Series A Preferred Stock owned by such holder are then to be redeemed, such notice shall also specify the number of shares thereof which are to be redeemed and the numbers of the certificates representing such shares.

(iii) No Preclusion of Conversion. Nothing in this Section 5(a) shall be construed to preclude a holder of Series A Preferred Stock from converting any or all of its shares of Series A Preferred Stock in accordance with Section 8 at any time prior to the Redemption Date.

(b) Mandatory Redemption.

(i) Right to Require Redemption. If at any time there shall occur any Redemption Event of the Corporation, then each holder of Series A Preferred Stock shall have the right, at such holder's option, to require the Corporation to redeem, and upon the exercise of such right the Corporation shall redeem, all or any part of such holder's Series A Preferred Stock on the date (the "REPURCHASE DATE") that is 45 days after the date of the Corporation Notice (as defined below). The redemption price per share (the "REPURCHASE PRICE") for such shares of Series A Preferred Stock so redeemed shall equal the Liquidation Preference Amount on the Repurchase Date.

(ii) Notices; Method of Exercising Redemption Right, etc.

(A) Unless the Corporation shall have theretofore called for redemption all the Series A Preferred Stock then outstanding pursuant to Section 5(a) hereof, within 15 days after the occurrence of a Redemption Event, the Corporation shall mail to all holders of record of the Series A Preferred Stock a notice (the "CORPORATION NOTICE") of the occurrence of the Redemption Event and of the redemption right set forth herein arising as a result thereof. Each Corporation Notice of a redemption right shall state: (I) the Repurchase Date; (II) the date by which the redemption right must be exercised; (III) the Repurchase Price; (IV) a description of the procedure which a holder must follow to exercise a redemption right including a form of the irrevocable written notice referred to in Section 5(b)(ii)(B) hereof; and (V) the place or places where such Series A Preferred Stock may be surrendered for redemption.

No failure of the Corporation to give the foregoing notices or any defect therein shall limit any holder's right to exercise a redemption right or affect the validity of the proceedings for the redemption of Series A Preferred Stock.

(B) To exercise a redemption right, a holder must deliver to the Corporation on or before the 15th day after the date of the Corporation Notice (i) irrevocable written notice of the holder's exercise of such rights, which notice shall set forth the name of the holder, the amount of the Series A Preferred Stock to be redeemed, a statement that an election to exercise the redemption right is being made thereby, and (ii) the Series A Preferred Stock with respect to which the redemption right is being exercised, duly endorsed for transfer to the Corporation. Such written notice shall be irrevocable. Subject to the provisions of paragraph (D) below, Series A Preferred Stock surrendered for redemption together with such irrevocable written notice shall cease to be convertible from the date of delivery of such notice. If the Repurchase Date falls after the record date and before the following Dividend Payment Date, any Series A Preferred Stock to be redeemed must be accompanied by payment of an amount equal to the dividends thereon which the registered holder thereof is to receive on such Dividend Payment Date, and, notwithstanding such redemption, such dividend payment will be made by the Corporation to the registered holder thereof on the applicable record date; provided that any quarterly payment of dividends becoming due on the Repurchase Date shall be payable to the holders of such Series A Preferred Stock registered as such on the relevant record date subject to the terms of Section 3(b) hereof.

(C) In the event a redemption right shall be exercised in accordance with the terms hereof, the Corporation shall pay or cause to be paid the Repurchase Price in cash, to the holder on the Repurchase Date.

(D) If any Series A Preferred Stock surrendered for redemption shall not be so redeemed on the Repurchase Date, such Series A Preferred Stock shall be convertible at any time from the Repurchase Date until redeemed and, until redeemed, continue to accrue dividends to the extent permitted by applicable law from the Repurchase Date at the same rate borne by such Series A Preferred Stock. The Corporation shall pay to the holder of such Series A Preferred Stock the additional amounts arising from this Section 5(b)(ii)(D) hereof at the time that it pays the Repurchase Price, and if applicable such Series A Preferred Stock shall remain convertible into Common Stock until the Repurchase Price plus any additional amounts owing on such Series A Preferred Stock shall have been paid or duly provided for.

(E) Any Series A Preferred Stock which is to be redeemed only in part shall be surrendered at any office or agency of the Corporation designated for that purpose pursuant to Section 5(b)(ii)(A)(V) hereof and the Corporation shall execute and deliver to the holder of such Series A Preferred Stock without service charge, a new certificate or certificates representing the Series A Preferred Stock, of any authorized denomination as requested by such holder, in aggregate amount equal to and in exchange for the unredeemed portion of the Series A Preferred Stock so surrendered.

6. Priority.

(a) Priority as to Dividends. Holders of shares of the Series A Preferred Stock shall be entitled to receive the dividends provided for in Section 3 hereof in preference to and in priority over any dividends upon any Junior Stock or Common Stock.

7. Liquidation Preference.

(a) In the event of any Liquidation, holders of the Series A Preferred Stock will be entitled to receive out of the assets of the Corporation whether such assets are capital or surplus and whether or not any dividends as such are declared, the Liquidation Preference Amount to the date fixed for distribution, and no more, before any distribution shall be made to the holders of Junior Stock or Common Stock with respect to the distribution of assets. If the assets of the Corporation are not sufficient to pay in full the Liquidation Preference Amount to the holders of outstanding shares of the Series A Preferred Stock, then the holders of all such shares shall share ratably in such distribution of assets in accordance with the amount which would be otherwise payable on such distribution to the holders of Series A Preferred Stock were such Liquidation Preference Amount paid in full. Except as provided, in this Section 7(a), in the event of any Liquidation of the Corporation, the holders of shares of Series A Preferred Stock shall not be entitled to any additional payments.

(b) The consolidation or merger of the Corporation with or into such corporation or corporations shall not itself be deemed to be a Liquidation of the Corporation within the meaning of this Section 7.

(c) Written notice of any Liquidation of the Corporation, stating a payment date and the place where the distributive amounts shall be payable, shall be given by mail, postage prepaid, not less than 30 days prior to the payment date stated therein, to the holders of record of the Series A Preferred Stock at their respective addresses as the same shall appear on the books of the Corporation.

8. Conversion.

(a) Each share of Series A Preferred Stock shall be convertible at any time and from time to time, at the option of the holder thereof into validly issued, fully paid and nonassessable shares of Common Stock, in an amount determined in accordance with Section 8(d) below.

(b) Immediately following the conversion of Series A Preferred Stock into Common Stock on the Conversion Date (i) such converted shares of Series A Preferred Stock shall be deemed no longer outstanding and (ii) the Persons entitled to receive the Common Stock upon the conversion of such converted Series A Preferred Stock shall be treated for all purposes as having become the owners of record of such Common Stock. Upon the issuance of shares of Common Stock upon conversion of Series A Preferred Stock pursuant to this Section 8, such shares of Common Stock shall be deemed to be duly authorized, validly issued, fully paid and nonassessable. Notwithstanding anything to the contrary in this Section 8, any holder of Series A Preferred Stock may convert shares of such Series A Preferred Stock into Common Stock in accordance with Section 8 on a conditional basis, such that such conversion will not take effect unless conditions set forth in Section 8(c) are satisfied, and the Corporation shall make such

arrangements as may be necessary or appropriate to allow such conditional conversion and to enable the holder to satisfy such other conditions.

(c) To convert Series A Preferred Stock into Common Stock at the option of the holder pursuant to Section 8(a), a holder must give written notice to the Corporation at its principal office that such holder elects to convert Series A Preferred Stock into Common Stock, and the number of shares to be converted. Such conversion, to the extent permitted by law, regulation, rule or other requirement of any governmental authority (collectively, "LAWS") and the provisions hereof, including but not limited to Section 5(a)(iii), shall be deemed to have been effected as of the close of business on the date on which the holder delivers such notice to the Corporation (such date is referred to herein as the "CONVERSION DATE" for purposes of any conversion of Series A Preferred Stock pursuant to Section 8(a)). Promptly thereafter the holder shall (i) surrender the certificate or certificates evidencing the shares of Series A Preferred Stock to be converted, duly endorsed in a form reasonably satisfactory to the Corporation, at the office of the Corporation or of the transfer agent for the Series A Preferred Stock, (ii) state in writing the name or names in which the certificate or certificates for shares of Common Stock are to be issued, (iii) provide evidence reasonably satisfactory to the Corporation that such holder has satisfied any conditions, contained in any agreement or any legend on the certificates representing the Series A Preferred Stock, relating to the transfer thereof, if shares of Common Stock are to be issued in a name or names other than the holder's, and (iv) pay any transfer or similar tax if required as provided in Section 8(k) below. As soon as practical following receipt of the foregoing, the Corporation shall deliver to such former holder of Series A Preferred Stock, a certificate representing the shares of Common Stock issued upon the conversion, together with a new certificate representing the unconverted portion, if any, of the shares of Series A Preferred Stock formerly represented by the certificate or certificates surrendered for conversion.

(d) For the purposes of the conversion of Series A Preferred Stock into Common Stock pursuant to Section 8(a), each share of Series A Preferred Stock shall be convertible into the number of shares of Common Stock equal to the Liquidation Preference Amount divided by the Conversion Price in effect on the Conversion Date. The number of full shares of Common Stock issuable to a single holder upon conversion of the Series A Preferred Stock shall be based on the aggregate Liquidation Preference Amount of all shares of Series A Preferred Stock owned by such holder. The Conversion Price initially shall equal $27.935. In order to prevent dilution of the conversion rights granted hereunder, the Conversion Price shall be subject to adjustment from time to time in accordance with Sections 8(f) and 8(i) below.

(e) If the Corporation shall at any time subdivide, by stock split, reclassification or otherwise, the outstanding shares of Common Stock or shall issue a dividend on its outstanding Common Stock payable in capital stock, the Conversion Price in effect immediately prior to such subdivision or the issuance of such dividend shall be proportionately decreased, and in case the Corporation shall at any time combine, by stock split, reclassification or otherwise, the outstanding shares of Common Stock, the Conversion Price in effect immediately prior to such combination shall be proportionately increased, effective at the close of business on the date of such subdivision, dividend, combination or other event, as the case may be.

(f) The number of shares issuable upon conversion and the Conversion Price (and each component thereof) are subject to adjustment by the Corporation from time to time upon the occurrence of the events enumerated in this Section 8.

(i) Changes in Capital Stock.

(A) If the Corporation (i) pays a dividend or makes a distribution on its Common Stock in shares of its Common Stock, (ii) subdivides its outstanding shares of Common Stock into a greater number of shares, (iii) combines its outstanding shares of Common Stock into a smaller number of shares, (iv) makes a distribution on its Common Stock in shares of its capital stock other than Common Stock or (v) issues by reclassification of its Common Stock any shares of its capital stock, then the Conversion Price (and each component thereof) in effect immediately prior to such action shall be proportionately adjusted so that each holder of shares of Series A Preferred Stock may receive the aggregate number and kind of shares of capital stock of the Corporation which such holder would have owned immediately following such action if such holder had converted all of his shares of Series A Preferred Stock into Common Stock immediately prior to such action.

(B) The adjustment shall become effective immediately after the record date in the case of a dividend or distribution and immediately after the effective date in the case of a subdivision, combination or reclassification.

(C) If after an adjustment a holder of shares of Series A Preferred Stock upon conversion may receive shares of two or more classes of capital stock of the Corporation, the Corporation shall determine the allocation of the adjusted Conversion Price between the classes of capital stock. After such allocation, the conversion privilege and the Conversion Price of each class of capital stock shall thereafter be subject to adjustment on terms comparable to those applicable to Common Stock in this Section 8(f)(i).

(D) Any adjustments made pursuant to this Section 8(f)(i) shall be made successively.

(ii) Common Stock Issue.

(A) If the Corporation issues any additional shares of Common Stock for a consideration per share less than the Current Market Price (as hereinafter defined) on the date the Corporation fixes the offering price of such additional shares, the Conversion Price shall be adjusted as set forth below, such that a holder of shares of Series A Preferred Stock, upon conversion of his shares of Series A Preferred Stock into shares of Common Stock, shall have the right to receive that number of shares of Common Stock which, after giving effect to the following adjustment, such holder would receive if such holder elected to convert his shares of Series A Preferred Stock into Common Stock. The Conversion Price shall be adjusted to the number determined by multiplying the Conversion Price in effect immediately prior to such issuance or sale by a fraction, the numerator of which shall be the sum of (i) the number of shares of Common Stock outstanding immediately prior to the issuance or sale of such additional shares of Common Stock plus (ii) the number of such additional shares which the aggregate consideration received (or by express provision hereof deemed to have been received) by the

Corporation for such additional shares so issued or sold would purchase at a consideration per share equal to the Current Market Price, and the denominator of which shall be the number of shares of Common Stock outstanding immediately after the issuance or sale of such additional shares of Common Stock. For the purposes of this Section 8(f)(ii), the date as of which the Current Market Price shall be determined shall be the date of the actual issuance or sale of such shares.

(B) The adjustment shall be made successively whenever any such issuance is made, and shall become effective immediately after such issuance.

(C) This Section 8(f)(ii) does not apply to: (i) any of the transactions described in Section 8(f)(iii) and 8(f)(iv); (ii) the conversion of the shares of Series A Preferred Stock; and (iii) any shares issued under the Corporation's Amended and Restated 1994 Long-Term Incentive Plan, and any other such plans adopted by the Board of Directors.

(iii) Rights Issue.

(A) If the Corporation issues or sells any warrants or options or other rights entitling the holders of Common Stock to subscribe for or purchase either any additional shares of Common Stock or evidences of indebtedness, shares of stock or other securities which are convertible into or exchangeable, with or without payment of additional consideration in cash or property, for additional shares of Common Stock (such convertible or exchangeable evidence of indebtedness, shares of stock or other securities hereinafter being called "CONVERTIBLE SECURITIES"), and the consideration per share for which additional shares of Common Stock may at any time thereafter be issuable pursuant to such warrants, options or other rights or pursuant to the terms of such Convertible Securities (when added to the consideration per share of Common Stock, if any, received for such warrants, options or other rights), shall be less than the Current Market Price at the time of the issuance of the warrants, options or other rights, then the Conversion Price shall be adjusted as provided below, such that a holder of shares of the Series A Preferred Stock, upon conversion of his shares of Series A Preferred Stock into shares of Common Stock, shall have the right to receive that number of shares of Common Stock which, after giving effect to the following adjustment, such holder would receive if such holder elected to convert his shares of Series A Preferred Stock into Common Stock. The Conversion Price shall be adjusted to the number determined by multiplying the current Conversion Price by a fraction, (A) the numerator of which shall be the sum of (i) the number of shares of Common Stock outstanding on the record date plus (ii) the quotient of (x) the number of additional shares of Common Stock covered by such warrants, options or rights, multiplied by the sales price per share of additional shares covered by such warrants, options or other rights, divided by (y) the Current Market Price per share of Common Stock on the record date, and (B) the denominator of which shall be the sum of (i) the number of shares of Common Stock outstanding on the record date and (ii) the number of additional shares of Common Stock covered by such warrants, options or other rights. For purposes of this Section 8(f)(iii), the foregoing adjustment shall be made on the basis that (i) the maximum number of additional shares of Common Stock issuable pursuant to all such warrants, options or other rights or necessary to effect the conversion or exchange of all such Convertible Securities shall be deemed to have been issued and (ii) the aggregate consideration for such maximum number of additional shares shall be deemed to be the minimum consideration received and receivable by the Corporation for the issuance of such

additional shares (plus the consideration, if any, received for such warrants, options or other rights) pursuant to such warrants, options or other rights or pursuant to the terms of such Convertible Securities.

(B) The adjustment shall be made successively whenever any such warrants, options or other rights are issued and shall become effective immediately after the record date for the determination of shareholders entitled to receive the warrants, options or other rights.

(C) This Section 8(f)(iii) does not apply to: (i) the conversion of the shares of Series A Preferred Stock; and (ii) any shares issued under the Corporation's Amended and Restated 1994 Long-Term Incentive Plan, and any other such plans adopted by the Board of Directors.

(iv) Convertible Securities Issue.

(A) If the Corporation issues Convertible Securities (other than securities issued in transactions described in Section 8(f)(iii)) and the consideration per share for which additional shares of Common Stock may at any time thereafter be issuable pursuant to the terms of such Convertible Securities is less than the Current Market Price on the date of issuance of such securities, the Conversion Price shall be adjusted as provided below, such that a holder of shares of Series A Preferred Stock, upon conversion of his shares of Series A Preferred Stock into shares of Common Stock, shall have the right to receive that number of shares of Common Stock which, after giving effect to the following formula, such holder would receive if such holder elected to convert his shares of Series A Preferred Stock into Common Stock. The Conversion Price shall be adjusted to the number determined by multiplying the current Conversion Price by a fraction, (A) the numerator of which shall be the sum of (i) the number of shares of Common Stock outstanding immediately prior to the issuance of such securities and (ii) the quotient of (x) the aggregate consideration received for the issuance of such securities, divided by (y) the Current Market Price per share on the date of issuance of such securities and (B) the denominator of which shall be the sum of (i) the number of shares of Common Stock outstanding immediately prior to the issuance of such securities and (ii) the maximum number of shares deliverable upon conversion or in exchange for such securities at the initial conversion or exchange rate. The adjustment shall be made on the basis that (i) the maximum number of additional shares of Common Stock necessary to effect the conversion or exchange of all such Convertible Securities shall be deemed to have been issued and (ii) the aggregate consideration for such maximum number of additional shares of Common Stock shall be deemed to be the minimum consideration received and receivable by the Corporation for the issuance of such additional shares pursuant to the terms of such Convertible Securities. No adjustment of the Conversion Price shall be made under this Section 8(f)(iv) upon the issuance of any Convertible Securities which are issued pursuant to the exercise of any warrants or other subscription or purchase rights therefor, if such adjustment shall previously have been made upon the issuance of such warrants or other rights pursuant to Section 8(f)(iii).

(B) The adjustment shall be made successively whenever any such issuance is made, and shall become effective immediately after such issuance.

(C) This Section 8(f)(iv) does not apply to: (i) the conversion of the shares of Series A Preferred Stock and (ii) any shares issued under the Corporation's Amended and Restated 1994 Long-Term Incentive Plan, and any other such plans adopted by the Board of Directors.

(v) Conversion Price Date. For purposes of Sections 8(f)(iii) and 8(f)(iv), the date as of which the Conversion Price shall be computed shall be the earliest of (i) the date on which the Corporation shall take a record of the holders of its Common Stock for the purpose of entitling them to receive any warrants or other rights referred to in Section 8(f)(iii) or to receive any Convertible Securities, (ii) the date on which the Corporation shall enter into a firm contract for the issuance of such warrants or other rights or Convertible Securities or (iii) the date of the actual issuance of such warrants or other rights or Convertible Securities.

(vi) No Compound Adjustment. No adjustment of the Conversion Price shall be made under Section 8(f)(ii) upon the issuance of any additional shares of Common Stock which are issued pursuant to the exercise of any warrants or other subscription or purchase rights or pursuant to the exercise of any conversion or exchange rights in any Convertible Securities, if such adjustment shall previously have been made upon the issuance of such warrants or other rights or upon the issuance of such Convertible Securities (or upon the issuance of any warrants or other rights therefor), pursuant to Sections 8(f)(iii).

(vii) Readjustment. If any warrants or other rights (or any portions thereof) which shall have given rise to an adjustment pursuant to Section 8(f)(iii) or conversion rights pursuant to Convertible Securities which shall have given rise to an adjustment pursuant to Section 8(f)(iv) shall have expired or terminated without the exercise thereof and/or if by reason of the terms of such warrants or other rights or Convertible Securities there shall have been an increase or increases, with the passage of time otherwise, in the price payable upon the exercise or conversion thereof, then the Conversion Price hereunder shall be readjusted (but to no greater extent than originally adjusted), taking into account all transactions described in Sections 8(f)(i) through 8(f)(iv) hereof that have occurred in the interim, on the basis of (i) eliminating from the computation any additional shares of Common Stock corresponding to such warrants or other rights or conversion rights as shall have expired or terminated, (ii) treating the additional shares of Common Stock, if any, actually issued or issuable pursuant to the previous exercise of such warrants or other rights or of conversion rights pursuant to any Convertible Securities as having been issued for the consideration actually received and receivable therefor and (iii) treating any of such warrants or other rights or conversion rights pursuant to any Convertible Securities which remain outstanding as being subject to exercise or conversion on the basis of such exercise or Conversion Price as shall be in effect at the time; provided, however, that any consideration which was actually received by the Corporation in connection with the issuance or sale of such warrants or other rights shall form part of the readjustment computation even though such warrants or other rights shall have expired or terminated without the exercise thereof.

(viii) Consideration Received. To the extent that any additional shares of Common Stock, any warrants, options or other rights to subscribe for or purchase any additional shares of Common Stock, or any Convertible Securities shall be issued for cash consideration, the consideration received by the Corporation therefor shall be deemed to be the amount of the cash received by the Corporation therefor, or, if such additional shares, warrants, options or other

rights or Convertible Securities are sold to underwriters or dealers for public offering without a subscription offering, the initial public offering price, in any such case excluding any amounts paid or receivable for accrued interest or accrued dividends and without deduction of any compensation, discounts or expenses paid or incurred by the Corporation for and in the underwriting of, or otherwise in connection with, the issuance thereof. If and to the extent that such issuance shall be for a consideration other than cash, then, except as herein otherwise expressly provided, the amount of such consideration shall be deemed to be the fair value of such consideration at the time of such issuance as determined by the Board of Directors of the Corporation. If additional shares of Common Stock shall be issued as part of a unit with warrants or other rights, then the amount of consideration for the warrant or other right shall be deemed to be the amount determined at the time of issuance by the Board of Directors of the Corporation. If the Board of Directors of the Corporation shall not make any such determination, the consideration for the warrant, option or other right shall be deemed to be zero.

(ix) Other Conversions. If a state of facts shall occur which, without being specifically controlled by the provisions of this Section 8, would not fairly protect the conversion rights of the holders of shares of Series A Preferred Stock in accordance with the essential intent and principles of such provisions, then the Board of Directors of the Corporation shall make an adjustment in the application of such provisions, in accordance with such essential intent and principles, so to protect such conversion rights.

(x) De Minimis Adjustment. Anything herein to the contrary notwithstanding, no adjustment in the Conversion Price shall be required unless such adjustment, either by itself or with other adjustments not previously made, would require a change of at least one percent (1%) in the Conversion Price; provided, however, that any adjustment which by reason of this Section 8(f)(x) is not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 8 shall be made to the nearest one-tenth of a cent ($.001) (rounded to the nearest cent ($.01) with respect to any monetary amount to be actually paid) or to the nearest one hundredth (0.01) of a share, as the case may be.

(xi) Current Market Price. For the purpose of any computation hereunder, the "CURRENT MARKET PRICE" on any date will be the average of the last reported sale prices per share (the "QUOTED PRICE") of the Common Stock on each of the fifteen consecutive Trading Days (as defined below) preceding the date of the computation. The Quoted Price of the Common Stock on each day will be (A) the last reported sales price of the Common Stock on the principal stock exchange on which the Common Stock is listed, or (B) if the Common Stock is not listed on a stock exchange, the last reported sales price of the Common Stock on the principal automated securities price quotation system on which sale prices of the Common Stock are reported, or (C) if the Common Stock is not listed on a stock exchange and sale prices of the Common Stock are not reported on an automated quotation system, the mean of the high bid and low asked price quotations for the Common Stock as reported by National Quotation Bureau Incorporated if at least two securities dealers have inserted both bid and asked quotations for the Common Stock on a day will be the Quoted Price of the Common Stock on that day as determined by a member firm of the New York Stock Exchange, Inc. selected by the Board of Directors. If no two securities dealers have inserted such bid and ask quotations, or such Quoted Prices otherwise are not available, the Current Market Price means the fair market value of the Common Stock as of

the date prior to the date on which the Current Market Price is determined, which such fair market value shall be determined by the Board of Directors of the Corporation. As used with regard to the Series A Preferred Stock, the term "TRADING DAY" means (x) if the Common Stock is listed on at least one stock exchange, a day on which there is trading on the principal stock exchange on which the Common Stock is listed, (y) if the Common Stock is not listed on a stock exchange, but sale prices of the Common Stock are reported on an automated quotation system, a day on which trading is reported on the principal automated quotation system on which sales of the Common Stock are reported, or (z) if the Common Stock is not listed on a stock exchange and sale prices of the Common Stock are not reported on an automated quotation system, a day on which quotations are reported by National Quotation Bureau Incorporated.

(g) No fractional shares of Common Stock shall be issued upon the conversion of Series A Preferred Stock. If any fractional interest in a share of Common Stock would, except for the provisions of this subparagraph (g), be deliverable upon the conversion of any Series A Preferred Stock, the Corporation shall, in lieu of delivering the fractional share therefor, adjust such fractional interest by payment to the holder of such converted Series A Preferred Stock of an amount in cash equal (computed to the nearest cent) to the Current Market Price of such fractional interest as of the end of the Corporation's last fiscal year as determined in good faith in the sole discretion of the Board of Directors of the Corporation.

(h) Whenever the Conversion Price is adjusted, as herein provided, the Corporation shall promptly mail a notice of the adjustment to holders of Series A Preferred Stock by first class mail. The Corporation shall forthwith maintain at its principal executive office and file with the transfer agent, if any, for Series A Preferred Stock, a statement, signed by the Chairman of the Board, or the President, or a Vice President of the Corporation and by its chief financial officer or an Assistant Treasurer, showing in reasonable detail the facts requiring such adjustment and the Conversion Price after such adjustment. Such transfer agent shall be under no duty or responsibility with respect to any such statement except to exhibit the same from time to time to any holder of Series A Preferred Stock desiring an inspection thereof.

(i) If there shall occur any capital reorganization or any reclassification of the capital stock of the Corporation, consolidation or merger of the Corporation with or into another entity, or the conveyance of all or substantially all of the assets of the Corporation to another person or entity, each share of Series A Preferred Stock shall thereafter be convertible into the number of shares or other securities or property to which a holder of the number of shares of Common Stock of the Corporation deliverable upon conversion of such Series A Preferred Stock would have been entitled upon such reorganization, reclassification, consolidation, merger or conveyance; and, in any such case, appropriate adjustment (as determined in good faith in the sole discretion of the Board of Directors of the Corporation) shall be made in the application of the provisions herein set forth with respect to the rights and interests thereafter of the holders of the Series A Preferred Stock, to the end that the provisions set forth herein (including provisions with respect to changes in and other adjustments of the Conversion Price) shall be applicable, as nearly as reasonably may be, in relation to any shares or other property thereafter deliverable upon the conversion of the Series A Preferred Stock.

(j) The Corporation shall at all times reserve and keep available, out of its authorized but unissued shares of Common Stock or treasury shares thereof, solely for the purpose of

issuance upon the conversion of Series A Preferred Stock, the full number of shares of Common Stock deliverable upon the conversion of all Series A Preferred Stock from time to time outstanding. The Corporation shall from time to time, in accordance with the laws of the State of Delaware, increase the authorized amount of its Common Stock if at any time the authorized number of shares of Common Stock remaining unissued shall not be sufficient to permit the conversion of all of the Series A Preferred Stock at the time outstanding.

(k) The Corporation shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon conversion of the Series A Preferred Stock into Common Stock. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any security in a name other than that in which the Series A Preferred Stock so converted was registered, and no such issue or delivery shall be made unless and until the person requested such issue has paid to the Corporation the amount of any such tax, or has established to the satisfaction of the Corporation that such tax has been paid.

9. Exclusion of Other Rights.

Except as otherwise required by law, shares of Series A Preferred Stock shall not have any preferences or relative, participating, optional or other special rights, other than those specifically set forth in this resolution and in the Certificate of Designations filed pursuant hereto (as such Certificate may be amended from time to time) and in the Certificate of Incorporation. No shares of Series A Preferred Stock shall have any rights of preemption or subscription whatsoever as to any securities of the Corporation, except as expressly provided in any written agreement among the Corporation and any holder or holders of Series A Preferred Stock.

10. Reissuance of Preferred Stock.

Shares of Series A Preferred Stock that have been issued and reacquired in any manner, including shares purchased or redeemed or exchanged, shall (upon compliance with any applicable provisions of the General Corporation Law of the State of Delaware) be canceled and shall not be reissued.

11. Headings of Subdivisions.

The headings of the various subdivisions hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

12. Severability of Provisions.

If any right, preference or limitation of the Series A Preferred Stock set forth in this resolution and in the Certificate of Designations for the Series A Preferred Stock (as such Certificate may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule or law or public policy, all other rights, preferences and limitations set forth in such Certificate of Designations (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth

shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

13. Notice.

All notices and other communications required or permitted to be given to the Corporation hereunder shall be made by hand delivery or registered or certified mail, return receipt requested, to the Corporation at its principal executive offices (currently located on the date of the adoption of these resolutions at 13800 Montfort Drive, Suite 300, Dallas, Texas 75240, Attention: Secretary. Minor imperfections in any such notice shall not affect the validity thereof.

EXHIBIT 3.4

CERTIFICATE OF MERGER
OF
RAC MERGER SUB, INC.
WITH AND INTO
RENT-A-CENTER, INC.

UNDER SECTION 251(g) OF THE DELAWARE GENERAL CORPORATION LAW

The undersigned corporation, organized and existing under and by virtue of the Delaware General Corporation Law (the "DGCL"), does hereby certify that:

FIRST: The name and state of incorporation of each of the constituent corporations of the merger is as follows:

Name	State of Incorporation
RAC Merger Sub, Inc.	Delaware
Rent-A-Center, Inc.	Delaware

SECOND: An agreement and plan of merger, dated December 30, 2002 (the "PLAN OF MERGER"), by and among the constituent corporations and Rent-A-Center Holdings, Inc., a Delaware corporation, has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations and Rent-A-Center Holdings, Inc., and by the sole stockholder of RAC Merger Sub, Inc., in accordance with the requirements of Section 251(g) of the DGCL, and the conditions specified in the first sentence of such subsection have been satisfied.

THIRD: Upon consummation of the merger, the surviving corporation of the merger shall be Rent-A-Center, Inc. (the "SURVIVING CORPORATION").

FOURTH: Upon consummation of the merger, the Certificate of Incorporation of the Surviving Corporation shall remain unchanged except as follows:

Article First thereof shall be amended so as to read in its entirety as follows:

> "FIRST: The name of the corporation is Rent-A-Center East, Inc."

Article Fourth thereof shall be amended so as to read in its entirety as follows:

> "FOURTH: The aggregate number of shares of capital stock which the Corporation shall have authority to issue is 1,000 shares of common stock, having a par value of $0.01 per share (the "COMMON STOCK")."

A new Article Eleventh shall be added thereto which shall be and read in its entirety as follows:

> "ELEVENTH. Vote of Stockholders of Rent-A-Center, Inc. Required to Approve Certain Actions.
>
> Any act or transaction by or involving the Corporation, other than the election or removal of directors of the Corporation, that requires for its adoption under the DGCL or this Restated Certificate of Incorporation the approval of the stockholders of the Corporation shall, pursuant to and in accordance with Section 251(g) of the DGCL, require, in addition, the approval of the stockholders of Rent-A-Center, Inc., a Delaware corporation, or any successor thereto by merger, by the same vote that is required by the DGCL or this Restated Certificate of Incorporation."

FIFTH: The executed Plan of Merger is on file at the principal place of business of the Surviving Corporation. The address of the principal place of business of the Surviving Corporation is 5700 Tennyson Parkway, Third Floor, Plano, Texas 75024.

SIXTH: A copy of the Plan of Merger will be furnished by the Surviving Corporation on request and without cost to any stockholder of any constituent corporation.

SEVENTH: The merger shall become effective at 8:00 a.m., Eastern Time, on December 31, 2002.

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IN WITNESS WHEREOF, the undersigned corporation has caused this Certificate of Merger to be executed on December 30, 2002.

RENT-A-CENTER, INC.

By: /s/ MARK E. SPEESE

Mark E. Speese
Chairman of the Board and
Chief Executive Officer

EXHIBIT 3.5

RENT-A-CENTER EAST, INC.

THIRD AMENDED AND RESTATED BYLAWS

DATED MARCH 3, 2003

ARTICLE I
MEETINGS OF STOCKHOLDERS

SECTION 1. Annual Meetings of Stockholders. The annual meeting of the stockholders of Rent-A-Center East, Inc. (the "CORPORATION") shall be held on such day as may be designated from time to time by the Board of Directors and stated in the notice of the meeting, and on any subsequent day or days to which such meeting may be adjourned, for the purposes of electing directors and of transacting such other business as may properly come before the meeting. The Board of Directors shall designate the place and time for the holding of such meeting, and not less than ten days nor more than sixty days notice shall be given to the stockholders of the time and place so fixed. If the day designated therein is a legal holiday, the annual meeting shall be held on the first succeeding day which is not a legal holiday. If for any reason the annual meeting shall not be held on the day designated therein, the Board of Directors shall cause the annual meeting to be held as soon thereafter as may be convenient.

At the annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the annual meeting. To be properly brought before the annual meeting of stockholders, business must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (iii) otherwise properly brought before the meeting by a stockholder of the Corporation who is a stockholder of record at the time of giving notice provided for in this Section 1 of Article I, who shall be entitled to vote at such meeting and who complies with the notice procedures set forth in this Section 1 of Article I. For business to be properly brought before an annual meeting by a stockholder, the stockholder, in addition to any other applicable requirements, must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation not less than 90 days prior to the anniversary date of the immediately preceding annual meeting of stockholders of the Corporation. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting: (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business, (iii) the class and number of shares of voting stock of the Corporation that are beneficially owned by the stockholder; (iv) a representation that the stockholder intends to appear in person or by proxy at the meeting to bring the proposed business before the annual meeting, and (v) a description of any material interest of the stockholder in such business. Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 1 of Article I. The presiding officer of an annual meeting shall, if the facts warrant, determine and declare to the meeting that the business was not properly brought before the meeting in accordance with the provisions of this Section 1 of

Article I, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

Notwithstanding the foregoing provisions of this Section 1 of Article I, in the event the Corporation becomes subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "EXCHANGE ACT"), a stockholder shall also comply with all applicable requirements of the Exchange Act, and the rules and regulations thereunder with respect to the matters set forth in this Section 1 of Article I.

SECTION 2. Special Meetings of Stockholders. Special meetings of the stockholders may be called at any time by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors or the majority of an entire committee of such Board. Upon written request of the persons who have duly called a special meeting, it shall be the duty of the Secretary of the Corporation to fix the date of the meeting to be held not less than ten nor more than sixty days after the receipt of the request and to give due notice thereof. If the Secretary shall neglect or refuse to fix the date of the meeting and give notice thereof, the persons calling the meeting may do so.

SECTION 3. Place of Meetings. Every annual or special meeting of the stockholders shall be held at such place within or without the State of Delaware as the Board of Directors may designate, or, in the absence of such designation, at the registered office of the Corporation in the State of Delaware.

SECTION 4. Notice of Meetings. Written notice of every meeting of the stockholders shall be given by the Secretary of the Corporation to each stockholder of record entitled to vote at the meeting, by placing such notice in the mail not less than ten nor more than sixty days, prior to the day named for the meeting addressed to each stockholder at his or her address appearing on the books of the Corporation or supplied by him or her to the Corporation for the purpose of notice.

SECTION 5. Record Date. The Board of Directors may fix a date, not less than ten nor more than sixty days preceding the date of any meeting of stockholders, as a record date for the determination of stockholders entitled to notice of, or to vote at, any such meeting. The Board of Directors shall not close the books of the Corporation against transfers of shares during the whole or any part of such period.

SECTION 6. Proxies. The notice of every meeting of the stockholders may be accompanied by a form of proxy approved by the Board of Directors in favor of such person or persons as the Board of Directors may select.

SECTION 7. Quorum and Voting. A majority of the outstanding shares of stock of the Corporation entitled to vote, present in person or represented by proxy, shall constitute a quorum at any meeting of the stockholders, and the stockholders present at any duly convened meeting may continue to do business until adjournment notwithstanding any withdrawal from the meeting of holders of shares counted in determining the existence of a quorum. Directors shall be elected by a plurality of the votes cast in the election. For all matters as to which no other voting requirement is specified by the General Corporation Law of the State of Delaware, as amended (the "GENERAL CORPORATION LAW"), the Second Restated Certificate of Incorporation of the Corporation, as amended (the "CERTIFICATE OF INCORPORATION"), or these Bylaws, the affirmative

vote required for stockholder action shall be that of a majority of the shares present in person or represented by proxy at the meeting (as counted for purposes of determining the existence of a quorum at the meeting). In the case of a matter submitted for a vote of the stockholders as to which a stockholder approval requirement is applicable under the stockholder approval policy of the Nasdaq National Market or any other exchange or quotation system on which the capital stock of the Corporation is quoted or traded, the requirements of Rule 16b-3 under the Exchange Act or any provision of the Internal Revenue Code, in each case for which no higher voting requirement is specified by the General Corporation Law, the Certificate of Incorporation or these Bylaws, the vote required for approval shall be the requisite vote specified in such stockholder approval policy, Rule 16b-3 or Internal Revenue Code provision, as the case may be (or the highest such requirement if more than one is applicable). For the approval of the appointment of independent public accountants (if submitted for a vote of the stockholders), the vote required for approval shall be a majority of the votes cast on the matter.

SECTION 8. Adjournment. Any meeting of the stockholders may be adjourned from time to time, without notice other than by announcement at the meeting at which such adjournment is taken, and at any such adjourned meeting at which a quorum shall be present any action may be taken that could have been taken at the meeting originally called; provided that if the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting.

SECTION 9. Nominations for Election as a Director. Only persons who are nominated in accordance with the procedures set forth in these Bylaws shall be eligible for election as, and to serve as, directors. Nominations of persons for election to the Board of Directors of the Corporation may be made at a meeting of stockholders (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the Corporation who is a stockholder of record at the time of giving of notice provided for in this Section 9 of Article I, who shall be entitled to vote for the election of directors at the meeting and who complies with the notice procedures set forth in this Section 9 of Article I. Such nominations, other than those made by or at the direction of the Board of Directors, shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a stockholder's notice shall be delivered or mailed and received at the principal executive offices of the Corporation (i) with respect to an election to be held at the annual meeting of the stockholders of the Corporation, not less than 90 days prior to the anniversary date of the immediately preceding annual meeting of stockholders of the Corporation, and (ii) with respect to an election to be held at a special meeting of stockholders of the Corporation for the election of directors, not later than the close of business on the tenth day following the day on which notice of the date of the special meeting was mailed to stockholders of the Corporation as provided in Section 4 of Article I or public disclosure of the date of the special meeting was made, whichever first occurs. Such stockholder's notice to the Secretary shall set forth (x) as to each person whom the stockholder proposes to nominate for election or re-election as a director, information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named as a nominee and to serve as a director if elected), and (y) as to the stockholder giving the notice (i) the name and address, as they appear on the Corporation's books, of such stockholder and (ii) the class and number of shares of voting stock of the Corporation which are beneficially owned by such stockholder. At the request of the Board of Directors, any person nominated by the Board of Directors for election as a director shall furnish to the Secretary of the Corporation that

information required to be set forth in a stockholder's notice of nomination which pertains to the nominee. Other than directors chosen pursuant to the provisions of Section 2 of Article II, no person shall be eligible to serve as a director of the Corporation unless nominated in accordance with the procedures set forth in this Section 9 of Article I. The presiding officer of the meeting of stockholders shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by these Bylaws, and if he or she should so determine, he or she shall so declare to the meeting and the defective nomination shall be disregarded. Notwithstanding the foregoing provisions of this Section 9 of Article I, in the event the Corporation becomes subject to the reporting requirements of the Exchange Act, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 9 of Article I.

ARTICLE II
BOARD OF DIRECTORS

SECTION 1. Number of Directors. The business, affairs and property of the Corporation shall be managed by a Board of Directors divided into three classes as provided in the Certificate of Incorporation of the Corporation. The Board of Directors shall consist of no less than one (1) nor more than three (3) members. Each director shall hold office for the full term to which he or she shall have been elected and until his or her successor is duly elected and shall qualify, or until his or her earlier death, resignation or removal. A director need not be a resident of the State of Delaware or a stockholder of the Corporation.

SECTION 2. Vacancies. Except as provided in the Certificate of Incorporation of the Corporation, newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

SECTION 3. Removal by Stockholders. No director of the Corporation shall be removed from his or her office as a director by vote or other action of stockholders or otherwise except for cause.

SECTION 4. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place or places within or without the State of Delaware, at such hour and on such day as may be fixed by resolution of the Board of Directors, without further notice of such meetings. The time or place of holding regular meetings of the Board of Directors may be changed by the Chairman of the Board, if so designated, or the President by giving written notice thereof as provided in Section 6 of this Article II.

SECTION 5. Special Meeting. Special meetings of the Board of Directors shall be held, whenever called by the Chairman of the Board, if so designated, the President, by a majority of the directors or by resolution adopted by the Board of Directors, at such place or places within or without the State of Delaware as may be stated in the notice of the meeting.

SECTION 6. Notice. Written notice of the time and place of, and general nature of the business to be transacted at, all special meetings of the Board of Directors, and written notice of any change in the time or place of holding the regular meetings of the Board of Directors, shall be given to each director personally or by mail or by telegraph, telecopier or similar communication at least one day before the day of the meeting; provided, however, that notice of any meeting need not be given to any director if waived by him or her in writing, or if he or she shall be present at such meeting.

SECTION 7. Quorum. A majority of the directors in office shall constitute a quorum of the Board of Directors for the transaction of business; but a lesser number may adjourn from day to day until a quorum is present.

SECTION 7A. Voting. Except as otherwise provided herein or in the Certificate of Incorporation of the Corporation, all decisions of the Corporation's Board of Directors shall require the affirmative vote of a majority of the directors of the Corporation then in office.

SECTION 8. Action by Written Consent. Any action which may be taken at a meeting of the directors or of any committee thereof may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all of the directors or members of such committee as the case may be and shall be filed with the Secretary of the Corporation.

SECTION 9. Chairman. The Board of Directors may designate one or more of its number to be Chairman of the Board and chairman of any committees of the Board and to hold such other positions on the Board as the Board of Directors may designate.

ARTICLE III
COMMITTEES

SECTION 1. The Board of Directors may, by resolution adopted by a majority of the full Board of Directors of the Corporation, designate from among its members one or more committees, each of which shall be comprised of one or more of its members, and may designate one or more of its members as alternate members of any committee, who may, subject to any limitations by the Board of Directors of the Corporation, replace absent or disqualified members at any meeting of the committee. Any such committee, to the extent provided in such resolution or in the Certificate of Incorporation or these Bylaws, shall have and may exercise all of the authority of the Board of Directors of the Corporation to the extent permitted by the General Corporation Law.

SECTION 2. The Board of Directors of the Corporation shall have the power at any time to change the membership of any such committee and to fill vacancies in it. A majority of the number of members of any such committee shall constitute a quorum for the transaction of business unless a greater number of members is required by a resolution adopted by the Board of Directors of the Corporation. The act of the majority of the members of a committee present at any meeting at which a quorum is present shall be the act of the Committee, unless the act of a greater number is required by a resolution adopted by the Board of Directors of the Corporation. Each such committee may elect a chairman and appoint such subcommittees and assistants as it may deem necessary. Except as otherwise provided by the Board of Directors of the Corporation, meetings of any committee shall be conducted in accordance with these Bylaws. Any member of any such committee elected or appointed by the Board of Directors of the

Corporation may be removed by the Board of Directors of the Corporation whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of a member of a committee shall not itself create contract rights.

SECTION 3. Any action taken by any committee of the Board of Directors shall be promptly recorded in the minutes and filed with the Secretary of the Corporation.

ARTICLE IV
OFFICERS

SECTION 1. Designation and Removal. The officers of the Corporation shall consist of a President, Vice President, Secretary, Treasurer, and such other officers as may be named by the Board of Directors. The Board of Directors may also elect one or more Assistant Secretaries and Assistant Treasurers. Any number of offices may be held by the same person. All officers shall hold office until their successors are elected or appointed, except that the Board of Directors may remove any officer at any time at its discretion.

SECTION 2. Powers and Duties. The officers of the Corporation shall have such powers and duties as generally pertain to their offices, except as modified herein or by the Board of Directors, as well as such powers and duties as from time to time may be conferred by the Board of Directors. The President shall preside at all meetings of the stockholders and the Board of Directors unless the Board of Directors shall designate a Chairman of the Board, in which event, the President shall preside at meetings of the Board of Directors in the absence of the Chairman of the Board. In addition to the other powers and duties conferred upon the President by the Board of Directors, the President of the Corporation shall have the duty and responsibility for the general supervision over the business, affairs, and property of the Corporation.

ARTICLE V
SEAL

The seal of the Corporation shall be in such form as the Board of Directors shall prescribe.

ARTICLE VI
CERTIFICATES OF STOCK

The shares of stock of the Corporation shall be represented by certificates of stock, signed by the President or such Vice President or other officer designated by the Board of Directors, countersigned by the Treasurer or the Secretary or an Assistant Treasurer or an Assistant Secretary; and such signature of the President, Vice President, or other officer, such countersignature of the Treasurer or Secretary or Assistant Treasurer or Assistant Secretary, and such seal, or any of them, may be executed in facsimile, engraved or printed. In case any officer who has signed or whose facsimile signature has been placed upon any share certificate shall have ceased to be such officer because of death, resignation or otherwise before the certificate is issued, it may be issued by the Corporation with the same effect as if the officer had not ceased to be such at the date of its issue. Said certificates of stock shall be in such form as the Board of Directors may from time to time prescribe.

ARTICLE VII
INDEMNIFICATION

SECTION 1. General. The Corporation shall indemnify, and advance Expenses (as this and any other capitalized words not otherwise defined herein are defined in Section 14 of this Article) to, Indemnitee to the fullest extent permitted by applicable law in effect on the date of effectiveness of these Bylaws, and to such greater extent as applicable law may thereafter permit. The rights of Indemnitee provided under the preceding sentence shall include, but not be limited to, the right to be indemnified to the fullest extent permitted by Section 145(b) of the General Corporation Law in Proceedings by or in the right of the Corporation and to the fullest extent permitted by Section 145(a) of the General Corporation Law in all other Proceedings.

SECTION 2. Expenses Related to Proceedings. If Indemnitee is, by reason of his or her Corporate Status, a witness in or a party to and is successful, on the merits or otherwise, in any Proceeding, he or she shall be indemnified against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to any Matter in such Proceeding, the Corporation shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her or on his or her behalf relating to each Matter. The termination of any Matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such Matter.

SECTION 3. Advancement of Expenses. Indemnitee shall be advanced Expenses within ten days after requesting them to the fullest extent permitted by Section 145(e) of the General Corporation Law.

SECTION 4. Request for Indemnification. To obtain indemnification Indemnitee shall submit to the Corporation a written request with such information as is reasonably available to Indemnitee. The Secretary of the Corporation shall promptly advise the Board of Directors of such request.

SECTION 5. Determination of Entitlement; No Change of Control. If there has been no Change of Control at the time the request for indemnification is sent, Indemnitee's entitlement to indemnification shall be determined in accordance with Section 145(d) of the General Corporation Law. If entitlement to indemnification is to be determined by Independent Counsel, the Corporation shall furnish notice to Indemnitee within ten days after receipt of the request for indemnification, specifying the identity and address of Independent Counsel. The Indemnitee may, within fourteen days after receipt of such written notice of selection, deliver to the Corporation a written objection to such selection. Such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of Independent Counsel and the objection shall set forth with particularity the factual basis of such assertion. If there is an objection to the selection of Independent Counsel, either the Corporation or Indemnitee may petition the Court of Chancery of the State of Delaware or any other court of competent jurisdiction for a determination that the objection is without a reasonable basis and/or for the appointment of Independent Counsel selected by the Court.

SECTION 6. Determination of Entitlement; Change of Control. If there has been a Change of Control at the time the request for indemnification is sent, Indemnitee's entitlement to indemnification shall be determined in a written opinion by Independent Counsel selected by

Indemnitee. Indemnitee shall give the Corporation written notice advising of the identity and address of the Independent Counsel so selected. The Corporation may, within seven days after receipt of such written notice of selection, deliver to the Indemnitee a written objection to such selection. Indemnitee may, within five days after the receipt of such objection from the Corporation, submit the name of another Independent Counsel and the Corporation may, within seven days after receipt of such written notice of selection, deliver to the Indemnitee a written objection to such selection.

Any objection is subject to the limitations in Section 5 of this Article. Indemnitee may petition the Court of Chancery of the State of Delaware or any other Court of competent jurisdiction for a determination that the Corporation's objection to the first and/or second selection of Independent Counsel is without a reasonable basis and/or for the appointment as Independent Counsel of a person selected by the Court.

SECTION 7. Procedures of Independent Counsel. If a Change of Control shall have occurred before the request for indemnification is sent by Indemnitee, Indemnitee shall be presumed (except as otherwise expressly provided in this Article) to be entitled to indemnification upon submission of a request for indemnification in accordance with Section 4 of this Article, and thereafter the Corporation shall have the burden of proof to overcome the presumption in reaching a determination contrary to the presumption. The presumption shall be used by Independent Counsel as a basis for a determination of entitlement to indemnification unless the Corporation provides information sufficient to overcome such presumption by clear and convincing evidence or the investigation, review and analysis of Independent Counsel convinces him or her by clear and convincing evidence that the presumption should not apply.

Except in the event that the determination of entitlement to indemnification is to be made by Independent Counsel, if the person or persons empowered under Section 5 or 6 of this Article to determine entitlement to indemnification shall not have made and furnished to Indemnitee in writing a determination within sixty days after receipt by the Corporation of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification unless Indemnitee knowingly misrepresented a material fact in connection with the request for indemnification or such indemnification is prohibited by law. The termination of any proceeding or of any matter therein by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Article) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, or with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

SECTION 8. Independent Counsel Expenses. The Corporation shall pay any and all reasonable fees and expenses of Independent Counsel incurred acting pursuant to this Article and in any proceeding to which it is a party or witness in respect of its investigation and written report and shall pay all reasonable fees and expenses incident to the procedures in which such Independent Counsel was selected or appointed. No Independent Counsel may serve if a timely objection has been made to his or her selection until a Court has determined that such objection is without a reasonable basis.

SECTION 9. Adjudication. In the event that (i) a determination is made pursuant to Section 5 or 6 that Indemnitee is not entitled to indemnification under this Article, (ii) advancement of Expenses is not timely made pursuant to Section 3 of this Article, (iii) Independent Counsel has not made and delivered a written opinion determining the request for indemnification (a) within 90 days after being appointed by the Court, or (b) within 90 days after objections to his or her selection have been overruled by the Court, or (c) within 90 days after the time for the Corporation or Indemnitee to object to his or her selection, or (iv) payment of indemnification is not made within 5 days after a determination of entitlement to indemnification has been made or deemed to have been made pursuant to Section 5, 6 or 7 of this Article, Indemnitee shall be entitled to an adjudication in an appropriate court of the State of Delaware, or in any other court of competent jurisdiction, of his or her entitlement to such indemnification or advancement of Expenses. In the event that a determination shall have been made that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section shall be conducted in all respects as a de novo trial on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. If a Change of Control shall have occurred, in any judicial proceeding commenced pursuant to this Section, the Corporation shall have the burden of proving that Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be. If a determination shall have been made or deemed to have been made that Indemnitee is entitled to indemnification, the Corporation shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 9, or otherwise, unless Indemnitee knowingly misrepresented a material fact in connection with the request for indemnification, or such indemnification is prohibited by law.

The Corporation shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 9 that the procedures and presumptions of this Article are not valid, binding and enforceable and shall stipulate in any such court that the Corporation is bound by all provisions of this Article. In the event that Indemnitee, pursuant to this Section 9, seeks a judicial adjudication to enforce his or her rights under, or to recover damages for breach of, this Article, Indemnitee shall be entitled to recover from the Corporation, and shall be indemnified by the Corporation against, any and all Expenses actually and reasonably incurred by him or her in such judicial adjudication, but only if he or she prevails therein. If it shall be determined in such judicial adjudication that Indemnitee is entitled to receive part but not all of the indemnification or advancement of Expenses sought, the Expenses incurred by Indemnitee in connection with such judicial adjudication or arbitration shall be appropriately prorated.

SECTION 10. Nonexclusivity of Rights. The rights of indemnification and advancement of Expenses as provided by this Article shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation, the Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Article or any provision thereof shall be effective as to any Indemnitee for acts, events and circumstances that occurred, in whole or in part, before such amendment, alteration or repeal. The provisions of this Article shall continue as to an Indemnitee whose Corporate Status has ceased and shall inure to the benefit of his or her heirs, executors and administrators.

SECTION 11. Insurance and Subrogation. To the extent the Corporation maintains an insurance policy or policies providing liability insurance for directors or officers of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person serves at the request of the Corporation, Indemnitee shall

be covered by such policy or policies in accordance with its or their terms to the maximum extent of coverage available for any such director or officer under such policy or policies.

In the event of any payment hereunder, the Corporation shall be subrogated to the extent of such payment to all the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Corporation to bring suit to enforce such rights.

The Corporation shall not be liable under this Article to make any payment of amounts otherwise indemnifiable hereunder if, and to the extent that, Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

SECTION 12. Severability. If any provision or provisions of this Article shall be held to be invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby; and, to the fullest extent possible, the provisions of this Article shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

SECTION 13. Certain Persons Not Entitled to Indemnification. Notwithstanding any other provision of this Article, no person shall be entitled to indemnification or advancement of Expenses under this Article with respect to any Proceeding, or any Matter therein, brought or made by such person against the Corporation.

SECTION 14. Definitions. For purposes of this Article:

"Change of Control" means a change in control of the Corporation after the date of adoption of these Bylaws in any one of the following circumstances: (i) there shall have occurred an event required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Exchange Act, whether or not the Corporation is then subject to such reporting requirement; (ii) any "person" (as such term is used in Section 13(d) and 14(d) of the Exchange Act) shall have become the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing 40% or more of the combined voting power of the Corporation's then outstanding voting securities without prior approval of at least two-thirds of the members of the Board of Directors in office immediately prior to such person attaining such percentage interest; (iii) the Corporation is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy contest, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; (iv) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (including for this purpose any new director whose election or nomination for election by the Corporation's stockholders was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period) cease for any reason to constitute at least a majority of the Board of Directors.

"Corporate Status" describes the status of a person who is or was a director, officer, employee, agent or fiduciary of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the request of the Corporation.

"Disinterested Director" means a director of the Corporation who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

"Expenses" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, or being or preparing to be a witness in a Proceeding.

"Indemnitee" includes any person who is, or is threatened to be made, a witness in or a party to any Proceeding as described in Section 1 or 2 of this Article by reason of his or her Corporate Status.

"Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the five years previous to his or her selection or appointment has been, retained to represent: (i) the Corporation or Indemnitee in any matter material to either such party, or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder.

"Matter" is a claim, a material issue, or a substantial request for relief.

"Proceeding" includes any action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing or any other proceeding whether civil, criminal, administrative or investigative, except one initiated by an Indemnitee pursuant to Section 9 of this Article to enforce his or her rights under this Article.

SECTION 15. Notices. Any communication required or permitted to the Corporation shall be addressed to the Secretary of the Corporation and any such communication to Indemnitee shall be addressed to his or her home address unless he or she specifies otherwise and shall be personally delivered or delivered by overnight mail delivery.

SECTION 16. Contractual Rights. The right to be indemnified or to the advancement or reimbursement of Expenses (i) is a contract right based upon good and valuable consideration, pursuant to which Indemnitee may sue as if these provisions were set forth in a separate written contract between him or her and the Corporation, (ii) is and is intended to be retroactive and shall be available as to events occurring prior to the adoption of these provisions, and (iii) shall continue after any rescission or restrictive modification of such provisions as to events occurring prior thereto.

EXHIBIT 3.13

CERTIFICATE OF FORMATION

OF

GET IT NOW, LLC

The undersigned, a natural person of the age of eighteen (18) years or more, acting as organizer of a limited liability company under the Delaware Limited Liability Company Act ("Act"), does hereby adopt the following Certificate of Formation.

ARTICLE ONE

The name of the limited liability company is Get It Now, LLC (the "Company").

ARTICLE TWO

The period of duration for the Company is perpetual.

ARTICLE THREE

The purpose for which the Company is organized is to engage in any lawful business activity for which limited liability companies may be organized under the Act, subject to the limitations of law and any limitations that may be imposed by the Operating Agreement.

ARTICLE FOUR

The principal place of business of the Company is 5700 Tennyson Parkway, Third Floor, Plano, Texas 75024.

ARTICLE FIVE

The street address of the initial registered office of the Company is 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, and the name of its initial registered agent at such address is The Corporation Trust Company.

ARTICLE SIX

The management of the Company is hereby reserved to the managers. The names and addresses of the initial managers are as follows:

Name	Address
Mark E. Speese	5700 Tennyson Parkway Third Floor Plano, Texas 75024
Mitchell E. Fadel	5700 Tennyson Parkway Third Floor Plano, Texas 75024

ARTICLE SEVEN

The name and address of the organizer is Thomas R. Hudnall, c/o Winstead Sechrest & Minick P.C., 5400 Renaissance Tower, 1201 Elm Street, Dallas, Texas 75270.

ARTICLE EIGHT

To the full extent permitted by Delaware law, the Company may and has the power to indemnify and hold harmless any member, manager, officer or other person on the terms and conditions as set forth in the Operating Agreement.

ARTICLE NINE

This Certificate of Formation may be amended, modified, supplemented or restated in any manner permitted by applicable law and approved by the affirmative vote of the members as provided in the Operating Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of September, 2002.

/s/ THOMAS R. HUDNALL

Thomas R. Hudnall

THE MEMBERSHIP INTERESTS REPRESENTED HEREBY (OR BY CERTIFICATES IF ANY ARE ISSUED) HAVE BEEN ACQUIRED FOR INVESTMENT AND WERE ISSUED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE INTERESTS MAY NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED AT ANY TIME EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS CONTAINED IN THIS AGREEMENT AND PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAW OR IN THE EVENT THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO IT THAT SUCH TRANSFER DOES NOT REQUIRE REGISTRATION UNDER ANY APPLICABLE LAWS.

OPERATING AGREEMENT
OF
GET IT NOW, LLC,
A DELAWARE LIMITED LIABILITY COMPANY

This OPERATING AGREEMENT of GET IT NOW, LLC, (hereinafter, "Agreement") dated effective as of September 13, 2002, is adopted by Rent-A-Center, Inc., a Delaware corporation ("Rent-A-Center"), as the sole Member.

ARTICLE I

DEFINITIONS

The following terms, when used in this Agreement, shall have the respective meanings assigned to them in this Article unless the context otherwise requires:

Act means the Delaware Limited Liability Company Act, as amended (or the corresponding provisions of any successor act).

Additional Capital Contribution shall have the meaning set forth in Section 5.2.

Affiliate means any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, another Person. The term "control," as used in the immediately preceding sentence, means the possession, directly or indirectly, of the power, directly or indirectly, to direct or cause the direction of the management or policies of the controlled Person through the ownership of at least ten percent (10%) of the voting rights attributable to the equity interests in such Person.

Article means any article in this Agreement.

Board means the Board of Managers of the Company.

Capital Contribution means any contribution by the Member to the capital of the Company and includes Initial Capital Contributions and Additional Capital Contributions.

Certificate means the Certificate of Formation of the Company filed with the Secretary of State of Delaware.

Code means the Internal Revenue Code of 1986, as amended (or any corresponding provisions of any successor statute).

Company means Get It Now, LLC, the limited liability company created pursuant to Certificate and governed by this Agreement.

DGCL means the Delaware General Corporation Law and any successor statute, as amended from time to time.

Initial Capital Contribution shall have the meaning set forth in Section 5.1.

IRS Regulations means the U.S. Treasury Regulations promulgated under the Code, as may be amended from time to time (including corresponding provisions of successor IRS Regulations).

Manager means any Person named in the Certificate as the initial manager(s) of the Company and any Person hereafter elected as a manager serving on the Board as provided in this Agreement, but does not include any Person who has ceased to be a manager of the Company.

Member means Rent-A-Center so long as it shall continue as a member hereunder.

Membership Interest means a Member's interest, expressed as a percentage in Section 4.1, in the voting rights and distributions of the Company as may be affected by the provisions of this Agreement and as may hereafter be adjusted.

Person shall have the meaning given that term in Section 18-101(12) of the Act.

Proceeding shall have the meaning set forth in Section 10.1.

Related Party of a party means (i) any Person (and any of such Person's related parties) that is an Affiliate of such party or that otherwise directly or indirectly owns, is owned by, or is under common ownership with such party, (ii) an officer, director or employee of such party or (iii) a family member of such party.

Section means any section or subsection in this Agreement.

Securities Act shall have the meaning set forth in the legend on the first page of this Agreement.

Transfer means the sale, transfer, gift, conveyance, assignment, pledge, hypothecation, mortgage or other encumbrance or disposition of all or any part of a Membership Interest.

UCC means the Uniform Commercial Code as in effect in the State of Delaware.

ARTICLE II

ORGANIZATION

2.1 Formation.

(a) The Company has been organized as a Delaware limited liability company by the filing of the Certificate under and pursuant to the Act and the issuance of a certificate of limited liability company for the Company by the Secretary of State of Delaware.

(b) The rights and liabilities of the Member shall be as provided in the Act, except as may be expressly provided otherwise herein. Prior to transacting business in any jurisdiction other than the State of Delaware, the Company shall qualify to do business in such other jurisdiction if such a procedure is provided by statute or regulation in such other jurisdiction.

(c) The Member's Membership Interest in the Company shall be personal property for all purposes. Other than for federal income tax purposes and applicable provisions of state tax laws, all real and other property owned by the Company shall be deemed owned by the Company as an entity and the Member, individually, shall not have any ownership of such property.

2.2 Name. The name of the Company is "Get It Now, LLC" and all Company business must be conducted in that name or such other names that comply with applicable law as the Board may select from time to time.

2.3 Offices. The registered office of the Company in the State of Delaware shall be the office of the initial registered agent named in the Certificate or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by law. The registered agent of the Company in the State of Delaware shall be the initial registered agent named in the Certificate or such other Person or Persons as the Board may designate from time to time in the manner provided by law. The principal office of the Company shall be at 5700 Tennyson Parkway, Third Floor, Plano, Texas 75024 or such other place as the Board shall designate from time to time, and the Company shall maintain records there as required by the Act. The Company may have such other offices as the Board may designate from time to time.

2.4 Term. The Company shall commence on the date the Secretary of State of the State of Delaware issued a certificate of limited liability company and shall continue in existence for the period fixed in the Certificate.

2.5 Mergers and Exchanges. The Company may be a party to (a) a merger, (b) an exchange or acquisition of the type described in Section 18-209 of the Act, or (c) a conversion of the type described in Section 18-214 of the Act.

2.6 No Partnership. The Member intends that the Company not be treated as or construed to be a partnership (including a limited partnership) or joint venture for purposes of the

laws of any state, and that, in the event that the Company is or becomes owned by more than one Member, no Member thereafter will be treated as a partner or joint venturer of any other Member, for any purposes from and after such date, other than for purposes of applicable United States tax laws and applicable provisions of state tax laws, and this Agreement may not be construed to suggest otherwise. For federal income tax purposes and applicable provisions of state tax laws, as of the date hereof and until such time as the Company becomes owned by more than one Member, the Company and the Member desire and intend that the Company be disregarded as an entity separate from the Member.

ARTICLE III

PURPOSES AND POWERS

3.1 Purpose of the Company. The purpose for which the Company is organized is to engage in any lawful business activities permitted to limited liability companies by the Act.

3.2 Powers of the Company. The Company purposes set forth in Section 3.1 hereof may be accomplished by taking any action which is permitted under the Act and which is customary or directly related to the business of the Company and the Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the Company.

ARTICLE IV

MEMBERSHIP

4.1 Member. The initial and sole Member of the Company is Rent-A-Center, whose Membership Interest is 100%.

4.2 Liability to Third Parties. Except as may be expressly provided in a separate, written guaranty or other agreement executed by the Member or the Board, neither the Member nor any Manager of the Board shall be liable for the debts, obligations or liabilities of the Company, including under a judgment, decree or order of a court.

4.3 Lack of Authority. Except as otherwise provided herein, the Member shall not have the authority or power to act for or on behalf of or bind the Company or to incur any expenditures on behalf of the Company.

4.4 Action by Written Consent.

(a) Any action required or permitted to be taken at any annual or special meeting of the Member may be taken without a meeting, without prior notice, and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the Member and delivered to the Board. A telegram, telex, cablegram or similar transmission by the Member, or a photographic, photostatic, facsimile or similar reproduction of a writing signed by the Member, shall be regarded as signed by the Member for purposes of this Section 4.4.

(b) If any action by the Member is taken by written consent, any certificate or documents filed with the Secretary of State of Delaware as a result of the taking of the action shall state, in lieu of any statement required by the Act or the DGCL concerning any vote of the sole Member, that written consent has been given in accordance with the provisions of the Act and the DGCL and that any written notice required by the Act and the DGCL has been given.

ARTICLE V

CONTRIBUTIONS

5.1 Initial Contributions. The Member shall contribute to the Company those certain assets used in the conduct of business by the Member's various stores located within the State of Wisconsin identified in and pursuant to that certain Bill of Sale, Assignment and Assumption Agreement, in substantially the same form as attached hereto as Exhibit "A".

5.2 Additional Capital Contributions. From time to time the Member may agree to contribute additional cash and/or property to the Company to fund the continued operations or activities of the Company. All additional contributions of cash and/or property contemplated by this Section 5.2 are hereinafter collectively referred to as "Additional Capital Contributions".

5.3 Loans by a Member.

(a) If any additional funds are required for additional working capital to operate the Company, then, in lieu of borrowing funds from unaffiliated lenders or the Member otherwise making Additional Capital Contributions, the Board may cause the Company to borrow from the Member such amounts as may reasonably be required and as are necessary to operate the Company as shall be determined by the Board. Nothing herein shall obligate the Member to make any such loans to the Company.

(b) Any loans made to the Company by the Member shall be upon such terms and for such maturities as the Board and the Member deem reasonable in view of all the facts and circumstances. Any loans made to the Company by the Member shall be a debt of the Company. The Company shall be required to execute such documents as may be deemed reasonably necessary, desirable or required by the Member as a condition to such financing. All loans, including both principal and interest, so made by the Member to the Company, shall be repaid out of the Company's funds as the same become available.

5.4 Interest. No interest shall be paid by the Company on any Capital Contributions or Additional Capital Contributions by the Member.

5.5 Return of Capital. The Member shall not be entitled to have any Capital Contribution or Additional Capital Contribution returned to it or to receive any distributions from the Company except in accordance with the express provisions of this Agreement. No unrepaid Capital Contribution or Additional Capital Contribution shall be deemed or considered to be a liability of the Company, any Manager or the Member.

5.6 Creditors of the Company. No creditor of the Company will have or shall acquire at any time any direct or indirect interest in the profits, capital or property of the Company other than as a secured creditor as a result of making a loan to the Company.

ARTICLE VI

TAX MATTERS

6.1 Tax Matters. For United States federal income tax and all applicable state and local income tax purposes, as of the date hereof and until the Company is owned by more than one Member, Rent-A-Center shall take into account all income, gains, losses, deductions and credits of the Company directly on its federal, state and local income tax returns as if the Company were Rent-A-Center. The Member shall compile or cause to be compiled the Company's financial results and information and reflect such results and information directly on its federal, state and local income tax returns. In addition, the Company shall separately prepare such other federal, state and local tax returns and reports as it may desire or as may otherwise be required to cause the Company to comply with applicable laws and regulations.

ARTICLE VII

DISTRIBUTIONS

7.1 Distributions. From time to time the Board shall determine in their reasonable judgment to what extent (if any) the Company's cash on hand exceeds its current and anticipated needs, including, without limitation, for capital expenditures, operating expenses, debt service, and a reasonable contingency reserve. If such an excess exists, the Board may cause the Company to distribute to the Member an amount equal to or less than such excess.

7.2 Accounting Matters.

(a) The fiscal year of the Company shall be the calendar year, with the first fiscal year of the Company ending on December 31, 2002. The books and records of account of the Company shall be, at the expense of the Company, (i) kept, or caused to be kept, by the Company at the principal place of business of the Company, (ii) reflect all Company transactions, and (iii) appropriate and adequate for conducting the Company business.

(b) Company books and records (including all files and documents), as well as any tangible assets of the Company, will be available for inspection by the Member or the Member's duly authorized representative (at the expense of the Member) during business hours at (in the case of books and records) the principal office of the Company or (in the case of tangible assets) the place where such assets are physically located. The Member may request an audit of the Company's books and records.

(c) The Board has an obligation to protect the confidentiality of all Company books and records and agrees to treat all such financial statements, tax returns and other books and records as confidential and not to disclose such information except (i) to the extent related to the conduct of the business of the Company, (ii) to the Member and

Managers and their respective directors, officers and employees, to officers, employees, representatives and agents of the Company to whom such information is furnished in the normal course of business and such outside parties as are legally entitled to such information, and (iii) approved banking, lending, collection and data processing institutions or agencies of the Company in the course of maintaining ordinary business procedures or pursuant to a valid subpoena or court order or applicable governmental regulations, rules or statutes; provided that this provision shall not apply to such information that is or becomes generally available to the public (other than as a result of a breach by the Member or a Manager of his, her or its obligations hereunder) or to the extent related to efforts by the Member or the Board to enforce their rights under this Agreement or any document or instrument entered into in connection herewith.

(d) No Person other than the Member (or its duly authorized representative) and the Company's independent accountants and bank (or prospective bank) and its duly authorized representatives, if any, shall have any right to inspect the books and records of the Company for any purpose whatsoever. Each Person who inspects the books and records of the Company shall maintain the confidentiality of the information received pursuant to or in connection with such inspection; provided that this provision shall not apply to such information that is or becomes generally available to the public or is required to be disclosed pursuant to a valid subpoena or court order or applicable governmental regulations, rules or statutes.

7.3 Maintenance of Books. The Company shall keep minutes of the proceedings of the Board and each committee (if any) of the Board.

7.4 Accounts. The Board shall establish and maintain one or more separate bank and investment accounts and arrangements for the Company's funds in the Company's name with financial institutions and firms that the Board determines. The Board may not commingle the Company's funds with the funds of the Member or any Manager.

ARTICLE VIII

BOARD AND OFFICERS

8.1 Management by the Board. Except for situations in which the approval of the Member is required by non-waivable provisions of applicable law, and subject to the provisions of Section 8.2, (i) the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Board, and (ii) the Board may make all decisions and take all actions for the Company not otherwise provided for in this Agreement, including, without limitation, the following:

(i) acquire, hold, sell, exchange, lease or otherwise dispose of all property of the Company, real, personal and mixed, in the Company's name, or in the name of a nominee or trustee for the Company;

(ii) contract on behalf of the Company and execute and deliver on behalf of and in the name of the Company or in the name of a nominee or trustee

for the Company, contracts, agreements, leases, mortgages, bills of sale, guaranties, indemnities, assignments, security agreements, certificates and assumed name certificates, and any and all other documents or instruments necessary, advisable or incidental to the conduct of the Company's business or the performance of the Board's duties or the exercise of the powers of the Board hereunder;

(iii) perform, manage and contract for all accounting, clerical and ministerial functions of the Company, employ or engage such accountants, attorneys, brokers, agents and other management or service personnel and employees of or for the Company and generally incur such costs and expenses as may from time to time be required to carry on the business of the Company;

(iv) collect and disburse all monies of the Company and establish, maintain and supervise the deposit and withdrawal of funds of the Company and bank accounts of the Company;

(v) to the extent that funds of the Company are available therefor, pay debts and obligations of the Company;

(vi) procure and maintain such insurance as may be available in such amounts and covering such risks as are deemed appropriate by the Board;

(vii) borrow money and refinance, extend or rearrange any Company loans, and pledge, mortgage, hypothecate, encumber and grant security interests in Company property and assets to secure the payment of Company borrowings;

(viii) reinvest Company revenues for any valid purpose of the Company;

(ix) compromise claims and institute or defend law suits;

(x) exercise all powers of the Company and make all decisions with respect to its business and the conduct of its business, subject to the Act and this Agreement; and

(xi) take any and all other action that may be necessary, appropriate or advisable in furtherance of the purposes of the Company;

provided, however, that nothing contained in this Agreement shall obligate the Board to take any action on behalf of the Company that the Board deems (i) not in the best interests of the Company, or (ii) not reasonably necessary to accomplish the intended business of the Company.

8.2 Actions by the Board; Committees; Delegation of Authority and Duties.

(a) In managing the business and affairs of the Company and exercising its powers, the Board shall act (i) collectively through meetings and written consents pursuant to Sections 8.5 and 8.7; (ii) through committees pursuant to Subsection 8.2(b);

and (iii) through any Manager to whom authority and duties have been delegated pursuant to Subsection 8.2(c).

(b) The Board may, from time to time, designate one or more committees, each of which shall be comprised of one or more Managers. Any such committee, to the extent provided in such resolution or in the Certificate or this Agreement, shall have and may exercise all of the authority of the Board, subject to the limitations set forth in the Act and the DGCL. At every meeting of any such committee, the presence of a majority of all the committee members shall constitute a quorum, and the affirmative vote of a majority of the committee members present shall be necessary for the adoption of any resolution. The Board may dissolve any committee at any time unless otherwise provided in the Certificate or this Agreement.

(c) Any Person dealing with the Company, other than the Member, may rely on the authority of any Manager or officer of the Company in taking any action in the name of the Company without inquiry into the provisions of this Agreement or compliance herewith, regardless of whether that action actually is taken in accordance with the provisions of this Agreement.

8.3 Number and Term of Office of Managers.

(a) The number of Managers of the Board shall be determined from time to time by the Member; provided, however, that in no event shall there be more than five (5) or less than two (2) Managers. If the Member makes no such determination, the number of Managers shall correspond to the number of Managers named in Subsection 8.3(b). Each Manager shall initially hold office until his or her successor has been elected and qualifies, or until his or her earlier death, resignation or removal in accordance with the Act and this Agreement. Unless otherwise provided in the Certificate, a Manager need not be a Member or resident of the State of Delaware.

(b) The initial Managers of the Company shall be Mark E. Speese and Mitchell E. Fadel.

8.4 Removal; Vacancies; Resignation of Managers. Any Manager may be removed, with or without cause, by the Member. Any vacancy occurring in the Board may be filled by the Member. Any Manager may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Board and the Member. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

8.5 Meetings of the Board.

(a) Unless otherwise required by law or provided in the Certificate or this Agreement, a majority of the Managers of the Board fixed by, or in the manner provided in, the Certificate or this Agreement shall constitute a quorum for the transaction of business of the Board, and the act of a majority or more of the Managers of the Board fixed by, or in the manner provided in, this Agreement shall be the act of the Managers

(unless this Agreement, the Certificate, the Act or other applicable law requires the approval of a greater number of the Managers of the Board for such action).

(b) Meetings of the Board shall be held at the Company's principal place of business or at such other place or places as shall be determined from time to time by resolution of the Board. At all meetings of the Board, business shall be transacted in such order as shall from time to time be determined by the chairman or, if none, by resolution of the Board. Attendance of a Manager at a meeting shall constitute a waiver of notice of such meeting, except where a Manager attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(c) Regular meetings of the Board shall be held at such times and places as shall be designated from time to time by resolution of the Board. Notice of such regular meetings shall not be required.

(d) Special meetings of the Board may be called by any Manager on at least two business days' notice to each other Manager, together with a reasonably detailed statement of the purpose or purposes of, and the business to be transacted at, such meeting.

8.6 Approval or Ratification of Acts or Contracts by the Member. The Board in its discretion may submit any act or contract for approval or ratification by the Member, and any act or contract that shall be approved or be ratified by the Member shall be as valid and as binding upon the Company and upon the Member as if it shall have been approved in the first instance.

8.7 Action by Written Consent or Telephone Conference. Any action permitted or required by the Act, the DGCL, the Certificate or this Agreement to be taken at a meeting of the Board or any committee designated by the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by the Managers or committee members, as the case may be, having not fewer than the minimum votes that would be necessary to take the action at a meeting at which all Managers or committee members, as the case may be, entitled to vote on the action were present and voted. Such consent shall have the same force and effect as a unanimous vote at a meeting and may be stated as such in any document or instrument filed with the Secretary of State of Delaware, and the execution of such consent shall constitute attendance or presence in person at a meeting of the Board or any such committee, as the case may be. Subject to the requirements of the Act, the DGCL, the Certificate or this Agreement for notice of meetings, unless otherwise restricted by the Certificate, the Board, or members of any committee designated by the Board, may participate in and hold a meeting of the Board or any committee of the Board, as the case may be, by means of a conference telephone or similar communications equipment by means of which all Persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person at such meeting, except where a Person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

8.8 Compensation. Managers of the Board as such shall not receive any stated salary for their service in the capacity of Managers, but by resolution of the Board, a fixed sum and reimbursement for reasonable expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board or at any meeting of the executive committee of Board, if any, to which such Manager may be elected; but nothing herein shall preclude any Manager from serving the Company in any other capacity or receiving compensation therefor.

8.9 Officers.

(a) The Board may, from time to time, designate and remove one or more persons as officers of the Company and assign titles to particular officers. An officer may be, but no officer need be, a resident of the State of Delaware, a Member or a Manager. Any officers so designated shall have such authority and perform such duties as provided in this Agreement or as the Board may, from time to time, delegate to them. Unless otherwise provided in this Agreement or unless the Board decides otherwise, if an officer's title is one commonly used for officers of a business corporation formed under the DGCL, the assignment of such title to an officer of the Company shall constitute the delegation to such person of the authority and duties provided in this Agreement and the authority and duties that would be held by a person with such title in a business corporation formed under the DGCL.

(b) The initial officers of the Company may consist of a President, one or more Vice Presidents, a Secretary and Treasurer and, in addition, such other officers and assistant officers and agents as may be deemed necessary or desirable. Officers shall be elected or appointed by the Board in accordance with this Agreement, including, but not limited to the provisions set forth below.

(c) Any two or more offices may be held by the same person. In their discretion, the Board may leave any office unfilled. A vacancy in any office for any reason may be filled by the Board. Each officer shall hold office until his or her successor has been chosen and qualifies, or until his or her death, resignation, or removal.

(d) Any officer may resign as such at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Board. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation. Any officer may be removed as such, either with or without cause, by the Board whenever in their judgment the best interests of the Company will be served thereby; provided, however, that such removal shall be without prejudice to the contract rights, if any, of the person so removed. Designation of an officer shall not of itself create contract rights.

(e) The following officers of the Company shall have such powers and duties, except as modified by the Board, as generally pertain to their offices, respectively, as well as such powers and duties as from time to time shall be conferred by the Board and by this Agreement:

(i) The President. The President of the Company shall be the Company's chief executive officer and, subject to the control of the Board, shall have the responsibility for the general direction of the affairs of the Company, and general supervision over its several other officers. The President may sign and execute in the name of the Company (i) all contracts or other instruments authorized by the Board, and (ii) all contracts or instruments in the usual and regular course of business, except in cases when the signing and execution thereof shall be expressly delegated or permitted by the Board or by this Agreement to some other officer or agent of the Company, and, in general, shall perform all duties incident to the office of chief executive officer and such other duties as from time to time may be assigned to him by the Board or as are prescribed by this Agreement.

(ii) The Vice Presidents. At the request of the President, or in his or her absence or disability, the Vice Presidents, in the order of their election, shall perform the duties of the President, and, when so acting, shall have all the powers of, and be subject to all restrictions upon, the President. Any action taken by a Vice President in the performance of the duties of the President shall be conclusive evidence of the request by the President to so act. The Vice Presidents shall perform such other duties as may, from time to time, be assigned to them by the Board or the President. A Vice President may sign, with the Secretary or an Assistant Secretary, any or all certificates representing Membership Interests, as such certificates are described in Article IX. A Vice President may be designated as the "Chief Financial Officer" of the Company. In such capacity, such Vice President will be responsible for all financial matters of the Company.

(iii) Secretary. The Secretary shall keep the minutes of all meetings of the Member, the Board and of the executive committee, if any, of the Board, in one or more books provided for such purpose and shall see that all notices are duly given in accordance with the provisions of this Agreement or as required by law. The Secretary shall be custodian of the corporate records and of the seal (if any) of the Company and see, if the Company has a seal, that the seal of the Company is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized; shall have general charge of the minute books, transfer books and certificate of Membership Interest ledgers, and such other books and papers of the Company as the Board may direct; and in general shall perform all duties and exercise all powers incident to the office of the Secretary and such other duties and powers as the Board or the President from time to time may assign to or confer on the Secretary.

(iv) Treasurer. The Treasurer shall keep complete and accurate records of account, showing at all times the financial condition of the Company. The Treasurer shall be the legal custodian of all money, notes, securities and other valuables which may from time to time come into the possession of the Company. The Treasurer may be designated as the "Chief Financial Officer" of the Company. In such capacity, the Treasurer will be responsible for all financial matters of the Company. The Treasurer shall furnish at meetings of the Board, or

whenever requested, a statement of the financial condition of the Company, and shall perform such other duties as this Agreement may require or the Board or the president may prescribe.

(v) Assistant Officers. Any Assistant Secretary or Assistant Treasurer appointed by the Board shall have the power to perform, and shall perform, all duties incumbent upon the Secretary or Treasurer of the Company, respectively, subject to the general direction of such respective officers, and shall perform such other duties as this Agreement may require or the Board or the President may prescribe.

(f) The salaries or other compensation of the officers, if any, shall be fixed from time to time by the Board. No officer shall be prevented from receiving such salary or other compensation by reason of the fact that such officer is also a Manager of the Company.

(g) The Board may secure the fidelity of any officer of the Company by bond or otherwise, on such terms and with such surety or sureties, conditions, penalties or securities as shall be deemed proper by the Board.

(h) The Board may delegate temporarily the powers and duties of any officer of the Company, in case of his or her absence or for any other reason, to any other officer, and may authorize the delegation by any officer of the Company of any of his or her powers and duties to any agent or employee, subject to the general supervision of such officer.

8.10 Reimbursements. The Board and the officers shall be entitled to be reimbursed for any and all reasonable, duly substantiated, direct out-of-pocket costs and expenses of the Company paid or incurred by a Manager or officer on behalf of the Company and within the scope of its business and this Agreement.

8.11 Limitations of Liability. The Member and any persons serving as Managers or officers of the Company and their respective shareholders, interest holders, officers, directors, agents, employees and representatives shall not be liable, responsible or accountable in damages or otherwise to the Company, the Member or any Manager or officer of the Company for any mistake of fact or judgment in operating the business of the Company or for any act performed (or omitted to be performed) in good faith (including, without limitation, pursuant to advice of legal counsel) and within the scope of this Agreement, unless such actions or inactions shall have resulted from gross negligence, willful misconduct, fraud or breach of this Agreement.

8.12 Board Decisions. For all purposes of this Agreement, the phrases "approval" of or by the Board, "consent" of or by the Board, "action" of or by the Board and phrases of like import, or references to actions to be or which may be taken by "the Board," shall mean written approval by a majority of the Managers of the Board fixed by, or in the manner provided for in, this Agreement.

ARTICLE IX

MEMBERSHIP INTERESTS

9.1 Certificates Representing Membership Interests. Membership Interests may be represented by certificates in such form or forms as the Board may approve, provided that such form or forms shall comply with all applicable requirements of law or of the Certificate. Such certificates shall be signed by the President or a Vice President, and by the Secretary or an Assistant Secretary, of the Company (or by at least two Managers, if the Company has not appointed such officers) and may be sealed with the seal of the Company or imprinted or otherwise marked with a facsimile of such seal. The signature of any or all of the foregoing officers of the Company may be represented by a printed facsimile thereof. If any officer whose signature, or a facsimile thereof, shall have been set upon any certificate shall cease, prior to the issuance of such certificate, to occupy the position in right of which his or her signature, or facsimile thereof, was so set upon such certificate, the Company may nevertheless adopt and issue such certificate with the same effect as if such officer occupied such position as of such date of issuance; and issuance and delivery of such certificate by the Company shall constitute adoption thereof by the Company. The certificates shall be consecutively numbered, and as they are issued, a record of such issuance shall be entered in the books of the Company.

9.2 Lost, Stolen or Destroyed Certificates. The Company may issue a new certificate for Membership Interests in the place of any certificate theretofore issued and alleged to have been lost, stolen or destroyed, but the Board may require the owner of such lost, stolen or destroyed certificate, or his, her or its legal representative, to furnish an affidavit as to such loss, theft, or destruction and to give a bond in such form and substance, and with such surety or sureties, with fixed or open penalty, as the board may direct, in order to indemnify the Company and its transfer agents and registrars, if any, against any claim that may be made on account of the alleged loss, theft or destruction of such certificate.

ARTICLE X

INDEMNIFICATION

10.1 Right to Indemnification. Subject to the limitations and conditions provided in this Article X, each Person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative (hereinafter a "Proceeding"), or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, by reason of the fact that such Person is or was a Member, Manager, officer, employee or agent of the Company or while a Member, Manager, officer, employee or agent of the Company is or was serving at the request of the Company as a Manager, director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, shall be indemnified, defended and held harmless by the Company to the fullest extent permitted by the Act and the DGCL, as the same exist or may hereinafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than said law

permitted the Company to provide prior to such amendment) against claims, damages, liabilities, judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable costs or expenses (including, without limitation, attorneys' fees) actually incurred by such Person in connection with such Proceeding, whether or not such Person is acting in such capacity at the time such liability or expense is paid or incurred, if, in the matter giving rise to such Proceeding, the Person acted, or omitted to act, in good faith and in a manner the Person reasonably believed to be not opposed to the best interest of the Company. The termination of any Proceeding by judgment, order or settlement shall not, of itself, create a presumption that the Person did not act, or omit to act, in good faith and in a manner that the Person reasonably believed to be not opposed to the best interest of the Company. The right of indemnification provided herein shall be cumulative of, and in addition to, any and all rights to which any Person may otherwise be entitled by contract or as a matter of law or equity and shall extend to his, her or its heirs, successors, assigns and personal representatives. It is expressly acknowledged that the indemnification provided in this Article X could involve indemnification for negligence of the Person indemnified or under theories of strict liability.

10.2 Advance Payment. To the fullest extent permitted by applicable law, the right to indemnification conferred in this Article X shall include the right to be paid or reimbursed by the Company the reasonable expenses incurred by a Person of the type entitled to be indemnified under Section 10.1 in advance of the final disposition of the Proceeding and without any determination as to the Person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred by any such Person in advance of the final disposition of a Proceeding, shall be made only upon delivery to the Company of a written affirmation by such Person of such Person's good faith belief that such Person has met the standard of conduct necessary for indemnification under this Article X and a written undertaking, by or on behalf of such Person, to repay all amounts so advanced if it shall ultimately be determined that such indemnified Person is not entitled to be indemnified under this Article X or otherwise.

10.3 Insurance. The Company may purchase and maintain insurance, at its expense, to protect itself and any Person of the type entitled to be indemnified under Section 10.1, whether or not the Company would have the power to indemnify such Person against such expense, liability or loss under Section 10.1.

10.4 Member Notification. To the extent required by law, any indemnification of or advance of expenses to a Person in accordance with this Article X shall be reported in writing to the Member within ten (10) days immediately following the date of the indemnification or advance.

10.5 Savings Clause. If this Article X or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Person indemnified pursuant to this Article X as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative to the fullest extent permitted by any applicable portion of this Article X that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE XI

TRANSFERS

11.1 Transfer of Membership Interest. Subject to applicable law, including, without limitation, the Securities Act, and any agreement restricting the transfer of the Membership Interests hereunder to which the Member may be a party, the Member may at any time Transfer in whole or in part its Membership Interest. If the Member Transfers any portion of its Membership Interest pursuant to this Section 11.1, the transferee shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective as of the date of the Transfer.

ARTICLE XII

DISSOLUTION AND LIQUIDATION

12.1 Dissolution of the Company. The Company shall be dissolved upon the occurrence of any of the following events:

(a) The determination by the Member that the Company be dissolved;

(b) The sale or other disposition of all or substantially all of the Company's assets and the receipt of all payments therefor in cash;

(c) The expiration of the period fixed for the duration of the Company set forth in the Certificate; or

(d) Entry of a decree of judicial dissolution of the Company under Section 18-802 of the Act.

12.2 Liquidation and Termination. On dissolution of the Company, the Board shall act as liquidator or may appoint the Member as liquidator. The liquidator shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in the Act. The costs of liquidation shall be borne as a Company expense. Until final distribution, the liquidator shall continue to operate the Company with all of the power and authority of the Board. Maintenance of property, borrowings and expenditures of Company funds for legitimate Company purposes to effectuate or facilitate the winding up or the liquidation of the Company affairs shall be authorized if the liquidator, in the exercise of his, her or its business judgment, believes that the interest of the Company would be best served thereby and shall not be construed to involve a continuation of the Company. Upon dissolution of the Company, a true and final accounting of all transactions relating to the business of the Company shall be made. Liabilities of the Company shall be paid and assets of the Company shall be distributed in accordance with the provisions of Section 12.3 hereof as soon as is reasonably possible after the dissolution of the Company.

12.3 Payment of Liabilities and Distribution of Assets. Upon dissolution of the Company, the liquidator shall determine and report to the Member the assets of the Company

and the value of Company assets. The assets of the Company remaining after the payment of all Company debts shall be distributed to the Member.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

13.1 Notices. All notices, demands, requests or other communications that may be or are required to be given, served or sent pursuant to this Agreement shall be in writing and shall be mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by hand delivery, telegram, facsimile transmission or electronic transmission addressed as set forth on the signature pages hereof. The Member may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request or communication that is mailed, delivered or transmitted in the manner described above shall be deemed sufficiently given, served, sent and received for all purposes at such time as it is delivered to the addressee with the return receipt, the delivery receipt, the affidavit of messenger or (with respect to a facsimile or electronic transmission) the answer back being deemed conclusive evidence of such delivery or at such time as delivery is refused by the addressee upon presentation.

13.2 Amendment or Modification. This Agreement may be amended or modified from time to time only by a written instrument adopted by the Board and executed and agreed to by the Member.

13.3 Successors and Assigns. This Agreement, and all the terms and provisions hereof, shall be binding upon and shall inure to the benefit of the Member and its respective personal representatives, successors and permitted assigns.

13.4 Construction. The captions used in this Agreement are for convenience only and shall not be construed in interpreting this Agreement. Wherever the context so requires, the masculine shall include the feminine and the neuter, and the singular shall include the plural and vice versa, unless the context clearly requires a different interpretation.

13.5 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE STATE OF DELAWARE WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

13.6 Severability. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations of the jurisdictions in which the Company does business. In the event of a direct conflict between the provisions of this Agreement and (a) any provision of the Certificate, or (b) any mandatory provision of the Act or (to the extent such statutes are incorporated into the Act) of the DGCL, the applicable provision of the Certificate, the Act, or the DGCL shall control. If any provision of this Agreement or the application thereof to any Person or circumstances is for any reason and to any extent invalid or unenforceable, the remainder of this Agreement and the application of such provision to the other Persons or circumstances will not be affected thereby, but rather are to be enforced to the greatest extent permitted by law.

13.7 No Third Party Beneficiaries. This Agreement is intended for the exclusive benefit of the Member and its personal representatives, successors and permitted assigns, and nothing contained in this Agreement shall be construed as creating any rights or benefits in or to any third party.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the sole Member has executed this Agreement as of the date first set forth hereinabove.

SOLE MEMBER:

Rent-A-Center, Inc.,
a Delaware corporation

By: /s/ ROBERT D. DAVIS

Robert D. Davis
Senior Vice President -- Finance,
Chief Financial Officer and Treasurer

Address: 5700 Tennyson Parkway, Third
Floor Plano, Texas 75024

EXHIBIT 3.15

CERTIFICATE OF LIMITED PARTNERSHIP
OF
RENT-A-CENTER TEXAS, L.P.

The undersigned as general partner (the "GENERAL PARTNER") of Rent-A-Center Texas, L.P. (the "LIMITED PARTNERSHIP"), desiring to form a limited partnership pursuant to the Texas Revised Limited Partnership Act (the "TRLPA"), as set forth in the Revised Civil Statutes of the State of Texas, hereby certifies and states as follows:

1. The name of the Limited Partnership is Rent-A-Center Texas, L.P.

2. The address of the registered office of the Limited Partnership for service of process is 350 N. St. Paul Street, Dallas, Texas 75201, and the name of the registered agent at such address is CT Corporation System.

3. The address of the principal office in the United States of the Limited Partnership where records are to be kept or made available under Section 1.07 of the TRLPA is 5700 Tennyson Parkway, Third Floor, Plano, Texas 75024.

4. The name and address of the General Partner is Rent-A-Center, Inc., 5700 Tennyson Parkway, Third Floor, Plano, Texas 75024.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the 25th day of November, 2002.

GENERAL PARTNER:

RENT-A-CENTER, INC.

By: /s/ MARK E. SPEESE

Mark E. Speese
Chairman of the Board and
Chief Executive Officer

RENT-A-CENTER, INC.
LETTER OF CONSENT

Texas Secretary of State
1019 Brazos
Austin, Texas 78701

Ladies and Gentlemen:

Pursuant to Section 1.03B(3) of the Texas Revised Limited Partnership Act, the undersigned consents to use of the name "Rent-A-Center Texas, L.P." in the State of Texas.

Dated: November 25, 2002

Very truly yours,

RENT-A-CENTER, INC.

By: /s/ MARK E. SPEESE

Mark E. Speese, Chairman of the Board and Chief Executive Officer

EXHIBIT 3.16

AGREEMENT OF LIMITED PARTNERSHIP OF RENT-A-CENTER TEXAS, L.P.

This Agreement of Limited Partnership of Rent-A-Center Texas, L.P. (as amended from time to time, this "AGREEMENT") is entered into as of November 25, 2002, by and between Rent-A-Center Texas, L.L.C., a Nevada limited liability company, as limited partner (the "LIMITED PARTNER"), and Rent-A-Center, Inc., a Delaware corporation, as the general partner (the "GENERAL PARTNER,") (the Limited Partner and the General Partner may be referred to herein individually as a "PARTNER" and collectively as the "PARTNERS").

RECITALS

WHEREAS, the Limited Partner and the General Partner each desire to form a limited partnership on the basis of the terms set forth herein.

NOW, THEREFORE, BE IT RESOLVED, in consideration of the premises and the covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Limited Partner and the General Partner, intending to be legally bound hereby, agree as follows:

AGREEMENT

1. Formation. The Limited Partner and the General Partner hereby form a limited partnership (the "LIMITED PARTNERSHIP") pursuant to and in accordance with the Texas Revised Limited Partnership Act as set forth in the Revised Civil Statutes of the State of Texas (the "ACT").

2. Name. The name of the Limited Partnership formed hereby is Rent-A-Center Texas, L.P.

3. Purpose. The Limited Partnership is formed for the purpose of, and the nature of the business to be conducted and promoted by the Limited Partnership is, any and all lawful purposes for which a limited partnership can be organized and operated in the State of Texas under applicable law.

4. Entity Classification Election. The General Partner shall timely file with the Internal Revenue Service an "Entity Classification Election" (Form 8832) on behalf of the Limited Partnership, effective as of November 25, 2002, therein electing for the Limited Partnership to be treated as an association taxable as a corporation.

5. Registered Office. The registered office of the Limited Partnership in the State of Texas is 350 N. St. Paul Street, Dallas, Texas 75201.

6. Registered Agent. The name of the registered agent of the Limited Partnership for service of process on the Limited Partnership in the State of Texas is CT Corporation System.

7. Officers. The General Partner may, from time to time, designate and remove one or more persons as officers of the Limited Partnership. Any officer designated shall have such authority and perform such duties as the General Partner may, from time to time, delegate to him or her. The General Partner may assign titles to particular officers. Unless the General Partner decides otherwise, if an officer's title is one commonly used for officers of a business corporation, the assignment of such title shall constitute the delegation to such person of the authority and duties that would be held by a person with such title in a business corporation. Each of the persons listed below shall serve as an officer of the Limited Partnership in the office set forth opposite such person's name and shall hold such office until such person's successor is duly appointed by the General Partner or until such person's earlier resignation, removal or death:

Mark E. Speese	Chief Executive Officer
Mitchell E. Fadel	President and Chief Operating Officer
Robert D. Davis	Senior Vice President - Finance, Chief Financial Officer and Treasurer
Dana F. Goble	Executive Vice President - Operations
Christopher A. Korst	Senior Vice President - General Counsel
Anthony M. Doll	Senior Vice President
C. Edward Ford, III	Senior Vice President
John H. Whitehead	Senior Vice President
William C. Nutt	Senior Vice President
Mark S. Connelly	Senior Vice President
David G. Ewbank	Senior Vice President
Richard S. Lillard	Senior Vice President
Jeff White	Senior Vice President
David M. Glasgow	Secretary
Joe Arnette	Vice President - Training
Kent Brown	Vice President - Development
Ann Davids	Vice President - Advertising
Dwight Dumler	Vice President - Assistant General Counsel
Peter J. Goldreich	Vice President - International Development
Raymond C. Holladay	Senior Vice President - Personnel and Training
Kevin Marlin	Vice President - Merchandising
Gary Wasko	Vice President - IT/Chief Information Officer
Tony Fuller	Vice President - IT/Chief Technology Officer
Dave West	Vice President - Product Service
Jennifer Wisdom	Vice President - Human Resources

8. Partners; Partnership Interest. The names, business addresses and initial interests (expressed as a percentage) in the voting rights and distributions of the Partnership, as may hereafter be adjusted (the "PARTNERSHIP INTERESTS"), of the General Partner and the Limited Partner are as follows:

GENERAL PARTNER:

Name	Address	Partnership Interest
Rent-A-Center, Inc.	5700 Tennyson Parkway Third Floor Plano, Texas 75024	0.1%

LIMITED PARTNER:

Name	Address	
Rent-A-Center Texas, L.L.C.	429 Max Ct., Suite C Henderson, Nevada 89015	99.9%

9. Powers. The General Partner shall be solely and exclusively responsible for the operation and management of the business of the Partnership. In addition to any other rights and powers which it may possess by law, the General Partner shall have all the rights, powers and authorities required or appropriate for the operation and management of the business of the Limited Partnership. Any decision or action by the General Partner shall not require the consent of the Limited Partner except to the extent otherwise required by the Act.

10. Capital Contributions. Upon the execution of this Agreement, the General Partner shall make an initial capital contribution to the Limited Partnership of cash in an amount equal to one dollar ($1) and the Limited Partner shall make an initial capital contribution to the Limited Partnership of cash in an amount equal to nine hundred ninety-nine dollars ($999). In addition, each Partner shall contribute its pro rata share, based on its respective Partnership Interest, of those certain assets used in the conduct of business by the General Partner's various store operations and headquarters, and the operations thereof, located within the State of Texas, identified in and pursuant to that certain Bill of Sale, Assignment and Assumption Agreement, in substantially the same form as attached hereto as Exhibit "A". No Partner is required to make any additional capital contribution to the Limited Partnership.

11. Distributions. The General Partner may make distributions, whether distributions of cash or other property, to the extent that the aggregate cash receipts of the Limited Partnership from any source (including loans and capital contributions) exceed the sum of the cash expenditures of the Limited Partnership plus a cash reserve as determined by the General Partner. The timing and amounts of such distributions shall be determined by the General Partner in its sole and absolute discretion. All distributions shall be distributed pro rata to the Partners in accordance with their respective Partnership Interests. If any assets of the Partnership are distributed in-kind to the Partners, the Partners shall own and hold such assets as tenants in common.

12. Allocations. For purposes of maintaining the books of the Partnership, all items of profit and loss of the Partnership shall be allocated to the Partners in accordance with their Partnership Interests.

13. Liability of Limited Partner. The Limited Partner shall not have any liability for the obligations or liabilities of the Limited Partnership except to the extent provided by the Act.

14. Governing Law. This Agreement shall be governed by, and construed under, the laws of the State of Texas, all rights and remedies being governed by said laws.

15. Counterparts. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which shall constitute one and the same agreement.

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IN WITNESS WHEREOF, the undersigned have duly caused this Agreement of Limited Partnership to be executed as of the date first above written.

GENERAL PARTNER:	LIMITED PARTNER:
RENT-A-CENTER, INC.	RENT-A-CENTER TEXAS, L.L.C.
By: /s/ MARK E. SPEESE	By: /s/ JAMES ASHWORTH
Mark E. Speese	James Ashworth
Chairman of the Board and Chief Executive Officer	President

EXHIBIT 3.17

ARTICLES OF ORGANIZATION
OF
RENT-A-CENTER TEXAS, L.L.C.

The undersigned, a natural person of the age of eighteen (18) years or more, acting as organizer of a limited liability company under Chapter 86 of the Nevada Revised Statutes, as amended ("NRS 86"), does hereby adopt the following Articles of Organization.

ARTICLE ONE

The name of the limited liability company is Rent-A-Center Texas, L.L.C. (the "COMPANY").

ARTICLE TWO

The street address of the initial resident agent of the Company is 6100 Neil Road, Suite 500, Reno, Nevada 89511 and the name of the initial resident agent at such address is The Corporation Trust Company of Nevada.

ARTICLE THREE

The period of duration for the Company is perpetual.

ARTICLE FOUR

The Company shall initially be managed by two managers. The names and addresses of the initial managers are as follows:

Name	Address
Mark E. Speese	5700 Tennyson Parkway Third Floor Plano, Texas 75024
Mitchell E. Fadel	5700 Tennyson Parkway Third Floor Plano, Texas 75024

ARTICLE FIVE

To the full extent permitted by Nevada law, the Company may and has the power to indemnify and hold harmless any member, manager, officer or other person on the terms and conditions as set forth in the Company's Operating Agreement.

ARTICLE SIX

The name and address of the organizer is Thomas W. Hughes, c/o Winstead Sechrest & Minick P.C., 5400 Renaissance Tower, 1201 Elm Street, Dallas, Texas 75270.

IN WITNESS WHEREOF, I have hereunto set my hand this 25th day of November, 2002.

/s/ THOMAS W. HUGHES

Thomas W. Hughes, Organizer

CERTIFICATE
OF ACCEPTANCE OF APPOINTMENT
OF
RESIDENT AGENT

In the matter of Rent-A-Center Texas, L.L.C., the undersigned hereby states that on November 25, 2002, the undersigned accepted the appointment as resident agent for the above named business entity.

The street address of the resident agent in the state of Nevada is as follows:

6100 Neil Road, Suite 500
Reno, Nevada 89511

Date: November 25, 2002

THE CORPORATION TRUST
COMPANY OF NEVADA

By: /s/ FAYE MARTIN

Faye Martin
Assistant Secretary
On behalf of RIA Company (Dallas)

THE MEMBERSHIP INTERESTS REPRESENTED HEREBY (OR BY CERTIFICATES IF ANY ARE ISSUED) HAVE BEEN ACQUIRED FOR INVESTMENT AND WERE ISSUED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE INTERESTS MAY NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED AT ANY TIME EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS CONTAINED IN THIS AGREEMENT AND PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAW OR IN THE EVENT THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO IT THAT SUCH TRANSFER DOES NOT REQUIRE REGISTRATION UNDER ANY APPLICABLE LAWS.

OPERATING AGREEMENT
OF
RENT-A-CENTER TEXAS, L.L.C.
A NEVADA LIMITED LIABILITY COMPANY

This Operating Agreement of Rent-A-Center Texas, L.L.C., (as amended from time to time, this "AGREEMENT") dated effective as of November 25, 2002, is adopted by Rent-A-Center, Inc., a Delaware corporation ("RENT-A-CENTER"), as the sole Member.

ARTICLE I
DEFINITIONS

The following terms, when used in this Agreement, shall have the respective meanings assigned to them in this Article I unless the context otherwise requires:

ADDITIONAL CAPITAL CONTRIBUTIONS shall have the meaning set forth in Section 5.2.

AFFILIATE means any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, another Person. The term "CONTROL," as used in the immediately preceding sentence, means the possession, directly or indirectly, of the power, directly or indirectly, to direct or cause the direction of the management or policies of the controlled Person through the ownership of at least ten percent (10%) of the voting rights attributable to the equity interests in such Person.

ARTICLES means the Articles of Organization of the Company filed with the Secretary of State of Nevada.

BOARD means the Board of Managers of the Company.

CAPITAL CONTRIBUTION means any contribution by the Member to the capital of the Company and includes Initial Capital Contributions and Additional Capital Contributions.

CODE means the Internal Revenue Code of 1986, as amended (or any corresponding provisions of any successor statute).

COMPANY means Rent-A-Center Texas, L.L.C., the limited liability company created pursuant to the Articles and governed by this Agreement.

INITIAL CAPITAL CONTRIBUTION shall have the meaning set forth in Section 5.1.

IRS REGULATIONS means the U.S. Treasury Regulations promulgated under the Code, as may be amended from time to time (including corresponding provisions of successor IRS Regulations).

MANAGER means Mark E. Speese and James Ashworth, so long as each such Person shall continue as a manager hereunder, and any other Person hereafter elected as a manager serving on the Board as provided in this Agreement, but does not include any Person who has ceased to be a manager of the Company.

MEMBER means Rent-A-Center, Inc., so long as it shall continue as a member hereunder.

MEMBERSHIP INTEREST means a Member's interest, expressed as a percentage in Section 4.1, in the voting rights and distributions of the Company as may be affected by the provisions of this Agreement and as may hereafter be adjusted.

NRS means the Nevada Revised Statutes, as amended from time to time.

NRS 86 means Chapter 86 of the Nevada Revised Statutes, as amended (or the corresponding provisions of any successor act).

PERSON means an individual or a corporation, limited liability company, partnership, trust, or any other entity or organization, including a government or political subdivision or an agency or instrumentally thereof.

PROCEEDING shall have the meaning set forth in Section 10.1 of this Agreement.

RELATED PARTY of a party means (i) any Person (and any of such Person's related parties) that is an Affiliate of such party or that otherwise directly or indirectly owns, is owned by, or is under common ownership with such party, (ii) an officer, director or employee of such party or (iii) a family member of such party.

SECTION means any section or subsection in this Agreement.

SECURITIES ACT shall have the meaning set forth in the legend on the first page of this Agreement.

TRANSFER means the sale, transfer, gift, conveyance, assignment, pledge, hypothecation, mortgage or other encumbrance or disposition of all or any part of a Membership Interest.

UCC means the Uniform Commercial Code as in effect in the State of Nevada.

ARTICLE II
ORGANIZATION

2.1 Formation.

(a) The Company has been organized as a Nevada limited liability company by the filing of the Articles under and pursuant to NRS 86 and the issuance of a certificate of limited liability company for the Company by the Secretary of State of Nevada.

(b) The rights and liabilities of the Member shall be as provided in NRS 86, except as may be expressly provided otherwise herein. Prior to transacting business in any jurisdiction other than the State of Nevada, the Company shall qualify to do business in such other jurisdiction if such a procedure is provided by statute or regulation in such other jurisdiction.

(c) The Member's Membership Interest in the Company shall be personal property for all purposes. Other than for federal income tax purposes and applicable provisions of state tax laws, all real and other property owned by the Company shall be deemed owned by the Company as an entity and the Member, individually, shall not have any ownership of such property.

2.2 Name. The name of the Company is "Rent-A-Center Texas, L.L.C." and all Company business must be conducted in that name or such other names that comply with applicable law as the Board may select from time to time.

2.3 Offices. The registered office of the Company in the State of Nevada shall be the office of the initial resident agent named in the Articles or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by law. The resident agent of the Company in the State of Nevada shall be the initial resident agent named in the Articles or such other Person or Persons as the Board may designate from time to time in the manner provided by law. The principal office of the Company shall be at 429 Max Ct., Suite C, Henderson, Nevada 89015, or such other place as the Board shall designate from time to time, and the Company shall maintain records there as required by NRS 86. The Company may have such other offices as the Board may designate from time to time.

2.4 Term. The Company shall commence on the date the Secretary of State of Nevada issued a certificate of limited liability company and shall continue in existence for the period fixed in the Articles.

2.5 Mergers and Exchanges. The Company may be a party to (a) a merger, (b) an exchange or acquisition, or (c) a conversion, of the type described in the provisions of Chapter 92A of the NRS applicable to limited liability companies or any other applicable provisions of the NRS.

2.6 No Partnership. The Member intends that the Company not be treated as or construed to be a partnership (including a limited partnership) or joint venture for purposes of the laws of any state, and that, in the event the Company is or becomes owned by more than one

Member, no Member thereafter will be treated as a partner or joint venturer of any other Member, for any purposes from and after such date, other than for purposes of applicable United States tax laws and applicable provisions of state tax laws, and this Agreement may not be construed to suggest otherwise. For federal income tax purposes and applicable provisions of state tax laws, as of the date hereof and until such time as the Company becomes owned by more than one Member, the Company and the Member desire and intend that the Company be disregarded as an entity separate from the Member.

ARTICLE III
PURPOSES AND POWERS

3.1 Purpose of the Company. The purpose for which the Company is organized is to own a limited partnership interest in Rent-A-Center Texas, L.P., a Texas limited partnership (the "PARTNERSHIP"), and to do all things necessary or incidental thereto or in connection with being a wholly-owned subsidiary of the Member.

3.2 Powers of the Company. The Company purposes set forth in Section 3.1 hereof may be accomplished by taking any action which is permitted under NRS 86 and which is customary or directly related to the business of the Company and the Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion or attainment of the business, purposes or activities of the Company.

ARTICLE IV
MEMBERSHIP

4.1 Member. The initial and sole Member of the Company is Rent-A-Center, whose Membership Interest is 100%.

4.2 Liability to Third Parties. Except as may be expressly provided in a separate, written guaranty or other agreement executed by the Member or the Board, neither the Member nor any Manager of the Board shall be liable for the debts, obligations or liabilities of the Company, including under a judgment, decree or order of a court.

4.3 Lack of Authority. Except as otherwise provided herein, the Member shall not have the authority or power to act for or on behalf of or bind the Company or to incur any expenditures on behalf of the Company.

4.4 Action by Written Consent.

(a) Any action required or permitted to be taken at any annual or special meeting of the Member may be taken without a meeting, without prior notice, and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the Member and delivered to the Board. A telegram, telex, cablegram or similar transmission by the Member, or a photographic, photostatic, facsimile or similar reproduction of a writing signed by the Member, shall be regarded as signed by the Member for purposes of this Section 4.4.

(b) If any action by the Member is taken by written consent, any certificate or documents filed with the Secretary of State of Nevada as a result of the taking of the action shall state, in lieu of any statement required by NRS 86 or the applicable provisions of the NRS concerning any vote of the sole Member, that written consent has been given in accordance with the provisions of NRS 86 and the applicable provisions of the NRS.

ARTICLE V
CONTRIBUTIONS

5.1 Initial Contributions. The Member shall make an initial capital contribution to the Company of cash in an amount equal to one thousand dollars ($1,000). In addition, the Member shall contribute 99.9% of those certain assets used in the conduct of business by the Member's various store operations and headquarters, and the operations thereof, located within the State of Texas, identified in and pursuant to that certain Bill of Sale, Assignment and Assumption Agreement, in substantially the same form as attached hereto as Exhibit "A".

5.2 Additional Capital Contributions. From time to time the Member may agree to contribute additional cash and/or property to the Company to fund the continued operations or activities of the Company. All additional contributions of cash and/or property contemplated by this Section 5.2 are hereinafter collectively referred to as "ADDITIONAL CAPITAL CONTRIBUTIONS."

5.3 Loans by a Member.

(a) If any additional funds are required for additional working capital to operate the Company, then, in lieu of borrowing funds from unaffiliated lenders or the Member otherwise making Additional Capital Contributions, the Board may cause the Company to borrow from the Member such amounts as may reasonably be required and as are necessary to operate the Company as shall be determined by the Board. Nothing herein shall obligate the Member to make any such loans to the Company.

(b) Any loans made to the Company by the Member shall be upon such terms and for such maturities as the Board and the Member deem reasonable in view of all the facts and circumstances. Any loans made to the Company by the Member shall be a debt of the Company. The Company shall be required to execute such documents as may be deemed reasonably necessary, desirable or required by the Member as a condition to such financing. All loans, including both principal and interest, so made by the Member to the Company, shall be repaid out of the Company's funds as the same become available.

5.4 Interest. No interest shall be paid by the Company on any Capital Contributions or Additional Capital Contributions by the Member.

5.5 Return of Capital. The Member shall not be entitled to have any Capital Contribution or Additional Capital Contribution returned to it or to receive any distributions from the Company except in accordance with the express provisions of this Agreement. No unrepaid Capital Contribution or Additional Capital Contribution shall be deemed or considered to be a liability of the Company, any Manager or the Member.

5.6 Creditors of the Company. No creditor of the Company will have or shall acquire at any time any direct or indirect interest in the profits, capital or property of the Company other than as a secured creditor as a result of making a loan to the Company.

ARTICLE VI
TAX MATTERS

6.1 Tax Matters. For United States federal income tax and all applicable state and local income tax purposes, as of the date hereof and until the Company is owned by more than one Member, Rent-A-Center shall take into account all income, gains, losses, deductions and credits of the Company directly on its federal income tax returns as if the Company were Rent-A-Center. The Member shall compile or cause to be compiled the Company's financial results and information and reflect such results and information directly on its federal income tax returns. In addition, the Company shall separately prepare such other federal, state and local tax returns and reports as it may desire or as may otherwise be required to cause the Company to comply with applicable laws and regulations.

ARTICLE VII
DISTRIBUTIONS

7.1 Distributions. From time to time the Board shall determine in their reasonable judgment to what extent (if any) the Company's cash on hand exceeds its current and anticipated needs, including, without limitation, for capital expenditures, operating expenses, debt service, and a reasonable contingency reserve. If such an excess exists, the Board may, as permitted by and in accordance with the applicable provisions of the Articles, NRS 86 and/or the NRS, cause the Company to distribute to the Member an amount equal to or less than such excess.

7.2 Accounting Matters.

(a) The fiscal year of the Company shall be the calendar year, with the first fiscal year of the Company ending on December 31, 2002. The books and records of account of the Company shall be, at the expense of the Company, (i) kept, or caused to be kept, by the Company at the principal place of business of the Company, (ii) reflect all Company transactions, and (iii) appropriate and adequate for conducting the Company business.

(b) Company books and records (including all files and documents), as well as any tangible assets of the Company, will be available for inspection by the Member or the Member's duly authorized representative (at the expense of the Member) during business hours at (in the case of books and records) the principal office of the Company or (in the case of tangible assets) the place where such assets are physically located. The Member may request an audit of the Company's books and records.

(c) The Board has an obligation to protect the confidentiality of all Company books and records and agrees to treat all such financial statements, tax returns and other books and records as confidential and not to disclose such information except (i) to the extent related to the conduct of the business of the Company, (ii) to the Member and Managers and their respective directors, officers and employees, to officers, employees,

representatives and agents of the Company to whom such information is furnished in the normal course of business and such outside parties as are legally entitled to such information, and (iii) approved banking, lending, collection and data processing institutions or agencies of the Company in the course of maintaining ordinary business procedures or pursuant to a valid subpoena or court order or applicable governmental regulations, rules or statutes; provided that this provision shall not apply to such information that is or becomes generally available to the public (other than as a result of a breach by the Member or a Manager of his, her or its obligations hereunder) or to the extent related to efforts by the Member or the Board to enforce their rights under this Agreement or any document or instrument entered into in connection herewith.

(d) No Person other than the Member (or its duly authorized representative) and the Company's independent accountants and bank (or prospective bank) and its duly authorized representatives, if any, shall have any right to inspect the books and records of the Company for any purpose whatsoever. Each Person who inspects the books and records of the Company shall maintain the confidentiality of the information received pursuant to or in connection with such inspection; provided that this provision shall not apply to such information that is or becomes generally available to the public or is required to be disclosed pursuant to a valid subpoena or court order or applicable governmental regulations, rules or statutes.

7.3 Maintenance of Books. The Company shall keep minutes of the proceedings of the Board and each committee (if any) of the Board.

7.4 Accounts. The Company shall establish and maintain one or more separate bank and investment accounts and arrangements for the Company's funds in the Company's name. There shall not be any commingling of the Company's funds with the funds of any other Person.

ARTICLE VIII
BOARD AND OFFICERS

8.1 Management by the Board. Except for situations in which the approval of the Member is required by non-waivable provisions of applicable law, and subject to the provisions of Section 8.2, (i) the business and affairs of the Company shall be managed under the direction of, the Board, and (ii) the Board shall make all reasonably necessary decisions and take all reasonably necessary actions for the Company in furtherance of the Company's purpose set forth in Section 3.1.

8.2 Actions by the Board; Committees; Delegation of Authority and Duties.

(a) In managing the business and affairs of the Company and exercising its powers, the Board shall act (i) collectively through meetings and written consents pursuant to Sections 8.5 and 8.7; (ii) through committees pursuant to Subsection 8.2(b); and (iii) through any Manager to whom authority and duties have been delegated pursuant to Subsection 8.2(c).

(b) The Board may, from time to time, designate one or more committees, each of which shall be comprised of one or more Managers. Any such committee, to the

extent provided in such resolution or in the Articles or this Agreement, shall have and may exercise all of the authority of the Board, subject to the limitations set forth in NRS 86 and the applicable provisions of the NRS. At every meeting of any such committee, the presence of a majority of all the committee members shall constitute a quorum, and the affirmative vote of a majority of the committee members present shall be necessary for the adoption of any resolution. The Board may dissolve any committee at any time unless otherwise provided in the Articles or this Agreement.

(c) Any Person dealing with the Company, other than the Member, may rely on the authority of any Manager or officer of the Company in taking any action in the name of the Company without inquiry into the provisions of this Agreement or compliance herewith, regardless of whether that action actually is taken in accordance with the provisions of this Agreement.

8.3 Number and Term of Office of Managers.

(a) The number of Managers of the Board shall be determined from time to time by the Member; provided, however, that in no event shall there be more than five (5) or less than two (2) Managers and provided further that at least one (1) Manager shall reside outside of the State of Texas. If the Member makes no such determination, the number of Managers shall be two (2). Each Manager shall hold office until his or her successor has been elected and qualified, or until his or her earlier death, resignation or removal in accordance with NRS 86 and this Agreement. Unless otherwise provided in the Articles, a Manager need not be a Member or resident of the State of Nevada.

8.4 Removal; Vacancies; Resignation of Managers. Any Manager may be removed, with or without cause, by the Member. Any vacancy occurring on the Board may be filled by the Member. Any Manager may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Board and the Member. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

8.5 Meetings of the Board.

(a) Unless otherwise required by law or provided in the Articles or this Agreement, a majority of the Managers of the Board fixed by, or in the manner provided in, the Articles or this Agreement shall constitute a quorum for the transaction of business of the Board, and the act of a majority or more of the Managers of the Board fixed by, or in the manner provided in, this Agreement shall be the act of the Managers (unless this Agreement, the Articles, NRS 86 or other applicable law requires the approval of a greater number of the Managers of the Board for such action).

(b) Meetings of the Board shall be held at the Company's principal place of business or at such other place or places outside of the State of Texas as shall be determined from time to time by resolution of the Board. At all meetings of the Board, business shall be transacted in such order as shall from time to time be determined by the chairman or, if none, by resolution of the Board. Attendance of a Manager at a meeting

shall constitute a waiver of notice of such meeting, except where a Manager attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(c) Regular meetings of the Board shall be held at such times and places as shall be designated from time to time by resolution of the Board. Notice of such regular meetings shall not be required.

(d) Special meetings of the Board may be called by any Manager on at least two business days' notice to each other Manager, together with a reasonably detailed statement of the purpose or purposes of, and the business to be transacted at, such meeting.

8.6 Approval or Ratification of Acts or Contracts by the Member. The Board in its discretion may submit any act or contract for approval or ratification by the Member, and any act or contract that shall be approved or be ratified by the Member shall be as valid and as binding upon the Company and upon the Member as if it shall have been approved in the first instance.

8.7 Action by Written Consent or Telephone Conference. Any action permitted or required by NRS 86, the applicable provisions of the NRS, the Articles or this Agreement to be taken at a meeting of the Board or any committee designated by the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by the Managers or committee members, as the case may be, having not fewer than the minimum votes that would be necessary to take the action at a meeting at which all Managers or committee members, as the case may be, entitled to vote on the action were present and voted. Such consent shall have the same force and effect as a unanimous vote at a meeting and may be stated as such in any document or instrument filed with the Secretary of State of Nevada, and the execution of such consent shall constitute attendance or presence in person at a meeting of the Board or any such committee, as the case may be. Subject to the requirements of NRS 86, the applicable provisions of the NRS, the Articles or this Agreement for notice of meetings, unless otherwise restricted by the Articles, the Board, or members of any committee designated by the Board, may participate in and hold a meeting of the Board or any committee of the Board, as the case may be, by means of a conference telephone or similar communications equipment by means of which all Persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person at such meeting, except where a Person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

8.8 Compensation. Managers of the Board as such shall not receive any stated salary for their service in the capacity of Managers, but by resolution of the Board, a fixed sum and reimbursement for reasonable expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board or at any meeting of the executive committee of the Board, if any, to which such Manager may be elected; but nothing herein shall preclude any Manager from serving the Company in any other capacity or receiving compensation therefor.

8.9 Officers.

(a) The Board may, from time to time, designate and remove one or more Persons as officers of the Company and assign titles to particular officers. An officer may be, but no officer need be, a resident of the State of Nevada, a Member or a Manager, provided that no officer may reside in the State of Texas. Any officers so designated shall have such authority and perform such duties as provided in this Agreement or as the Board may, from time to time, delegate to them. Unless otherwise provided in this Agreement or unless the Board decides otherwise, if an officer's title is one commonly used for officers of a business corporation formed under the applicable provisions of the NRS, the assignment of such title to an officer of the Company shall constitute the delegation to such Person of the authority and duties provided in this Agreement and the authority and duties that would be held by a Person with such title in a business corporation formed under the applicable provisions of the NRS.

(b) The officers shall be elected or appointed by the Board in accordance with this Agreement, including, but not limited to the provisions set forth below. James Ashworth shall serve as the initial officer of the Company in the office of President until his successor is duly appointed by the Board or until his earlier resignation, removal or death.

(c) Any two or more offices may be held by the same Person. In their discretion, the Board may leave any office unfilled. A vacancy in any office for any reason may be filled by the Board. Each officer shall hold office until his or her successor has been elected and qualified, or until his or her death, resignation, or removal.

(d) Any officer may resign as such at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Board. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation. Any officer may be removed as such, either with or without cause, by the Board whenever in their judgment the best interests of the Company will be served thereby; provided, however, that such removal shall be without prejudice to the contract rights, if any, of the Person so removed. Designation of an officer shall not of itself create contract rights.

(e) The following officers of the Company shall have such powers and duties, except as modified by the Board, as generally pertain to their offices, respectively, as well as such powers and duties as from time to time shall be conferred by the Board and by this Agreement:

(i) The President. The President of the Company shall be the Company's chief executive officer and, subject to the control of the Board, shall have the responsibility for the general direction of the affairs of the Company, and general supervision over its several other officers. The President may (a) open and maintain any Company bank or investment account contemplated in Section

7.4; (b) deposit all Partnership distributions received by the Company in such account or accounts, (c) distribute to the Member all Partnership distributions received and deposited by the Company and (d) sign and execute in the name of the Company (i) all contracts or other instruments authorized by the Board, and (ii) all contracts or instruments in the usual and regular course of business, except in cases when the signing and execution thereof shall be expressly delegated or permitted by the Board or by this Agreement to some other officer or agent of the Company, and, in general, shall perform all duties incident to the office of chief executive officer and such other duties as from time to time may be assigned to him by the Board or as are prescribed by this Agreement.

(ii) The Vice Presidents. At the request of the President, or in his or her absence or disability, the Vice Presidents, in the order of their election, shall perform the duties of the President, and, when so acting, shall have all the powers of, and be subject to all restrictions upon, the President. Any action taken by a Vice President in the performance of the duties of the President shall be conclusive evidence of the request by the President to so act. The Vice Presidents shall perform such other duties as may, from time to time, be assigned to them by the Board or the President. A Vice President may sign, with the Secretary or an Assistant Secretary, any or all certificates representing Membership Interests, as such certificates are described in Article IX. A Vice President may be designated as the "Chief Financial Officer" of the Company. In such capacity, such Vice President will be responsible for all financial matters of the Company.

(iii) Secretary. The Secretary shall keep the minutes of all meetings of the Member, the Board and of the executive committee, if any, of the Board, in one or more books provided for such purpose and shall see that all notices are duly given in accordance with the provisions of this Agreement or as required by law. The Secretary shall be custodian of the corporate records and of the seal (if any) of the Company and see, if the Company has a seal, that the seal of the Company is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized; shall have general charge of the minute books, transfer books and certificate of Membership Interest ledgers, and such other books and papers of the Company as the Board may direct; and in general shall perform all duties and exercise all powers incident to the office of the Secretary and such other duties and powers as the Board or the President from time to time may assign to or confer on the Secretary.

(iv) Treasurer. The Treasurer shall keep complete and accurate records of account, showing at all times the financial condition of the Company. The Treasurer shall be the legal custodian of all money, notes, securities and other valuables which may from time to time come into the possession of the Company. The Treasurer may be designated as the "Chief Financial Officer" of the Company. In such capacity, the Treasurer will be responsible for all financial matters of the Company. The Treasurer shall furnish at meetings of the Board, or whenever requested, a statement of the financial condition of the Company, and

shall perform such other duties as this Agreement may require or the Board or the president may prescribe.

(v) Assistant Officers. Any Assistant Secretary or Assistant Treasurer appointed by the Board shall have the power to perform, and shall perform, all duties incumbent upon the Secretary or Treasurer of the Company, respectively, subject to the general direction of such respective officers, and shall perform such other duties as this Agreement may require or the Board or the President may prescribe.

(f) The salaries or other compensation of the officers, if any, shall be fixed from time to time by the Board. No officer shall be prevented from receiving such salary or other compensation by reason of the fact that such officer is also a Manager of the Company.

(g) The Board may secure the fidelity of any officer of the Company by bond or otherwise, on such terms and with such surety or sureties, conditions, penalties or securities as shall be deemed proper by the Board.

(h) The Board may delegate temporarily the powers and duties of any officer of the Company, in case of his or her absence or for any other reason, to any other officer, and may authorize the delegation by any officer of the Company of any of his or her powers and duties to any agent or employee, subject to the general supervision of such officer.

8.10 Reimbursements. The Board and the officers shall be entitled to be reimbursed for any and all reasonable, duly substantiated, direct out-of-pocket costs and expenses of the Company paid or incurred by a Manager or officer on behalf of the Company and within the scope of its business and this Agreement.

8.11 Limitations of Liability. The Member and any Persons serving as Managers or officers of the Company and their respective stockholders, interest holders, officers, directors, agents, employees and representatives shall not be liable, responsible or accountable in damages or otherwise to the Company, the Member or any Manager or officer of the Company for any mistake of fact or judgment in operating the business of the Company or for any act performed (or omitted to be performed) in good faith (including, without limitation, pursuant to advice of legal counsel) and within the scope of this Agreement, unless such actions or inactions shall have resulted from gross negligence, willful misconduct, fraud or breach of this Agreement.

8.12 Board Decisions. For all purposes of this Agreement, the phrases "APPROVAL" of or by the Board, "CONSENT" of or by the Board, "ACTION" of or by the Board and phrases of like import, or references to actions to be or which may be taken by "THE BOARD," shall mean written approval by a majority of the Managers of the Board fixed by, or in the manner provided for in, this Agreement.

ARTICLE IX
MEMBERSHIP INTERESTS

9.1 Certificates Representing Membership Interests. Membership Interests may be represented by certificates in such form or forms as the Board may approve, provided that such form or forms shall comply with all applicable requirements of law or of the Articles. Such certificates shall be signed by the President or a Vice President, and by the Secretary or an Assistant Secretary, of the Company (or by at least two Managers, if the Company has not appointed such officers) and may be sealed with the seal of the Company or imprinted or otherwise marked with a facsimile of such seal. The signature of any or all of the foregoing officers of the Company may be represented by a printed facsimile thereof. If any officer whose signature, or a facsimile thereof, shall have been set upon any certificate shall cease, prior to the issuance of such certificate, to occupy the position in right of which his or her signature, or facsimile thereof, was so set upon such certificate, the Company may nevertheless adopt and issue such certificate with the same effect as if such officer occupied such position as of such date of issuance; and issuance and delivery of such certificate by the Company shall constitute adoption thereof by the Company. The certificates shall be consecutively numbered, and as they are issued, a record of such issuance shall be entered in the books of the Company.

9.2 Lost, Stolen or Destroyed Certificates. The Company may issue a new certificate for Membership Interests in the place of any certificate theretofore issued and alleged to have been lost, stolen or destroyed, but the Board may require the owner of such lost, stolen or destroyed certificate, or his, her or its legal representative, to furnish an affidavit as to such loss, theft, or destruction and to give a bond in such form and substance, and with such surety or sureties, with fixed or open penalty, as the board may direct, in order to indemnify the Company and its transfer agents and registrars, if any, against any claim that may be made on account of the alleged loss, theft or destruction of such certificate.

ARTICLE X
INDEMNIFICATION

10.1 Right to Indemnification.

(a) The Company shall indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "PROCEEDING"), except an action by or in the right of the Company, by reason of the fact that such Person is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company as a manager, member, employee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the Proceeding if such Person acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or Proceeding, had no reasonable cause to believe such Person's conduct was unlawful. The termination of any Proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, does not, of itself, create a presumption that the

Person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the limited liability company, and that, with respect to any criminal action or Proceeding, he had reasonable cause to believe that his conduct was unlawful.

(b) The Company shall indemnify any Person who was or is a party or is threatened to be made a party to any Proceeding by or in the right of the Company to procure a judgment in its favor by reason of the fact that such Person is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company as a manager, member, employee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise against expenses, including amounts paid in settlement and attorneys' fees actually and reasonably incurred by such Person in connection with the defense or settlement of the action or suit if such Person acted in good faith and in a manner in which such Person reasonably believed to be in or not opposed to the best interests of the Company. Indemnification may not be made for any claim, issue or matter as to which such a Person has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable to the Company or for amounts paid in settlement to the Company, unless and only to the extent that the court in which the action or suit was brought or other court of competent jurisdiction determines upon application that in view of all the circumstances of the case, such Person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

(c) To the extent that a Manager, Member, employee or agent of the Company has been successful on the merits or otherwise in defense of any Proceeding described in Subsections 10.1(a) or 10.1(b), or in defense of any claim, issue or matter therein, the Company shall indemnify such Person against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense.

(d) The right of indemnification authorized in or ordered by a court pursuant to Subsections 10.1(a) and 10.1(b), and Sections 10.2 and 10.3 of this Article X:

(i) Does not exclude any other rights to which a Person seeking indemnification or advancement of expenses may be entitled under the Articles, vote of the Member or disinterested Managers, if any, or otherwise, for an action in his or her official capacity or an action in another capacity while holding his or her office, except that indemnification, unless ordered by a court pursuant to Subsection 10.1(b) or the advancement of expenses made pursuant to Section 10.3 of this Article X, may not be made to or on behalf of any Member or Manager if a final adjudication establishes - that his, her or its acts or omissions involved intentional misconduct, fraud or a knowing violation of the law and was material to the cause of action.

(ii) Continues for a Person who has ceased to be a Member, Manager, employee or agent and inures to the benefit of his heirs, executors and administrators.

10.2 Scope of Indemnification. Any indemnification under Subsections 10.1(a) and 10.1(b) of this Article X, unless ordered by a court or advanced pursuant to Section 10.3 of this Article X, may be made by the Company only as authorized in the specific case upon a determination that indemnification of the Manager, Member, employee or agent is proper under the circumstances. Such determination shall be made in accordance with Section 86.431 of NRS 86.

10.3 Advance Payment. To the fullest extent permitted by applicable law, the right to indemnification conferred in this Article X shall include the right to be paid or reimbursed by the Company the reasonable expenses of the Member and Managers incurred in defending a civil or criminal action or Proceeding as they are incurred and in advance of the final disposition of the Proceeding, upon receipt of an undertaking by or on behalf of the Manager or Member to repay the amount if it is ultimately determined by a court of competent jurisdiction that he or she or it is not entitled to be indemnified by the Company. The provisions of this Section 10.3 do not affect any rights to advancement of expenses to which personnel of the Company other than Managers or the Member may be entitled under any contract or otherwise by law.

10.4 Insurance.

(a) The Company may purchase and maintain insurance or make other financial arrangements on behalf of any Person who is or was a Member, Manager, employee or agent of the Company, or is or was serving at the request of the Company as a manager, member, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise for any liability asserted against him and liability and expenses incurred by him in his capacity as a Manager, Member, employee or agent, or arising out of such Person's status as such, whether or not the Company has the authority to indemnify such Person against such liability and expenses.

(b) The other financial arrangements made by the Company pursuant to Subsection 10.4(a) may include, without limitation:

(i) The creation of a trust fund.

(ii) The establishment of a program of self-insurance.

(iii) The securing of the Company's obligation of indemnification by granting a security interest or other lien on any assets of the Company.

(iv) The establishment of a letter of credit, guaranty or surety.

No financial arrangement made pursuant to this Subsection 10.4(b) may provide protection for a Person adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable for intentional misconduct, fraud or a knowing violation of law, except with respect to the advancement of expenses or indemnification ordered by a court.

(c) Any insurance or other financial arrangement made on behalf of a Person pursuant to this Section 10.4 may be provided by the Company or any other Person

approved by the Managers even if all or part of the other Person's member's interest in the Company is owned by the Company.

10.5 Member Notification. To the extent required by law, any indemnification of or advance of expenses to a Person in accordance with this Article X shall be reported in writing to the Member within ten (10) days immediately following the date of the indemnification or advance.

10.6 Savings Clause. If this Article X or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Person indemnified pursuant to this Article X as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any Proceeding to the fullest extent permitted by any applicable portion of this Article X that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE XI
TRANSFERS

11.1 Transfer of Membership Interest. Subject to applicable law, including, without limitation, the Securities Act, and any agreement restricting the transfer of the Membership Interests hereunder to which the Member may be a party, the Member may at any time Transfer in whole or in part its Membership Interest. If the Member Transfers any portion of its Membership Interest pursuant to this Section 11.1, the transferee shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective as of the date of the Transfer.

ARTICLE XII
DISSOLUTION AND LIQUIDATION

12.1 Dissolution of the Company. The Company shall be dissolved and its affairs shall be wound up upon the occurrence of any of the following events:

(a) At the time, if any, specified in the Articles;

(b) The sale or other disposition of all or substantially all of the Company's assets and the receipt of all payments therefor in cash;

(c) Unless otherwise provided herein or in the Articles, upon the determination by the Member that the Company be dissolved; or

(d) Upon entry of a decree of judicial dissolution pursuant to Section 86.495 of NRS 86.

12.2 Liquidation and Termination. On dissolution of the Company, the Board shall act as liquidator or may appoint the Member as liquidator. The liquidator shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in NRS 86. The costs of liquidation shall be borne as a Company expense. Until final distribution, the

liquidator shall continue to operate the Company with all of the power and authority of the Board. Maintenance of property, borrowings and expenditures of Company funds for legitimate Company purposes to effectuate or facilitate the winding up or the liquidation of the Company affairs shall be authorized if the liquidator, in the exercise of his, her or its business judgment, believes that the interest of the Company would be best served thereby and shall not be construed to involve a continuation of the Company. Upon dissolution of the Company, a true and final accounting of all transactions relating to the business of the Company shall be made. Liabilities of the Company shall be paid and assets of the Company shall be distributed in accordance with the provisions of Section 12.3 hereof as soon as is reasonably possible after the dissolution of the Company.

12.3 Payment of Liabilities and Distribution of Assets. In settling accounts after dissolution, the liabilities of the Company shall be paid in the following order:

(a) Those to creditors, including the Member if a creditor, in the order of priority as provided and to the extent otherwise permitted by law, except those to the Member of the Company on account of its contributions;

(b) Those to the Member of the Company in respect of its share of the profits and other compensation by way of income on its contributions; and

(c) Those to the Member of the Company in respect of its contributions to capital.

ARTICLE XIII
MISCELLANEOUS PROVISIONS

13.1 Notices. All notices, demands, requests or other communications that may be or are required to be given, served or sent pursuant to this Agreement shall be in writing and shall be mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by hand delivery, telegram, facsimile transmission or electronic transmission addressed as set forth on the signature pages hereof. The Member may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request or communication that is mailed, delivered or transmitted in the manner described above shall be deemed sufficiently given, served, sent and received for all purposes at such time as it is delivered to the addressee with the return receipt, the delivery receipt, the affidavit of messenger or (with respect to a facsimile or electronic transmission) the answer back being deemed conclusive evidence of such delivery or at such time as delivery is refused by the addressee upon presentation. A waiver in writing signed by the Person or Persons entitled to the notice, whether before or after the time stated in it, is equivalent to the giving of notice.

13.2 Amendment or Modification. This Agreement may be amended or modified from time to time only by a written instrument adopted by the Board and executed and agreed to by the Member.

13.3 Successors and Assigns. This Agreement, and all the terms and provisions hereof, shall be binding upon and shall inure to the benefit of the Member and its respective personal representatives, successors and permitted assigns.

13.4 Construction. The captions used in this Agreement are for convenience only and shall not be construed in interpreting this Agreement. Wherever the context so requires, the masculine shall include the feminine and the neuter, and the singular shall include the plural and vice versa, unless the context clearly requires a different interpretation.

13.5 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE STATE OF NEVADA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

13.6 Severability. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations of the jurisdictions in which the Company does business. In the event of a direct conflict between the provisions of this Agreement and (a) any provision of the Articles, or (b) any mandatory provision of NRS 86 or (to the extent such statutes are incorporated into NRS 86) of the NRS, the applicable provision of the Articles, NRS 86, or the NRS shall control. If any provision of this Agreement or the application thereof to any Person or circumstances is for any reason and to any extent invalid or unenforceable, the remainder of this Agreement and the application of such provision to the other Persons or circumstances will not be affected thereby, but rather are to be enforced to the greatest extent permitted by law.

13.7 No Third Party Beneficiaries. This Agreement is intended for the exclusive benefit of the Member and its personal representatives, successors and permitted assigns, and nothing contained in this Agreement shall be construed as creating any rights or benefits in or to any third party.

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IN WITNESS WHEREOF, the sole Member has executed this Agreement as of the date first above written.

SOLE MEMBER:

RENT-A-CENTER, INC.,
a Delaware corporation

By: /s/ MARK E. SPEESE

Mark E. Speese
Chairman of the Board and
Chief Executive Officer

Address: 5700 Tennyson Parkway, Third Floor
Plano, Texas 75024

CERTIFICATE OF DESIGNATIONS, PREFERENCES
AND RELATIVE RIGHTS AND LIMITATIONS
OF
SERIES C CONVERTIBLE PREFERRED STOCK
OF
RENT-A-CENTER, INC.

PURSUANT TO SECTION 151
OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE

Rent-A-Center, Inc. (the "CORPORATION"), a corporation organized and existing under the General Corporation Law of the State of Delaware, does, by its President and Chief Operating Officer, hereby certify that, pursuant to the authority conferred upon the Board of Directors of the Corporation (the "BOARD") by Paragraph Fourth, Section I of its Certificate of Incorporation, and pursuant to the provisions of Section 151 of the General Corporation Law of the State of Delaware, the Board, at a meeting of the Board held on April 25, 2003, duly adopted the following resolutions establishing the rights, preferences, privileges and restrictions of a series of preferred stock of the Corporation, which resolutions remain in full force and effect as of the date hereof:

RESOLVED, that pursuant to Paragraph Fourth, Section I of the Certificate of Incorporation, there is hereby authorized such series of preferred stock on the terms and with the provisions herein set forth:

1. Certain Definitions.

Unless the context otherwise requires, the terms defined in this Section 1 shall have, for all purposes of this resolution, the meanings specified (with terms defined in the singular having comparable meanings when used in the plural).

Affiliate. The term "Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person and, in the case of a Person who is an individual, shall include (i) members of such specified Person's immediate family (as defined in Instruction 2 of Item 404(a) of Regulation S-K under the Securities Act) and (ii) trusts, the trustee and all beneficiaries of which are such specified Person or members of such Person's immediate family as determined in accordance with the foregoing clause (i). For the purposes of this definition, control when used with respect to any person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "affiliated," "controlling" and "controlled" have meanings correlative to the foregoing. Notwithstanding the foregoing, the Initial Holders and their Affiliates shall not be deemed Affiliates of the Corporation.

Change of Control. The term "Change of Control" shall mean the occurrence of any one of the following events: (I) the acquisition after the Initial Series C Issue Date, in one or more transactions, of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) by (i) any person or entity (other than any Permitted Holder) or (ii) any group of persons or entities (excluding any Permitted Holders) who constitute a group (within the meaning of Section 13(d)(3) of the Exchange Act), in either case, of any securities of the Corporation such that, as a result of such acquisition, such person, entity or group beneficially owns (within the meaning of Rule 13d-3 under the Exchange Act), directly or indirectly, 40% or more of the then outstanding voting securities entitled to vote on a regular basis for a majority of the Board of Directors of the Corporation (but only to the extent that such beneficial ownership is not shared with any Permitted Holder who has the power to direct the vote thereof), provided, however, that no such Change of Control shall be deemed to have occurred if (A) the Permitted Holders beneficially own, in the aggregate, at such time, a greater percentage of such voting securities than such other person, entity or group or (B) at the time of such acquisition, the Permitted Holders (or any of them) possess the ability (by contract or otherwise) to elect, or cause the election of, a majority of the members of the Corporation's Board of Directors; (II) the acquisition by any person of all or substantially all of the assets of the Corporation; (III) the determination by the Corporation's Board of Directors to recommend the acceptance of any proposal set forth in a tender offer statement or proxy statement filed by any person with the Securities and Exchange Commission which indicates the intention on the part of that person to acquire, or acceptance of which would otherwise have the effect of that person acquiring, control of the Corporation; or (IV) upon, other than as a result of the death or disability of one or more of the directors within a three-month period, a majority of the members of the Board of Directors of the Corporation for any period of three consecutive months not being persons who (a) had been directors of the Corporation for at least the preceding 24 consecutive months or are Initial Holder Nominees, or (b) when they initially were elected to the Board of Directors of the Corporation, (x) were nominated (if they were elected by the stockholders) or elected (if they were elected by the directors) with the affirmative concurrence of 66-2/3% of the directors who were Continuing Directors at the time of the nomination or election by the Board of Directors of the Corporation and (y) were not elected as a result of an actual or threatened solicitation of proxies or consents by a person other than the Board or an agreement intended to avoid or settle such a proxy solicitation (the directors described in clauses (a) and (b) of this subsection (IV) being "Continuing Directors"); provided, however, that no Change of Control shall be deemed to have occurred by virtue of any merger of the Corporation with any wholly owned subsidiary of the Corporation or any merger of two wholly owned subsidiaries of the Corporation if, in any such merger, the proportionate ownership interests of the stockholders of the Corporation remain unchanged.

Common Stock. The term "Common Stock" shall mean the common stock, par value $.01 per share, of the Corporation.

Conversion Date. The term "Conversion Date" shall have the meaning set forth in Section 8(c) below, as applicable.

Conversion Price. The term "Conversion Price" shall have the meaning set forth in Section 8(d) below.

Convertible Securities. The term "Convertible Securities" shall have the meaning set forth in Section 8(f)(iii).

Corporation Notice. The term "Corporation Notice" shall have the meaning set forth in Section 5(b)(ii)(A) below.

Current Market Price. The term "Current Market Price" shall mean the current market price of the Common Stock as computed in accordance with Section 8(f)(xi) below.

Dividend Payment Date. The term "Dividend Payment Date" shall have the meaning set forth in Section 3(a) below.

Dividend Rate. The term "Dividend Rate" shall have the meaning set forth in Section 3(a) below.

Exchange Act. The term "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

Initial Date. The term "Initial Date" shall mean August 5, 1998.

Initial Holder Nominee. The term "Initial Holder Nominee" shall mean any person nominated by the Initial Holders or any of their Permitted Transferees to serve as a director on the Corporation's Board of Directors.

Initial Holders. The term "Initial Holders" shall mean Apollo Investment Fund IV, L.P. and Apollo Overseas Partners IV, L.P.

Initial Series C Issue Date. The term "Initial Series C Issue Date" shall mean the date that shares of Series C Preferred Stock are first issued by the Corporation.

IRR. The term "IRR" shall have the meaning set forth in Section 4(c)(ix) below.

Junior Stock. The term "Junior Stock" shall mean any stock of the Corporation, other than the Common Stock, ranking junior to the Series C Preferred Stock as to dividends and upon liquidation.

Laws. The term "Laws" shall have the meaning set forth in Section 8(c) below.

Liquidation. The term "Liquidation" shall mean any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary; provided, that neither the voluntary sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the property or assets of the Corporation, nor the consolidation or merger of the Corporation with one or more other entities, shall, by itself, be deemed a Liquidation.

Liquidation Preference Amount. The term "Liquidation Preference Amount" shall mean an amount equal to the sum of (i) $1,000 per share of Series C Preferred Stock, plus (ii)

all accrued and unpaid dividends thereon calculated in accordance with Sections 3(a) and 3(b) hereof.

Permitted Holder. The term "Permitted Holder" shall mean (i) the Initial Holders or any entity controlled by either of the Initial Holders or any of the partners of the Initial Holders, (ii) an employee benefit plan of the Corporation or any subsidiary of the Corporation, or any participant therein, (iii) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its subsidiaries or (iv) any Permitted Transferee of any of the foregoing persons.

Permitted Transferee. The term "Permitted Transferee" shall mean, with respect to any Person, (i) any officer, director or partner of, or Person controlling, such Person, (ii) any other Person that is (x) an Affiliate of the general partner(s), investment manager(s) or investment advisor(s) of such Person, (y) an Affiliate of such Person or a Permitted Transferee of an Affiliate or (z) an investment fund, investment account or investment entity whose investment manager, investment advisor or general partner thereof is such Person or a Permitted Transferee of such Person or (iii) if a Permitted Transferee of a Person set forth in the foregoing clauses (i) and (ii) is an individual, (x) any spouse or issue of such individual, or any trust solely for the benefit of such individual, spouse or issue, and (y) upon such individual's death, any Person to whom Shares are transferred in accordance with the laws of descent and/or testamentary distribution, in each case in a bona fide distribution or other transaction not intended to avoid the provisions of this Agreement.

Person. The term "Person" shall mean an individual or a corporation, limited liability company, partnership, trust, or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

Quarterly Dividend Period. The term "Quarterly Dividend Period" shall have the meaning set forth in Section 3(a) below.

Quoted Price. The term "Quoted Price" shall have the meaning set forth in Section 8(f)(xi) below.

Redemption Date. The term "Redemption Date" shall have the meaning set forth in Section 5(a)(ii) below.

Redemption Event. A Redemption Event will be deemed to occur at the earliest of (i) the date upon which there is a Change of Control of the Corporation, (ii) the date upon which the Corporation's Common Stock is not listed for trading on a United States national securities exchange or the NASDAQ National Market System, or (iii) the eleventh anniversary of the Initial Date.

Redemption Price. The term "Redemption Price" shall have the meaning set forth in Section 5(a)(i) below.

Repurchase Date. The term "Repurchase Date" shall have the meaning set forth in Section 5(b)(i) below.

Repurchase Price. The term "Repurchase Price" shall have the meaning set forth in Section 5(b)(i) below.

Securities Act. The term "Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

Series A Preferred Stock. The term "Series A Preferred Stock" shall mean the Series A preferred stock, par value $.01, issued on the Initial Date and shares of Series A preferred stock, $.01 par value of the Corporation for which such shares were directly or indirectly exchanged.

Series C Preferred Stock. The term "Series C Preferred Stock" shall mean the Series C Convertible Preferred Stock authorized hereby.

Trading Days. The term "Trading Days" shall have the meaning set forth in Section 8(f)(xi) below.

2. Designation.

The series of preferred stock authorized hereby shall be designated as the "Series C Convertible Preferred Stock." The number of shares constituting such series shall initially be One Hundred (100). The par value of the Series C Preferred Stock shall be $.01 per share.

3. Dividends.

(a) The holders of the shares of Series C Preferred Stock shall be entitled to receive cumulative quarterly dividends at a dividend rate equal to 3 3/4% per annum (the "DIVIDEND RATE") computed on the basis of $1,000 per share, when and as declared by the Board of Directors of the Corporation, out of funds legally available for the payment of dividends; provided, however, for the period commencing with the Initial Series C Issue Date and ending on August 4, 2003, payments of dividends may be made, at the election of the Corporation, either (i) in cash or (ii) by issuing a number of additional fully paid and nonassessable shares (and/or fractional shares) of Series C Preferred Stock for each such share (or fractional share) of Series C Preferred Stock then outstanding determined by dividing (x) the dividend then payable on each such share (or fractional share) of Series C Preferred Stock (expressed as a dollar amount) by (y) 1,000. Quarterly dividend periods (each a "QUARTERLY DIVIDEND PERIOD") shall commence on January 1, April 1, July 1 and October 1, in each year, except that the first Quarterly Dividend Period shall commence on the date of issuance of the Series C Preferred Stock, and shall end on and include the day immediately preceding the first day of the next Quarterly Dividend Period. Dividends on the shares of Series C Preferred Stock shall be payable on March 31, June 30, September 30, and December 31 of each year (a "DIVIDEND PAYMENT DATE"), commencing September 30, 2003. Each such dividend shall be paid to the holders of record of the Series C Preferred Stock as they shall appear on the stock register of the Corporation on such record date, not exceeding 45 days nor less than 10 days preceding such Dividend Payment Date, as shall be fixed by the Board of Directors of the Corporation or a duly authorized committee thereof.

Notwithstanding the foregoing paragraph, no dividend shall be paid or accrued for any Quarterly Dividend Period in which the Current Market Price as of the related Dividend Payment

Date is equal to or greater than the Conversion Price accumulated forward from the Initial Date to such Dividend Payment Date at a compound annual growth rate of Twenty-Five Percent (25%) per annum compounded quarterly.

If, on any Dividend Payment Date, the full dividends provided for in this Section 3(a) are not declared or paid to the holders of the Series C Preferred Stock, whether in cash or in additional shares of Series C Preferred Stock, then such dividends shall cumulate, with additional dividends thereon, compounded quarterly, at the Dividend Rate applicable to the Series C Preferred Stock as provided in this Section 3(a), for each succeeding full Quarterly Dividend Period during which such dividends shall remain unpaid. In the event the Corporation elects to pay dividends in additional shares of Series C Preferred Stock, the Corporation shall on the Dividend Payment Date deliver to the holders certificates representing such shares.

Notwithstanding anything to the contrary herein, in the event any conversion, redemption or liquidation occurs as of a date other than on a Dividend Payment Date, the holders of Series C Preferred Stock shall be paid a pro rata dividend equal to the dividend payable for that Quarterly Dividend Period multiplied by a fraction, the numerator of which is the number of days that have elapsed since the last Dividend Payment Date and the denominator of which is the number of days in the Quarterly Dividend Period in which the conversion, redemption or liquidation occurs.

(b) The amount of any dividends accrued on any share of the Series C Preferred Stock on any Dividend Payment Date shall be deemed to be the amount of any unpaid dividends accumulated thereon to and including such Dividend Payment Date, whether or not earned or declared. The amount of dividends accrued on any share of the Series C Preferred Stock on any date other than a Dividend Payment Date shall be deemed to be the sum of (i) the amount of any unpaid dividends accumulated thereon to and including the last preceding Dividend Payment Date, whether or not earned or declared, and (ii) an amount determined by multiplying (x) the Dividend Rate by (y) a fraction, the numerator of which shall be the number of days from the last preceding Dividend Payment Date to and including the date on which such calculation is made and the denominator of which shall be the full number of days in such Quarterly Dividend Period.

(c) Immediately prior to authorizing or making any distribution in redemption or liquidation with respect to the Series C Preferred Stock (other than a purchase or acquisition of Series C Preferred Stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding Series C Preferred Stock), the Board of Directors shall, to the extent of any funds legally available therefor, declare a dividend in cash on the Series C Preferred Stock payable on the distribution date in an amount equal to any accrued and unpaid dividends on the Series C Preferred Stock as of such date.

4. Voting Rights.

(a) Except as otherwise required by law or as set forth herein, the shares of Series C Preferred Stock shall be entitled to vote together with the shares of voting Common Stock as one class at all annual and special meetings of stockholders of the Corporation, and to act by written consent in the same manner as the Common Stock, upon the following basis: each holder of Series C Preferred Stock shall be entitled to such number of votes for the Series C Preferred

Stock held by the holder on the record date fixed for such meeting, or on the effective date of such written consent, as shall be equal to the number of whole shares of Common Stock into which all of such holder's shares of Series C Preferred Stock are convertible immediately after the close of business on the record date fixed for such meeting or the effective date of such written consent.

(b) If an Initial Holder Nominee(s) serves on the Board of Directors of the Corporation, each of the Finance Committee, the Audit Committee and the Compensation Committee, and in the event the Corporation establishes an Executive Committee of the Board of Directors, the Executive Committee, of the Board of Directors shall have at least one Initial Holder Nominee as a member. Notwithstanding anything to the contrary contained herein, the provisions of this Section 4(b) shall inure only to the benefit of the Initial Holders and their Permitted Transferees, and any shares of Series C Preferred Stock subsequently transferred by the Initial Holders to any Person other than one of their Permitted Transferees shall not be entitled to the benefits of this Section 4(b).

(c) While any shares of Series C Preferred Stock are outstanding, the Corporation will not, directly or indirectly, including through a merger or consolidation with any other corporation or otherwise, without approval of holders of at least a majority of the outstanding shares of Series C Preferred Stock, voting separately as a class, (i) increase the number of authorized shares of Series C Preferred Stock or authorize the issuance or issue of any shares of Series C Preferred Stock other than to existing holders of Series C Preferred Stock, (ii) issue any new class or series of equity security or issue any additional shares of Series A Preferred Stock, (iii) amend, alter or repeal, in any manner whatsoever, the designations, preferences and relative rights and limitations and restrictions of the Series C Preferred Stock; (iv) amend, alter or repeal any of the provisions of the Certificate of Incorporation or Bylaws of the Corporation in a manner that would negatively impact the holders of the Series C Preferred Stock, including (but not limited to) any amendment that is in conflict with the approval rights set forth in this Section 4; (v) directly or indirectly, redeem, purchase or otherwise acquire for value (including through an exchange), or set apart money or other property for any mandatory purchase or other analogous fund for the redemption, purchase or acquisition of any shares of Common Stock or Junior Stock, declare or pay any dividend or make any distribution (whether in cash, shares of capital stock of the Corporation, or other property) on shares of Common Stock or Junior Stock; (vi) cause the number of directors of the Corporation to be greater than eight (8); (vii) enter into any agreement or arrangement with or for the benefit of any Person who is an Affiliate of the Corporation with a value in excess of $5 million in a single transaction or a series of related transactions; (viii) effect a voluntary liquidation, dissolution or winding up of the Corporation; (ix) sell or agree to sell all or substantially all of the assets of the Corporation, unless such transaction (1) is a sale for cash and (2) results in an internal rate of return ("IRR") of 30% compounded quarterly or greater to the holders of the Series C Preferred Stock with respect to each share of Series A Preferred Stock issued on the Initial Date (and any share of Series C Preferred Stock for which the Initial Holder may have exchanged such share of Series A Preferred Stock); or (x) enter into any merger or consolidation or other business combination involving the Corporation (except a merger of a wholly-owned subsidiary of the Corporation into the Corporation in which the Corporation's capitalization is unchanged as a result of such merger) unless such transaction (1) is for cash and (2) results in an IRR of 30% compounded quarterly or greater to the holder of the Series C Preferred Stock with respect to each share of

Series A Preferred Stock issued on the Initial Date (and any share of Series C Preferred Stock for which the Initial Holder may have exchanged such share of Series A Preferred Stock).

(d) While any shares of Series C Preferred Stock are outstanding, the Corporation will not, directly or indirectly, without the majority affirmative vote of the Finance Committee, issue debt securities of the Corporation with a value in excess of $10 million (including any refinancing of existing indebtedness).

(e) While any shares of Series C Preferred Stock are outstanding, the Corporation will not, directly or indirectly, without the unanimous affirmative vote of the Finance Committee, issue equity securities of the Corporation with a value in excess of $10 million (including any refinancing of existing indebtedness); provided, however, that the following equity issuances shall require only a majority affirmative vote of the Finance Committee: (A) a Common Stock offering in which the selling price is equal to or greater than the price that would imply a 25% or greater IRR to the holders of the Series C Preferred Stock compounded quarterly on the Conversion Price from the Initial Date, and (B) an issuance of equity in connection with an acquisition if the issuance is equal to or less than 10% of the outstanding Common Stock (calculated post-issuance of such shares of Common Stock).

5. Redemption.

(a) Optional Redemption.

(i) Optional Redemption by the Corporation.

(A) The Corporation by resolution of its Board of Directors may redeem the Series C Preferred Stock, in whole or in part, at any time. The redemption price per share (the "REDEMPTION PRICE") for such shares of Series C Preferred Stock so redeemed shall equal 105% of the Liquidation Preference Amount on the Redemption Date (as defined below).

(B) Notwithstanding the forgoing Section 5(a)(i)(A), an Initial Holder shall be entitled to reserve from redemption by the Corporation pursuant to Section 5(a)(i)(A) one share of the Series C Preferred Stock until such time as the Initial Holders and their Permitted Transferees collectively shall own less than 33 1/3% of the Shares issued to the Initial Holders on the Initial Date. For the purposes of this Section 5(a)(i)(B), "SHARES" shall mean shares of the Common Stock, Series A Preferred Stock and Series C Preferred Stock and the preceding percentage shall be calculated as if each of the Shares had been exchanged or converted into shares of Common Stock immediately prior to each such calculation regardless of the existence of any restrictions on such exchange or conversion.

(C) In the event that at any time less than all of the Series C Preferred Stock outstanding is to be redeemed, the shares to be redeemed will be selected pro rata. Notwithstanding anything to the contrary, the Corporation may not redeem less than all of the Series C Preferred Stock outstanding unless all accrued and unpaid dividends have been paid on all then outstanding shares of Series C Preferred Stock.

(ii) Notice of Redemption. Notice of any redemption pursuant to this Section 5(a) shall be mailed, postage prepaid, at least 30 days but not more than 60 days prior to the date

of redemption specified in such notice (the "REDEMPTION DATE") to each holder of record of the Series C Preferred Stock to be redeemed at its address as the same shall appear on the stock register of the Corporation. Each such notice shall state: (A) the Redemption Date, (B) the place or places where certificates for such shares of Series C Preferred Stock are to be surrendered for payment, (C) the Redemption Price and (D) that unless the Corporation defaults in making the redemption payment, dividends on the shares of Series C Preferred Stock called for redemption shall cease to accrue on and after the Redemption Date. If less than all the shares of the Series C Preferred Stock owned by such holder are then to be redeemed, such notice shall also specify the number of shares thereof which are to be redeemed and the numbers of the certificates representing such shares.

(iii) No Preclusion of Conversion. Nothing in this Section 5(a) shall be construed to preclude a holder of Series C Preferred Stock from converting any or all of its shares of Series C Preferred Stock in accordance with Section 8 at any time prior to the Redemption Date.

(b) Mandatory Redemption.

(i) Right to Require Redemption. If at any time there shall occur any Redemption Event of the Corporation, then each holder of Series C Preferred Stock shall have the right, at such holder's option, to require the Corporation to redeem, and upon the exercise of such right the Corporation shall redeem, all or any part of such holder's Series C Preferred Stock on the date (the "REPURCHASE DATE") that is 45 days after the date of the Corporation Notice (as defined below). The redemption price per share (the "REPURCHASE PRICE") for such shares of Series C Preferred Stock so redeemed shall equal the Liquidation Preference Amount on the Repurchase Date.

(ii) Notices; Method of Exercising Redemption Right, etc.

(A) Unless the Corporation shall have theretofore called for redemption all the Series C Preferred Stock then outstanding pursuant to Section 5(a) hereof, within 15 days after the occurrence of a Redemption Event, the Corporation shall mail to all holders of record of the Series C Preferred Stock a notice (the "CORPORATION Notice") of the occurrence of the Redemption Event and of the redemption right set forth herein arising as a result thereof. Each Corporation Notice of a redemption right shall state: (I) the Repurchase Date; (II) the date by which the redemption right must be exercised; (III) the Repurchase Price; (IV) a description of the procedure which a holder must follow to exercise a redemption right including a form of the irrevocable written notice referred to in Section 5(b)(ii)(B) hereof, and (V) the place or places where such Series C Preferred Stock may be surrendered for redemption.

No failure of the Corporation to give the foregoing notices or any defect therein shall limit any holder's right to exercise a redemption right or affect the validity of the proceedings for the redemption of Series C Preferred Stock.

(B) To exercise a redemption right, a holder must deliver to the Corporation on or before the 15th day after the date of the Corporation Notice (i) irrevocable written notice of the holder's exercise of such rights, which notice shall set forth the name of the

holder, the amount of the Series C Preferred Stock to be redeemed, a statement that an election to exercise the redemption right is being made thereby, and (ii) the Series C Preferred Stock with respect to which the redemption right is being exercised, duly endorsed for transfer to the Corporation. Such written notice shall be irrevocable. Subject to the provisions of paragraph (D) below, Series C Preferred Stock surrendered for redemption together with such irrevocable written notice shall cease to be convertible from the date of delivery of such notice. If the Repurchase Date falls after the record date and before the following Dividend Payment Date, any Series C Preferred Stock to be redeemed must be accompanied by payment of an amount equal to the dividends thereon which the registered holder thereof is to receive on such Dividend Payment Date, and, notwithstanding such redemption, such dividend payment will be made by the Corporation to the registered holder thereof on the applicable record date; provided that any quarterly payment of dividends becoming due on the Repurchase Date shall be payable to the holders of such Series C Preferred Stock registered as such on the relevant record date subject to the terms of Section 3(b) hereof.

(C) In the event a redemption right shall be exercised in accordance with the terms hereof, the Corporation shall pay or cause to be paid the Repurchase Price in cash, to the holder on the Repurchase Date.

(D) If any Series C Preferred Stock surrendered for redemption shall not be so redeemed on the Repurchase Date, such Series C Preferred Stock shall be convertible at any time from the Repurchase Date until redeemed and, until redeemed, continue to accrue dividends to the extent permitted by applicable law from the Repurchase Date at the same rate borne by such Series C Preferred Stock. The Corporation shall pay to the holder of such Series C Preferred Stock the additional amounts arising from this Section 5(b)(ii)(D) hereof at the time that it pays the Repurchase Price, and if applicable such Series C Preferred Stock shall remain convertible into Common Stock until the Repurchase Price plus any additional amounts owing on such Series C Preferred Stock shall have been paid or duly provided for.

(E) Any Series C Preferred Stock which is to be redeemed only in part shall be surrendered at any office or agency of the Corporation designated for that purpose pursuant to Section 5(b)(ii)(A)(V) hereof and the Corporation shall execute and deliver to the holder of such Series C Preferred Stock without service charge, a new certificate or certificates representing the Series C Preferred Stock, of any authorized denomination as requested by such holder, in aggregate amount equal to and in exchange for the unredeemed portion of the Series C Preferred Stock so surrendered.

6. Priority.

(a) Priority as to Dividends. Holders of shares of the Series C Preferred Stock shall be entitled to receive the dividends provided for in Section 3 hereof in preference to and in priority over any dividends upon any Junior Stock or Common Stock.

7. Liquidation Preference.

(a) In the event of any Liquidation, holders of the Series C Preferred Stock will be entitled to receive out of the assets of the Corporation whether such assets are capital or surplus

and whether or not any dividends as such are declared, the Liquidation Preference Amount to the date fixed for distribution, and no more, before any distribution shall be made to the holders of Junior Stock or Common Stock with respect to the distribution of assets. If the assets of the Corporation are not sufficient to pay in full the Liquidation Preference Amount to the holders of outstanding shares of the Series C Preferred Stock, then the holders of all such shares shall share ratably in such distribution of assets in accordance with the amount which would be otherwise payable on such distribution to the holders of Series C Preferred Stock were such Liquidation Preference Amount paid in full. Except as provided, in this Section 7(a), in the event of any Liquidation of the Corporation, the holders of shares of Series C Preferred Stock shall not be entitled to any additional payments.

(b) The consolidation or merger of the Corporation with or into such corporation or corporations shall not itself be deemed to be a Liquidation of the Corporation within the meaning of this Section 7.

(c) Written notice of any Liquidation of the Corporation, stating a payment date and the place where the distributive amounts shall be payable, shall be given by mail, postage prepaid, not less than 30 days prior to the payment date stated therein, to the holders of record of the Series C Preferred Stock at their respective addresses as the same shall appear on the books of the Corporation.

8. Conversion.

(a) Each share of Series C Preferred Stock shall be convertible at any time and from time to time, at the option of the holder thereof into validly issued, fully paid and nonassessable shares of Common Stock, in an amount determined in accordance with Section 8(d) below.

(b) Immediately following the conversion of Series C Preferred Stock into Common Stock on the Conversion Date (i) such converted shares of Series C Preferred Stock shall be deemed no longer outstanding and (ii) the Persons entitled to receive the Common Stock upon the conversion of such converted Series C Preferred Stock shall be treated for all purposes as having become the owners of record of such Common Stock. Upon the issuance of shares of Common Stock upon conversion of Series C Preferred Stock pursuant to this Section 8, such shares of Common Stock shall be deemed to be duly authorized, validly issued, fully paid and nonassessable. Notwithstanding anything to the contrary in this Section 8, any holder of Series C Preferred Stock may convert shares of such Series C Preferred Stock into Common Stock in accordance with Section 8 on a conditional basis, such that such conversion will not take effect unless conditions set forth in Section 8(c) are satisfied, and the Corporation shall make such arrangements as may be necessary or appropriate to allow such conditional conversion and to enable the holder to satisfy such other conditions.

(c) To convert Series C Preferred Stock into Common Stock at the option of the holder pursuant to Section 8(a), a holder must give written notice to the Corporation at its principal office that such holder elects to convert Series C Preferred Stock into Common Stock, and the number of shares to be converted. Such conversion, to the extent permitted by law, regulation, rule or other requirement of any governmental authority (collectively, "LAWS") and the provisions hereof, including but not limited to Section 5(a)(iii), shall be deemed to have been

effected as of the close of business on the date on which the holder delivers such notice to the Corporation (such date is referred to herein as the "CONVERSION DATE" for purposes of any conversion of Series C Preferred Stock pursuant to Section 8(a)). Promptly thereafter the holder shall (i) surrender the certificate or certificates evidencing the shares of Series C Preferred Stock to be converted, duly endorsed in a form reasonably satisfactory to the Corporation, at the office of the Corporation or of the transfer agent for the Series C Preferred Stock, (ii) state in writing the name or names in which the certificate or certificates for shares of Common Stock are to be issued, (iii) provide evidence reasonably satisfactory to the Corporation that such holder has satisfied any conditions, contained in any agreement or any legend on the certificates representing the Series C Preferred Stock, relating to the transfer thereof, if shares of Common Stock are to be issued in a name or names other than the holder's, and (iv) pay any transfer or similar tax if required as provided in Section 8(k) below. As soon as practical following receipt of the foregoing, the Corporation shall deliver to such former holder of Series C Preferred Stock, a certificate representing the shares of Common Stock issued upon the conversion, together with a new certificate representing the unconverted portion, if any, of the shares of Series C Preferred Stock formerly represented by the certificate or certificates surrendered for conversion.

(d) For the purposes of the conversion of Series C Preferred Stock into Common Stock pursuant to Section 8(a), each share of Series C Preferred Stock shall be convertible into the number of shares of Common Stock equal to the Liquidation Preference Amount divided by the Conversion Price in effect on the Conversion Date. The number of full shares of Common Stock issuable to a single holder upon conversion of the Series C Preferred Stock shall be based on the aggregate Liquidation Preference Amount of all shares of Series C Preferred Stock owned by such holder. The Conversion Price initially shall be equal to $27.935. In order to prevent dilution of the conversion rights granted hereunder, the Conversion Price shall be subject to adjustment from time to time in accordance with Sections 8(f) and 8(i) below.

(e) If the Corporation shall at any time subdivide, by stock split, reclassification or otherwise, the outstanding shares of Common Stock or shall issue a dividend on its outstanding Common Stock payable in capital stock, the Conversion Price in effect immediately prior to such subdivision or the issuance of such dividend shall be proportionately decreased, and in case the Corporation shall at any time combine, by stock split, reclassification or otherwise, the outstanding shares of Common Stock, the Conversion Price in effect immediately prior to such combination shall be proportionately increased, effective at the close of business on the date of such subdivision, dividend, combination or other event, as the case may be.

(f) The number of shares issuable upon conversion and the Conversion Price (and each component thereof) are subject to adjustment by the Corporation from time to time upon the occurrence of the events enumerated in this Section 8.

(i) Changes in Capital Stock.

(A) If the Corporation (i) pays a dividend or makes a distribution on its Common Stock in shares of its Common Stock, (ii) subdivides its outstanding shares of Common Stock into a greater number of shares, (iii) combines its outstanding shares of Common Stock into a smaller number of shares, (iv) makes a distribution on its Common Stock in shares of its capital stock other than Common Stock or (v) issues by reclassification of its Common Stock any

shares of its capital stock, then the Conversion Price (and each component thereof) in effect immediately prior to such action shall be proportionately adjusted so that each holder of shares of Series C Preferred Stock may receive the aggregate number and kind of shares of capital stock of the Corporation which such holder would have owned immediately following such action if such holder had converted all of his shares of Series C Preferred Stock into Common Stock immediately prior to such action.

(B) The adjustment shall become effective immediately after the record date in the case of a dividend or distribution and immediately after the effective date in the case of a subdivision, combination or reclassification.

(C) If after an adjustment a holder of shares of Series C Preferred Stock upon conversion may receive shares of two or more classes of capital stock of the Corporation, the Corporation shall determine the allocation of the adjusted Conversion Price between the classes of capital stock. After such allocation, the conversion privilege and the Conversion Price of each class of capital stock shall thereafter be subject to adjustment on terms comparable to those applicable to Common Stock in this Section 8(f)(i).

(D) Any adjustments made pursuant to this Section 8(f)(i) shall be made successively.

(ii) Common Stock Issue.

(A) If the Corporation issues any additional shares of Common Stock for a consideration per share less than the Current Market Price (as hereinafter defined) on the date the Corporation fixes the offering price of such additional shares, the Conversion Price shall be adjusted as set forth below, such that a holder of shares of Series C Preferred Stock, upon conversion of his shares of Series C Preferred Stock into shares of Common Stock, shall have the right to receive that number of shares of Common Stock which, after giving effect to the following adjustment, such holder would receive if such holder elected to convert his shares of Series C Preferred Stock into Common Stock. The Conversion Price shall be adjusted to the number determined by multiplying the Conversion Price in effect immediately prior to such issuance or sale by a fraction, the numerator of which shall be the sum of (i) the number of shares of Common Stock outstanding immediately prior to the issuance or sale of such additional shares of Common Stock plus (ii) the number of such additional shares which the aggregate consideration received (or by express provision hereof deemed to have been received) by the Corporation for such additional shares so issued or sold would purchase at a consideration per share equal to the Current Market Price, and the denominator of which shall be the number of shares of Common Stock outstanding immediately after the issuance or sale of such additional shares of Common Stock. For the purposes of this Section 8(f)(ii), the date as of which the Current Market Price shall be determined shall be the date of the actual issuance or sale of such shares.

(B) The adjustment shall be made successively whenever any such issuance is made, and shall become effective immediately after such issuance.

(C) This Section 8(f)(ii) does not apply to: (i) any of the transactions described in Sections 8(f)(iii) and 8(f)(iv); (ii) the conversion of the shares of Series C Preferred Stock; and (iii) any shares issued under the Amended and Restated Rent-A-Center, Inc. Long-Term Incentive Plan, and any other such plans adopted by the Board of Directors.

(iii) Rights Issue.

(A) If the Corporation issues or sells any warrants or options or other rights entitling the holders of Common Stock to subscribe for or purchase either any additional shares of Common Stock or evidences of indebtedness, shares of stock or other securities which are convertible into or exchangeable, with or without payment of additional consideration in cash or property, for additional shares of Common Stock (such convertible or, exchangeable evidence of indebtedness, shares of stock or other securities hereinafter being called "CONVERTIBLE SECURITIES"), and the consideration per share for which additional shares of Common Stock may at any time thereafter be issuable pursuant to such warrants, options or other rights or pursuant to the terms of such Convertible Securities (when added to the consideration per share of Common Stock, if any, received for such warrants, options or other rights), shall be less than the Current Market Price at the time of the issuance of the warrants, options or other rights, then the Conversion Price shall be adjusted as provided below, such that a holder of shares of the Series C Preferred Stock, upon conversion of his shares of Series C Preferred Stock into shares of Common Stock, shall have the right to receive that number of shares of Common Stock which, after giving effect to the following adjustment, such holder would receive if such holder elected to convert his shares of Series C Preferred Stock into Common Stock. The Conversion Price shall be adjusted to the number determined by multiplying the current Conversion Price by a fraction, (A) the numerator of which shall be the sum of (i) the number of shares of Common Stock outstanding on the record date plus (ii) the quotient of (x) the number of additional shares of Common Stock covered by such warrants, options or rights, multiplied by the sales price per share of additional shares covered by such warrants, options or other rights, divided by (y) the Current Market Price per share of Common Stock on the record date, and (B) the denominator of which shall be the sum of (i) the number of shares of Common Stock outstanding on the record date and (ii) the number of additional shares of Common Stock covered by such warrants, options or other rights. For purposes of this Section 8(f)(iii), the foregoing adjustment shall be made on the basis that (i) the maximum number of additional shares of Common Stock issuable pursuant to all such warrants, options or other rights or necessary to effect the conversion or exchange of all such Convertible Securities shall be deemed to have been issued and (ii) the aggregate consideration for such maximum number of additional shares shall be deemed to be the minimum consideration received and receivable by the Corporation for the issuance of such additional shares (plus the consideration, if any, received for such warrants, options or other rights) pursuant to such warrants, options or other rights or pursuant to the terms of such Convertible Securities.

(B) The adjustment shall be made successively whenever any such warrants, options or other rights are issued and shall become effective immediately after the record date for the determination of shareholders entitled to receive the warrants, options or other rights.

(C) This Section 8(f)(iii) does not apply to: (i) the conversion of the shares of Series C Preferred Stock; and (ii) any shares issued under the Amended and Restated Rent-A-Center, Inc. Long-Term Incentive Plan, and any other such plans adopted by the Board of Directors.

(iv) Convertible Securities Issue.

(A) If the Corporation issues Convertible Securities (other than securities issued in transactions described in Section 8(f)(iii)) and the consideration per share for which additional shares of Common Stock may at any time thereafter be issuable pursuant to the terms of such Convertible Securities is less than the Current Market Price on the date of issuance of such securities, the Conversion Price shall be adjusted as provided below, such that a holder of shares of Series C Preferred Stock, upon conversion of his shares of Series C Preferred Stock into shares of Common Stock, shall have the right to receive that number of shares of Common Stock which, after giving effect to the following formula, such holder would receive if such holder elected to convert his shares of Series C Preferred Stock into Common Stock. The Conversion Price shall be adjusted to the number determined by multiplying the current Conversion Price by a fraction, (A) the numerator of which shall be the sum of (i) the number of shares of Common Stock outstanding immediately prior to the issuance of such securities and (ii) the quotient of (x) the aggregate consideration received for the issuance of such securities, divided by (y) the Current Market Price per share on the date of issuance of such securities and (B) the denominator of which shall be the sum of (i) the number of shares of Common Stock outstanding immediately prior to the issuance of such securities and (ii) the maximum number of shares deliverable upon conversion or in exchange for such securities at the initial conversion or exchange rate. The adjustment shall be made on the basis that (i) the maximum number of additional shares of Common Stock necessary to effect the conversion or exchange of all such Convertible Securities shall be deemed to have been issued and (ii) the aggregate consideration for such maximum number of additional shares of Common Stock shall be deemed to be the minimum consideration received and receivable by the Corporation for the issuance of such additional shares pursuant to the terms of such Convertible Securities. No adjustment of the Conversion Price shall be made under this Section 8(f)(iv) upon the issuance of any Convertible Securities which are issued pursuant to the exercise of any warrants or other subscription or purchase rights therefor, if such adjustment shall previously have been made upon the issuance of such warrants or other rights pursuant to Section 8(f)(iii).

(B) The adjustment shall be made successively whenever any such issuance is made, and shall become effective immediately after such issuance.

(C) This Section 8(f)(iv) does not apply to: (i) the conversion of the shares of Series C Preferred Stock and (ii) any shares issued under the Amended and Restated Rent-A-Center, Inc. Long-Term Incentive Plan, and any other such plans adopted by the Board of Directors.

(v) Conversion Price Date. For purposes of Sections 8(f)(iii) and 8(f)(iv), the date as of which the Conversion Price shall be computed shall be the earliest of (i) the date on which the Corporation shall take a record of the holders of its Common Stock for the purpose of entitling them to receive any warrants or other rights referred to in Section 8(f)(iii) or to receive

any Convertible Securities, (ii) the date on which the Corporation shall enter into a firm contract for the issuance of such warrants or other rights or Convertible Securities or (iii) the date of the actual issuance of such warrants or other rights or Convertible Securities.

(vi) No Compound Adjustment. No adjustment of the Conversion Price shall be made under Section 8(f)(ii) upon the issuance of any additional shares of Common Stock which are issued pursuant to the exercise of any warrants or other subscription or purchase rights or pursuant to the exercise of any conversion or exchange rights in any Convertible Securities, if such adjustment shall previously have been made upon the issuance of such warrants or other rights or upon the issuance of such Convertible Securities (or upon the issuance of any warrants or other rights therefor), pursuant to Sections 8(f)(iii).

(vii) Readjustment. If any warrants or other rights (or any portions thereof) which shall have given rise to an adjustment pursuant to Section 8(f)(iii) or conversion rights pursuant to Convertible Securities which shall have given rise to an adjustment pursuant to Section 8(f)(iv) shall have expired or terminated without the exercise thereof and/or if by reason of the terms of such warrants or other rights or Convertible Securities there shall have been an increase or increases, with the passage of time otherwise, in the price payable upon the exercise or conversion thereof, then the Conversion Price hereunder shall be readjusted (but to no greater extent than originally adjusted), taking into account all transactions described in Sections 8(f)(i) through 8(f)(iv) hereof that have occurred in the interim, on the basis of (i) eliminating from the computation any additional shares of Common Stock corresponding to such warrants or other rights or conversion rights as shall have expired or terminated, (ii) treating the additional shares of Common Stock, if any, actually issued or issuable pursuant to the previous exercise of such warrants or other rights or of conversion rights pursuant to any Convertible Securities as having been issued for the consideration actually received and receivable therefor and (iii) treating any of such warrants or other rights or conversion rights pursuant to any Convertible Securities which remain outstanding as being subject to exercise or conversion on the basis of such exercise or Conversion Price as shall be in effect at the time; provided, however, that any consideration which was actually received by the Corporation in connection with the issuance or sale of such warrants or other rights shall form part of the readjustment computation even though such warrants or other rights shall have expired or terminated without the exercise thereof.

(viii) Consideration Received. To the extent that any additional shares of Common Stock, any warrants, options or other rights to subscribe for or purchase any additional shares of Common Stock, or any Convertible Securities shall be issued for cash consideration, the consideration received by the Corporation therefor shall be deemed to be the amount of the cash received by the Corporation therefor, or, if such additional shares, warrants, options or other rights or Convertible Securities are sold to underwriters or dealers for public offering without a subscription offering, the initial public offering price, in any such case excluding any amounts paid or receivable for accrued interest or accrued dividends and without deduction of any compensation, discounts or expenses paid or incurred by the Corporation for and in the underwriting of, or otherwise in connection with, the issuance thereof. If and to the extent that such issuance shall be for a consideration other than cash, then, except as herein otherwise expressly provided, the amount of such consideration shall be deemed to be the fair value of such consideration at the time of such issuance as determined by the Board of Directors of the Corporation. If additional shares of Common Stock shall be issued as part of a unit with warrants

or other rights, then the amount of consideration for the warrant or other right shall be deemed to be the amount determined at the time of issuance by the Board of Directors of the Corporation. If the Board of Directors of the Corporation shall not make any such determination, the consideration for the warrant, option or other right shall be deemed to be zero.

(ix) Other Conversions. If a state of facts shall occur which, without being specifically controlled by the provisions of this Section 8, would not fairly protect the conversion rights of the holders of shares of Series C Preferred Stock in accordance with the essential intent and principles of such provisions, then the Board of Directors of the Corporation shall make an adjustment in the application of such provisions, in accordance with such essential intent and principles, so to protect such conversion rights.

(x) De Minimis Adjustment. Anything herein to the contrary notwithstanding, no adjustment in the Conversion Price shall be required unless such adjustment, either by itself or with other adjustments not previously made, would require a change of at least one percent (1%) in the Conversion Price; provided, however, that any adjustment which by reason of this Section 8(f)(x) is not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 8 shall be made to the nearest one-tenth of a cent ($.001) (rounded to the nearest cent ($.01) with respect to any monetary amount to be actually paid) or to the nearest one hundredth (0.01) of a share, as the case may be.

(xi) Current Market Price. For the purpose of any computation hereunder, the "CURRENT MARKET PRICE" on any date will be the average of the last reported sale prices per share (the "QUOTED PRICE") of the Common Stock on each of the fifteen consecutive Trading Days (as defined below) preceding the date of the computation. The Quoted Price of the Common Stock on each day will be (A) the last reported sales price of the Common Stock on the principal stock exchange on which the Common Stock is listed, or (B) if the Common Stock is not listed on a stock exchange, the last reported sales price of the Common Stock on the principal automated securities price quotation system on which sale prices of the Common Stock are reported, or (C) if the Common Stock is not listed on a stock exchange and sale prices of the Common Stock are not reported on an automated quotation system, the mean of the high bid and low asked price quotations for the Common Stock as reported by National Quotation Bureau Incorporated if at least two securities dealers have inserted both bid and asked quotations for the Common Stock on a day will be the Quoted Price of the Common Stock on that day as determined by a member firm of the New York Stock Exchange, Inc. selected by the Board of Directors. If no two securities dealers have inserted such bid and ask quotations, or such Quoted Prices otherwise are not available, the Current Market Price means the fair market value of the Common Stock as of the date prior to the date on which the Current Market Price is determined, which such fair market value shall be determined by the Board of Directors of the Corporation. As used with regard to the Series C Preferred Stock, the term "TRADING DAY" means (x) if the Common Stock is listed on at least one stock exchange, a day on which there is trading on the principal stock exchange on which the Common Stock is listed, (y) if the Common Stock is not listed on a stock exchange, but sale prices of the Common Stock are reported on an automated quotation system, a day on which trading is reported on the principal automated quotation system on which sales of the Common Stock are reported, or (z) if the Common Stock is not listed on a stock exchange

and sale prices of the Common Stock are not reported on an automated quotation system, a day on which quotations are reported by National Quotation Bureau Incorporated.

(g) No fractional shares of Common Stock shall be issued upon the conversion of Series C Preferred Stock. If any fractional interest in a share of Common Stock would, except for the provisions of this subparagraph (g), be deliverable upon the conversion of any Series C Preferred Stock, the Corporation shall, in lieu of delivering the fractional share therefor, adjust such fractional interest by payment to the holder of such converted Series C Preferred Stock of an amount in cash equal (computed to the nearest cent) to the Current Market Price of such fractional interest as of the end of the Corporation's last fiscal year as determined in good faith in the sole discretion of the Board of Directors of the Corporation.

(h) Whenever the Conversion Price is adjusted, as herein provided, the Corporation shall promptly mail a notice of the adjustment to holders of Series C Preferred Stock by first class mail. The Corporation shall forthwith maintain at its principal executive office and file with the transfer agent, if any, for Series C Preferred Stock, a statement, signed by the Chairman of the Board, or the President, or a Vice President of the Corporation and by its chief financial officer or an Assistant Treasurer, showing in reasonable detail the facts requiring such adjustment and the Conversion Price after such adjustment. Such transfer agent shall be under no duty or responsibility with respect to any such statement except to exhibit the same from time to time to any holder of Series C Preferred Stock desiring an inspection thereof.

(i) If there shall occur any capital reorganization or any reclassification of the capital stock of the Corporation, consolidation or merger of the Corporation with or into another entity, or the conveyance of all or substantially all of the assets of the Corporation to another person or entity, each share of Series C Preferred Stock shall thereafter be convertible into the number of shares or other securities or property to which a holder of the number of shares of Common Stock of the Corporation deliverable upon conversion of such Series C Preferred Stock would have been entitled upon such reorganization, reclassification, consolidation, merger or conveyance; and, in any such case, appropriate adjustment (as determined in good faith in the sole discretion of the Board of Directors of the Corporation) shall be made in the application of the provisions herein set forth with respect to the rights and interests thereafter of the holders of the Series C Preferred Stock, to the end that the provisions set forth herein (including provisions with respect to changes in and other adjustments of the Conversion Price) shall be applicable, as nearly as reasonably may be, in relation to any shares or other property thereafter deliverable upon the conversion of the Series C Preferred Stock.

(j) The Corporation shall at all times reserve and keep available, out of its authorized but unissued shares of Common Stock or treasury shares thereof, solely for the purpose of issuance upon the conversion of Series C Preferred Stock, the full number of shares of Common Stock deliverable upon the conversion of all Series C Preferred Stock from time to time outstanding. The Corporation shall from time to time, in accordance with the laws of the State of Delaware, increase the authorized amount of its Common Stock if at any time the authorized number of shares of Common Stock remaining unissued shall not be sufficient to permit the conversion of all of the Series C Preferred Stock at the time outstanding.

(k) The Corporation shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon conversion of the Series C Preferred Stock into Common Stock. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any security in a name other than that in which the Series C Preferred Stock so converted was registered, and no such issue or delivery shall be made unless and until the person requested such issue has paid to the Corporation the amount of any such tax, or has established to the satisfaction of the Corporation that such tax has been paid.

9. Exclusion of Other Rights.

Except as otherwise required by law, shares of Series C Preferred Stock shall not have any preferences or relative, participating, optional or other special rights, other than those specifically set forth in this Certificate of Designations (as such Certificate may be amended from time to time) and in the Certificate of Incorporation. No shares of Series C Preferred Stock shall have any rights of preemption or subscription whatsoever as to any securities of the Corporation, except as expressly provided in any written agreement among the Corporation and any holder or holders of Series C Preferred Stock.

10. Reissuance of Preferred Stock.

Shares of Series C Preferred Stock that have been issued and reacquired in any manner, including shares purchased or redeemed or exchanged, shall (upon compliance with any applicable provisions of the General Corporation Law of the State of Delaware) be canceled and shall not be reissued.

11. Headings of Subdivisions.

The headings of the various subdivisions hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

12. Severability of Provisions.

If any right, preference or limitation of the Series C Preferred Stock set forth in this Certificate of Designations for the Series C Preferred Stock (as such Certificate may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule or law or public policy, all other rights, preferences and limitations set forth in this Certificate of Designations (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

13. Notice.

All notices and other communications required or permitted to be given to the Corporation hereunder shall be made by hand delivery or registered or certified mail, return receipt requested, to the Corporation at its principal executive offices (currently located on the date of the adoption of this Certificate of Designations at 5700 Tennyson Parkway, Third Floor,

Plano, Texas 75024, Attention: Secretary. Minor imperfections in any such notice shall not affect the validity thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, and in accordance with Section 151 of the General Corporation Law of the State of Delaware, the undersigned has executed this Certificate of Designations as of the date first above written.

RENT-A-CENTER, INC.

By: /s/ MITCHELL E. FADEL

Mitchell E. Fadel
President and Chief Operating Officer

EXHIBIT 4.5

SERIES C CONVERTIBLE PREFERRED STOCK SERIES C CONVERTIBLE PREFERRED STOCK

(RENT-A-CENTER, INC. LOGO)

RENT-A-CENTER, INC.

INCORPORATED UNDER THE LAWS
OF THE STATE OF DELAWARE

NUMBER SHARES
PC

THIS CERTIFICATE IS TRANSFERABLE IN CUSIP 76009N 40 7
RIDGEFIELD, NJ OR NEW YORK, NY SEE REVERSE FOR CERTAIN DEFINITIONS

THIS CERTIFIES THAT

is the REGISTERED HOLDER of

FULLY PAID AND NONASSESSABLE SHARES OF SERIES C CONVERTIBLE PREFERRED STOCK, PAR VALUE OF $.01 PER SHARE, OF

RENT-A-CENTER, INC. transferable on the books of the Corporation by the holder hereof in person or by duly authorized attorney upon surrender of this Certificate properly endorsed. This Certificate and the shares represented hereby are issued and shall be held subject to all of the provisions of the Corporation's Certificate of Incorporation and any amendments thereof, copies of which are on file in the office of the Transfer Agent, to all of which the holder by acceptance hereof assents. This Certificate is not valid unless countersigned by the Transfer Agent and registered by the Registrar.

In Witness Whereof, the Corporation has caused the facsimile signatures of its duly authorized officers and its facsimile seal to be hereunto affixed.

DATED:
COUNTERSIGNED AND REGISTERED:
MELLON INVESTORS SERVICES LLC
TRANSFER AGENT
AND REGISTRAR

BY:

AUTHORIZED SIGNATURE

/s/ MITCH FADEL /s/ DAVID GLASGOW

PRESIDENT SECRETARY

{SEAL)

RENT-A-CENTER, INC.

The Corporation will furnish, without charge, to each stockholder who so requests a statement of the powers, designations, preferences and relative, participating, optional, or other special rights of each class of stock or series thereof of the Corporation and the qualifications, limitations or restrictions of such preferences and/or rights. Such request may be made to the Secretary of the Corporation at its principal office or to the Transfer Agent.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	--	as tenants in common	UNIF GIFT MIN ACT --	_____ Custodian _____
TEN ENT	--	as tenants by the entireties		(Cust) (Minor)
JT TEN	--	as joint tenants with right of survivorship and not as tenants in common		Under Uniform Gifts to Minors Act_____ (State)

Additional abbreviations may also be used though not in the above list.

For Value Received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE
[ ]

- ---

- ---

Please print or typewrite name and address including postal zip code of assignee

- ---

- ---

Shares of the capital stock represented by the within

- ---

Certificate, and do hereby irrevocably constitute and appoint

- ---

Attorney to transfer the said stock on the books of the within-named Corporation will full power of substitution in the premises.

Dated _____

X _____
(Signature)

X _____
(Signature)

NOTICE:
THE SIGNATURE(S) TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME(S) AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

THE SIGNATURE(S) MUST BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15.

SIGNATURE(S) GUARANTEED BY:

_____

EXHIBIT 4.11

(a) Form of Securities

No. [ ] Principal Amount $[ ]

CUSIP

---

7 1/2% Senior Subordinated Note due 2010, Series B

Rent-A-Center, Inc., a Delaware corporation, promises to pay to Cede & Co., or registered assigns, the principal sum of [_____] Dollars on May 1, 2010.

Interest Payment Dates: May 1st and November 1st, commencing May 1st 2003.
Record Dates: April 15th and October 15th.

Additional provisions of this Security are set forth on the other side of this Security.

Dated: , 200 RENT-A-CENTER, INC.

By:
Name:
Title:

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION
THE BANK OF NEW YORK,

as Trustee, certifies
that this is one of the
Securities referred to
in the Indenture.

By:
Authorized Signatory

[FORM OF REVERSE SIDE OF SENIOR SUBORDINATED SECURITY]

7 1/2% Senior Subordinated Note due 2010, Series B

1. Interest

Rent-A-Center, Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Company"), promises to pay interest on the principal amount of this Security at the rate per annum shown above.

The Company will pay interest semiannually in cash and in arrears to Holders of record at the close of business on the April 15th and October 15th immediately preceding the interest payment date on May 1st and November 1st of each year, commencing November 1st 2003. Interest on the Securities will accrue from the most recent date to which interest has been paid on the Securities or, if no interest has been paid, from May 6th 2003. The Company shall pay interest on overdue principal or premium, if any (plus interest on such interest to the extent lawful), at the rate borne by the Securities to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

2. Method of Payment

By at least 10:00 a.m. (New York City time) on the date on which any principal of or interest or Liquidated Damages on the Securities is due and payable, the Company shall irrevocably deposit with the Trustee or the Paying Agent money sufficient to pay such principal, premium, if any, Liquidated Damages, if any, and/or interest. The Company will pay interest (except defaulted interest) to the Persons who are registered Holders of Securities at the close of business on the 15th of April or the 15th of October next preceding the interest payment date even if the Securities are cancelled, repurchased or redeemed after the record date and on or before the interest payment date. Holders must surrender Securities to a Paying Agent to collect principal payments. If a Holder has given wire transfer instructions to the Company, the Company will pay all principal, interest and premium and Liquidated Damages, if any, on that Holder's Securities in accordance with those instructions. All other payments on Securities will be made at the office or agency of the Paying Agent and Note Registrar within the City and State of New York unless the Company elects to make interest payments by check mailed to the Holders at their address set forth in the Note Register.

3. Trustee, Paying Agent and Note Registrar

Initially, The Bank of New York, a New York banking corporation (the "Trustee"), will act as Trustee, Paying Agent and Note Registrar. The Company may appoint and change any Paying Agent, Note Registrar or co-registrar without notice to any Securityholder. The Company or any of its domestically incorporated Wholly Owned Subsidiaries may act as Paying Agent, Note Registrar or co-registrar.

4. Indenture

The Company issued the Securities under an Indenture dated as of May 6, 2003 (as it may be amended or supplemented from time to time in accordance with the terms thereof, the "Indenture"), among the Company, the Guarantors and the Trustee. The terms of the Securities include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. Sections 77aaa-77bbbb) as in effect on the date of the

Indenture (the "Act"). Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The Securities are subject to all such terms, and Securityholders are referred to the Indenture and the Act for a statement of those terms.

The Securities are general unsecured senior subordinated obligations of the Company initially issued in aggregate principal amount of $300,000,000, but subject to additional issuances from time to time under the Indenture. This Security is one of the Securities referred to in the Indenture. The Securities include the Series A Notes and any Series B Notes issued in exchange for the Series A Notes pursuant to the Indenture and the Registration Rights Agreement. The Series A Notes and the Series B Notes and any Additional Securities subsequently issued under the Indenture are treated as a single class of securities for all purposes under the Indenture including, without limitation, waivers, amendments, redemptions and offers to purchase. The Indenture imposes certain limitations on the incurrence of Indebtedness by the Company and its Restricted Subsidiaries, the payment of dividends on, and the purchase or redemption of, Capital Stock of the Company and its Restricted Subsidiaries, certain purchases or redemptions of Subordinated Indebtedness, the sale or transfer of assets and Capital Stock of Restricted Subsidiaries, investments of the Company and its Restricted Subsidiaries and transactions with Affiliates. In addition, the Indenture limits the ability of the Company and its Subsidiaries to restrict distributions and dividends from Restricted Subsidiaries.

5. Optional Redemption

At any time prior to May 1, 2006, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of the Securities at a redemption price of 107.500% of the principal amount, plus accrued and unpaid interest to the redemption date and Liquidated Damages, if any, with the net cash proceeds of one or more Public Equity Offerings; provided, that: (i) at least 65% of the aggregate principal amount of Securities issued under the Indenture remains outstanding immediately after the occurrence of such redemption (excluding Securities held by the Company and its Subsidiaries); and (ii) the redemption occurs within 45 days of the date of the closing of such Public Equity Offering.

Except pursuant to the preceding paragraph, the Securities will not be redeemable at the Company's option prior to May 1, 2006.

Upon not less than 30 nor more than 90 days' notice, the Securities are redeemable, at the Company's option, in whole or in part, at any time and from time to time on and after May 1, 2006 and prior to maturity. The Securities may be redeemed at the following redemption prices, expressed as a percentage of principal amount, plus accrued and unpaid interest to the redemption date and Liquidated Damages, if any, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, if redeemed during the 12-month period commencing on May 1st of the years set forth below:

Year	Redemption Price
2006	103.750%
2007	102.500%
2008	101.250%
2009 and thereafter	100.000%

6. Notice of Redemption

Notice of redemption will be mailed at least 30 days but not more than 90 days before the redemption date to each Holder of Securities to be redeemed at his registered address. Securities in denominations of principal amount larger than $1,000 may be redeemed in part but only in whole multiples of $1,000. If money sufficient to pay the redemption price of and accrued and unpaid interest on all Securities (or portions thereof) to be redeemed on the redemption date is deposited with the Paying Agent on or before the redemption date and certain other conditions are satisfied, on and after such date interest ceases to accrue on such Securities (or such portions thereof) called for redemption.

7. Mandatory Redemption

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Securities.

8. Put Provisions

Upon a Change of Control, any Holder of Securities will have the right to cause the Company to repurchase all or any part of the Securities of such Holder at a repurchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest to the date of repurchase and Liquidated Damages, if any, as provided in, and subject to the terms of, the Indenture.

9. Subordination and Ranking

The Securities are subordinated to Senior Indebtedness, as defined in the Indenture. To the extent provided in the Indenture, Senior Indebtedness must be paid before the Securities may be paid. The Company agrees, and each Securityholder by accepting a Security agrees, to the subordination provisions contained in the Indenture and authorizes the Trustee to give them effect and appoints the Trustee as attorney-in-fact for such purpose. The Securities will in all respects rank pari passu with all other Senior Subordinated Indebtedness of the Company.

10. Denominations; Transfer; Exchange

The Securities are in registered form without coupons in denominations of principal amount of $1,000 and whole multiples of $1,000. A Holder may transfer or exchange Securities in accordance with the Indenture. The Note Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Note Registrar need not register the transfer of or exchange of (i) any Security selected for redemption (except, in the case of a Security to be redeemed in part, the portion of the Security not to be redeemed) for a period beginning 15 days before a selection of Securities to be redeemed and ending on the date of such selection or (ii) any Securities for a period beginning 15 days before an interest payment date and ending on such interest payment date.

11. Persons Deemed Owners

The registered Holder of this Security may be treated as the owner of it for all purposes.

12. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request unless an abandoned property law designates another Person. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee for payment.

13. Defeasance

Subject to certain conditions set forth in the Indenture, the Company at any time may terminate some or all of its obligations under the Securities and the Indenture if the Company deposits with the Trustee money or U.S. Government Obligations for the payment of principal and Liquidated Damages, if any, and interest on the Securities to redemption or maturity, as the case may be.

14. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture or the Securities may be amended with the written consent of the Holders of at least a majority in principal amount of the outstanding Securities (including the Additional Securities, if any) and (ii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount of the outstanding Securities (including the Additional Securities, if any). Subject to certain exceptions set forth in the Indenture, without the consent of any Securityholder, the Company and the Trustee may amend the Indenture or the Securities to cure any ambiguity, omission, defect or inconsistency, or to comply with Article Five of the Indenture, or to provide for uncertificated Securities in addition to or in place of certificated Securities, or to add guarantees with respect to the Securities or to secure the Securities, or to add additional covenants or surrender rights and powers conferred on the Company, or to comply with any request of the SEC in connection with qualifying the Indenture under the Act, or to make any change that does not adversely affect the rights of any Securityholder, or to provide for the issuance of Series B Notes, or to provide for the issuance of Additional Securities in accordance with the limitations set forth in the Indenture, or to or to conform the text of the Indenture, the Note Guarantees or the Securities to any provision of the Description of Notes contained in the Offering Memorandum related to the Securities, dated as of May 1, 2003, to the extent that such provision in the Description of Notes was intended to be a verbatim recitation of a provision of the Indenture, the Note Guarantees or the Securities. However, no amendment may be made to the subordination provisions of the Indenture that adversely affects the rights of any holder of Senior Indebtedness then outstanding unless the holders of such Senior Indebtedness (or any group or representative thereof authorized to give a consent) consent to such change.

15. Defaults and Remedies

Under the Indenture, Events of Default include (i) a default in any payment of interest on, or Liquidated Damages, if any, with respect to, any Security when due (whether or not such payment is prohibited by Article Thirteen of the Indenture), continued for 30 days, (ii) a default in the payment of principal of, or premium on, if any, any Security when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise, whether or not such payment is prohibited by Article Thirteen of the Indenture, (iii) the failure by the Company to comply with its obligations under Section 801 of the Indenture, (iv) the failure by the Company to comply for 30 days after written notice with any of its obligations

under Sections 1009, 1010, 1011, 1012, 1013, 1014, 1015, 1016, 1017, 1019, 1020 or 1022 of the Indenture (in each case, other than a failure to purchase Securities when required under Sections 1016 or 1017 of the Indenture), (v) the failure by the Company to comply for 60 days after notice with its other agreements contained in the Securities or the Indenture, (vi) the failure by the Company or any Significant Subsidiary to pay any Indebtedness within any applicable grace period after final maturity or the acceleration of any such Indebtedness by the holders thereof because of a default if the total amount of such Indebtedness unpaid or accelerated exceeds $50.0 million, (vii) certain events of bankruptcy, insolvency or reorganization of the Company or a Significant Subsidiary, (viii) the rendering of any judgment or decree for the payment of money in an amount (net of any insurance or indemnity payments actually received in respect thereof prior to or within 90 days from the entry thereof, or to be received in respect thereof in the event any appeal thereof shall be unsuccessful) in excess of $50.0 million against the Company or a Significant Subsidiary that is not discharged, bonded or insured by a third Person if (A) an enforcement proceeding thereon is commenced or (B) such judgment or decree remains outstanding for a period of 90 days following such judgment or decree and is not discharged, waived or stayed; (ix) the failure of any Guarantee of the Securities by a Guarantor to be in full force and effect (except as contemplated by the terms thereof or of this Indenture) or the denial or disaffirmation in writing by any such Guarantor of its obligations under this Indenture or any Note Guarantee if such Default continues for 10 days; or the failure of Rent-A-Center East, Inc. to purchase, redeem, defease, retire or acquire all outstanding Existing Senior Subordinated Notes by August 30, 2003.

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

A Default under clause (iv) or (v) above shall not constitute an Event of Default until the Trustee or the Holders of at least 25% in principal amount of the outstanding Securities notify the Company of the Default and the Company does not cure such Default within the time specified after receipt of such notice.

If an Event of Default, other than a Default relating to certain events of bankruptcy, insolvency or reorganization of the Company, occurs and is continuing, either the Trustee, by notice to the Company, or the Holders of at least a majority in principal amount of the Outstanding Securities, by notice to the Company and the Trustee, may declare the principal of and accrued but unpaid interest on all such Securities to be due and payable.

Certain events of bankruptcy, insolvency or reorganization are Events of Default which will result in the Securities being due and payable immediately upon the occurrence of such Events of Default. Under certain circumstances, the Holders of a majority in principal amount of the Securites may rescind any such acceleration with respect to the Securities and its consequences.

Securityholders may not enforce the Indenture or the Securities except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Securities unless it receives indemnity or security reasonably satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Securities may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Securityholders notice of any continuing Default

or Event of Default (except a Default or Event of Default in payment of principal or interest) if it determines that withholding notice is in their interest.

16. Trustee Dealings with the Company

Subject to certain limitations set forth in the Indenture, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with and collect obligations owed to it by the Company, the Guarantors or their affiliates and may otherwise deal with the Company, the Guarantors or their affiliates with the same rights it would have if it were not Trustee.

17. No Recourse Against Others

No director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, will have any liability for any obligations of the Company or any Guarantor under the Securities, the Indenture, the Note Guarantees, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Securityholder by accepting a Security waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Securities.

18. Authentication

This Security shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent acting on its behalf) manually signs the certificate of authentication on the other side of this Security.

19. Registration Rights

In addition to the rights provided to Holders of Securities under the Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes will have all the rights set forth in the Registration Rights Agreement dated as of May 6, 2003, among the Company, the Guarantors and the other parties named on the signature pages thereof or, in the case of Additional Securities, Holders of Restricted Global Notes and Restricted Definitive Notes will have the rights set forth in one or more registration rights agreements, if any, among the Company, the Guarantors and the other parties thereto, relating to rights given by the Company and the Guarantors to the purchasers of any Additional Securities (collectively, the "Registration Rights Agreement").

20. Abbreviations

Customary abbreviations may be used in the name of a Securityholder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entirety), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian) and U/G/M/A (=Uniform Gift to Minors Act).

21. CUSIP Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Securities and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Securityholders. No representation is made as to the accuracy of such numbers

either as printed on the Securities or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

22. Governing Law

THIS SECURITY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK EXCLUDING (TO THE GREATEST EXTENT PERMISSIBLE BY LAW) ANY RULE OF LAW THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK.

The Company will furnish to any Securityholder upon written request and without charge to the Securityholder a copy of the Indenture. Requests may be made to:

Rent-A-Center, Inc.
5700 Tennyson Parkway, Third Floor
Plano, Texas 75024
Attention of Robert D. Davis, Chief Financial Officer

ASSIGNMENT FORM

To assign this Security, fill in the form below:

(I) or (we) assign and transfer this Security to:

(Insert assignee's legal name)

- ---

(Insert assignee's soc. sec. or tax I.D. no.)

- ---

- ---

- ---

- ---

(Print or type assignee's name, address and zip code)

and irrevocably appoint

---

to transfer this Security on the books of the Company. The agent may substitute another to act for him.

Date: _____

Your Signature:

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Security purchased by the Company pursuant to Section 1016 or 1017 of the Indenture, check the appropriate box below:

[ ]Section 1016 [ ]Section 1017

If you want to elect to have only part of the Security purchased by the Company pursuant to Section 1016 or Section 1017 of the Indenture, state the amount you elect to have purchased:

$_____

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: _____

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

[TO BE ATTACHED TO GLOBAL NOTES]

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL NOTE

The following increases or decreases in this Global Note have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease or increase	Signature of authorized signatory of Trustee or Custodian

EXHIBIT 5.1

[LETTERHEAD OF WINSTEAD SECHREST & MINICK P.C.]

July __, 2003

Rent-A-Center, Inc.
5700 Tennyson Parkway
Third Floor
Plano, Texas 75024

Re: Rent-A-Center, Inc.
Registration Statement on Form S-4 (File No. 333-_____)

Ladies and Gentlemen:

We have acted as counsel to Rent-A-Center, Inc., a Delaware corporation (the "COMPANY"), and each of the Company's wholly-owned subsidiaries set forth in Schedule A attached hereto (the "SUBSIDIARY GUARANTORS"), in connection with the public offering by the Company of $300,000,000 aggregate principal amount at maturity of the Company's 7 1/2% Senior Subordinated Notes due 2010, Series B (the "EXCHANGE NOTES"), which are to be fully and unconditionally guaranteed on a senior unsecured basis pursuant to the guarantees (the "GUARANTEES") by each of the Subsidiary Guarantors. The Exchange Notes are to be issued under the Indenture, dated as of May 6, 2003, by and among the Company, the Subsidiary Guarantors and The Bank of New York, as Trustee (the "INDENTURE"), in exchange (the "EXCHANGE OFFER") for a like principal amount at maturity of the Company's issued and outstanding 7 1/2% Senior Subordinated Notes due 2010, Series A (the "OLD NOTES"), which were issued pursuant to the Indenture, as contemplated by that certain Registration Rights Agreement, dated as of May 6, 2003 (the "REGISTRATION RIGHTS AGREEMENT"), by and among the Company, the Subsidiary Guarantors, Lehman Brothers Inc., J.P. Morgan Securities Inc., Morgan Stanley & Co. Incorporated, Bear, Stearns & Co. Inc., UBS Warburg LLC and Wachovia Securities, Inc.

This opinion is being furnished in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act of 1933, as amended (the "ACT").

In connection with rendering this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of the Registration Statement on Form S-4 (File No. 333-_____) originally filed with the Securities and Exchange Commission (the "COMMISSION") on July __, 2003 under the Act (such Registration Statement, as amended or supplemented, being hereinafter referred to as the "REGISTRATION STATEMENT"); (ii) executed copies of the Registration Rights Agreement; (iii) executed copies of the Indenture; (iv) specimens of the certificates representing the Exchange Notes and the Guarantees included in the Indenture; (v) the Certificate of Incorporation of the Company, as amended and as in effect on the date hereof;

(vi) the Second Restated Certificate of Incorporation of Rent-A-Center East, Inc., as amended and as in effect on the date hereof; (vii) the Articles of Incorporation of ColorTyme, Inc., as in effect on the date hereof; (vii) the Restated Certificate of Incorporation of Rent-A-Center West, Inc., as in effect on the date hereof; (viii) the Certificate of Formation of Get It Now, L.L.C., as in effect on the date hereof; (ix) the Certificate of Limited Partnership of Rent-A-Center Texas, L.P., as amended and as in effect on the date hereof; (x) the Articles of Organization of Rent-A-Center Texas, L.L.C., as in effect on the date hereof; (xi) the Bylaws of the Company and each of the Subsidiary Guarantors, as in effect on the date hereof; (xii) certain resolutions adopted by the Board of Directors of the Company (the "BOARD"), the Finance Committee of the Board and each of the Subsidiary Guarantors relating to the Exchange Offer, the issuance of the Old Notes and the Exchange Notes, the Indenture, the Guarantees, and related matters; and (xiii) the Form T-1 of the Trustee filed as an exhibit to the Registration Statement. We have also examined originals or copies, certified or otherwise identified to our satisfaction, of such records of the Company and the Subsidiary Guarantors and such agreements, certificates of public officials, certificates of officers or other representatives of the Company and others, and such other documents, certificates and records as we have deemed necessary or appropriate as a basis for the opinions set forth herein.

In our examination, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or photostatic copies and the authenticity of the originals of such latter documents. In making our examination of documents executed or to be executed by parties other than the Company or the Subsidiary Guarantors, we have assumed that such parties had or will have the power, corporate or other, to enter into and perform all obligations thereunder and have also assumed the due authorization by all requisite action, corporate or other, and execution and delivery by such parties of such documents and the validity and binding effect thereof. As to any facts material to the opinions expressed herein which we have not independently established or verified, we have relied upon statements and representations of officers and other representatives of the Company, the Subsidiary Guarantors and others.

Based upon and subject to the foregoing and the limitations, qualifications, exceptions and assumptions set forth herein, we are of the opinion that when (i) the Registration Statement becomes effective and the Indenture is qualified under the Trust Indenture Act of 1939, as amended; (ii) the Exchange Notes have been duly executed and authenticated in accordance with the terms of the Indenture and have been delivered upon consummation of the Exchange Offer against receipt of Old Notes surrendered in exchange therefor in accordance with the terms of the Exchange Offer; and (iii) the Guarantees by each of the Subsidiary Guarantors have been duly executed by the respective Subsidiary Guarantors and have been delivered upon consummation of the Exchange Offer in accordance with the terms of the Exchange Offer, the Exchange Notes and the Guarantees will constitute valid and binding obligations of the Company and the Subsidiary Guarantors, respectively, except to the extent that enforcement thereof may be limited by (1) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws now or hereafter in effect relating to creditors' rights generally and (2) general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

Our opinions herein are limited in all respects to the substantive law of the State of New York, the General Corporation Law of the State of Delaware, which includes those statutory provisions as well as all applicable provisions of the Delaware Constitution and the reported judicial decisions interpreting such laws, and the federal laws of the United States of America, and we do not express any opinion as to, the applicability of or the effect thereon of the laws of any other jurisdiction. We express no opinion as to any matter other than as set forth herein, and no opinion may be inferred or implied herefrom.

We hereby consent to the filing of this opinion with the Commission as an exhibit to the Registration Statement. We also consent to the reference to our firm under the caption "Legal Matters" in the Registration Statement. In giving this consent, we do not thereby admit that we are included in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

Winstead Sechrest & Minick P.C.

Schedule A

Subsidiary Guarantors under the Indenture

ColorTyme, Inc., a Texas corporation
Get It Now, LLC, a Delaware limited liability company
Rent-A-Center East, Inc., a Delaware corporation
Rent-A-Center Texas, L.L.C., a Nevada limited liability company
Rent-A-Center Texas, L.P., a Texas limited partnership
Rent-A-Center West, Inc., a Delaware corporation

EXECUTION VERSION

EXHIBIT 10.4

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CREDIT AGREEMENT

among

RENT-A-CENTER, INC.,

as Borrower,

The Several Lenders from Time to Time Parties Hereto,

MORGAN STANLEY SENIOR FUNDING INC.,

as Documentation Agent,

JPMORGAN CHASE BANK and BEAR, STEARNS & CO. INC.,

as Syndication Agents,

WACHOVIA BANK, NATIONAL ASSOCIATION, UBS WARBURG LLC,

UNITED OVERSEAS BANK and CREDIT LYONNAIS

as Managing Agents,

and

LEHMAN COMMERCIAL PAPER INC.,

as Administrative Agent

Dated as of May 28, 2003

LEHMAN BROTHERS INC. and J.P. MORGAN SECURITIES INC.,

as Joint Lead Arrangers and Bookrunners

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ANNEX:

SCHEDULES:

EXHIBITS:

CREDIT AGREEMENT, dated as of May 28, 2003, among RENT-A-CENTER, INC., a Delaware corporation (the "Borrower"), the several banks and other financial institutions or entities from time to time parties to this Agreement (the "Lenders"), MORGAN STANLEY SENIOR FUNDING INC., as documentation agent (in such capacity, the "Documentation Agent"), JPMORGAN CHASE BANK and BEAR, STEARNS & CO. INC., each as syndication agent (in such capacity, the "Syndication Agents"), WACHOVIA BANK, NATIONAL ASSOCIATION, UBS WARBURG LLC, UNITED OVERSEAS BANK and CREDIT LYONNAIS, each as managing agent (in such capacity, the "Managing Agents"), and LEHMAN COMMERCIAL PAPER INC., as administrative agent.

WHEREAS, the Borrower has requested that the Lenders make certain credit facilities available to the Borrower, and the Lenders are willing to make such credit facilities available upon and subject to the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the above premises, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

1.1. Defined Terms. As used in this Agreement, the terms listed in this Section 1.1 shall have the respective meanings set forth in this Section 1.1.

"ABR": for any day, a rate of interest per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the greater of (a) the Prime Rate in effect on such day and (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1%. For purposes hereof: "Prime Rate" shall mean the prime lending rate as set forth on the British Bankers Association Telerate page 5 (or such other comparable publicly available page as may, in the reasonable opinion of the Administrative Agent after notice to the Borrower, replace such page for the purpose of displaying such rate if such rate no longer appears on the British Bankers Association Telerate page 5), as in effect from time to time. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually available. Any change in the ABR due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective as of the opening of business on the effective day of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

"ABR Loans": Loans the rate of interest applicable to which is based upon the ABR.

"Adjustment Date": as defined in the Pricing Grid.

"Administrative Agent": Lehman Commercial Paper Inc., together with its affiliates, as the administrative agent for the Lenders under this Agreement and the other Loan Documents, together with any of its successors.

"Affiliate": as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" of a Person means the power, directly or indirectly, either to (a) vote 10% or more of the securities having ordinary voting power for the election of directors (or persons performing similar functions) of such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

"Agents": the collective reference to the Syndication Agents, the Documentation Agent, the Managing Agents and the Administrative Agent.

"Aggregate Exposure": with respect to any Lender at any time, an amount equal to, without duplication, the sum of (a) the aggregate then unpaid principal amount of such Lender's Term Loans together with such Lender's Term Loan Commitments then in effect, (b) the amount of such Lender's Revolving Commitment then in effect or, if the Revolving Commitments have been terminated, the amount of such Lender's Revolving Extensions of Credit then outstanding and (c) the aggregate then unpaid principal amount of such Lender's Tranche A Loans together with such Lender's Tranche A Commitments then in effect.

"Aggregate Exposure Percentage": with respect to any Lender at any time, the ratio (expressed as a percentage) of such Lender's Aggregate Exposure at such time to the Aggregate Exposure of all Lenders at such time.

"Agreement": this Credit Agreement, as amended, supplemented or otherwise modified from time to time.

"Applicable Margin": for each Type of Loan, the rate per annum set forth under the relevant column heading below:

	ABR Loans	Eurodollar Loans
Revolving Loans and Swingline Loans	1.25%	2.25%
Tranche A Loans	1.25%	2.25%
Term Loans	1.25%	2.25%

provided, that on and after the first Adjustment Date occurring after the completion of two full fiscal quarters of the Borrower after the Closing Date, the Applicable Margin will be determined pursuant to the Pricing Grid.

"Application": an application, in such form as the Issuing Lender may specify from time to time, requesting the Issuing Lender to issue a Letter of Credit.

"Approved Fund": with respect to any Lender, any fund that invests in commercial loans and is managed by such Lender or managed or advised by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

"Asset Sale": any Disposition of property or series of related Dispositions of property (excluding any such Disposition permitted by clause (a), (b), (c), (d), (f), (g), (h), (i) or (j) of Section 7.5 and any Disposition of Cash Equivalents) that yields gross proceeds to the Borrower or any of its Subsidiaries (valued at the initial principal amount thereof in the case of non-cash proceeds consisting of notes or other debt securities and valued at fair market value in the case of other non-cash proceeds) in excess of $500,000.

"Assignee": as defined in Section 10.6(c).

"Assignment and Acceptance": an Assignment and Acceptance, substantially in the form of Exhibit E.

"Assignor": as defined in Section 10.6(c).

"Assumed Indebtedness": Indebtedness assumed in connection with a Permitted Acquisition or Permitted Foreign Acquisition provided that (a) such Indebtedness is outstanding at the time of such acquisition and was not incurred in connection therewith or in contemplation thereof and (b) in the event that such Permitted Acquisition or Permitted Foreign Acquisition constitutes an acquisition of property other than Capital Stock, such Indebtedness was incurred in order to acquire or improve such property.

"Available Revolving Commitment": as to any Revolving Lender at any time, an amount equal to the excess, if any, of (a) such Lender's Revolving Commitment then in effect over (b) such Lender's Revolving Extensions of Credit then outstanding; provided, that in calculating any Lender's Revolving Extensions of Credit for the purpose of determining such Lender's Available Revolving Commitment pursuant to Section 2.8(a), the aggregate principal amount of Swingline Loans then outstanding shall be deemed to be zero.

"Available Term Commitment": as to any Term Lender at any time, an amount equal to the excess, if any, of (a) such Lender's Term Loan Commitment then in effect over (b) such Lender's Term Loans then outstanding.

"Benefitted Lender": as defined in Section 10.7(a).

"Board": the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Borrower": as defined in the preamble hereto.

"Borrowing Date": any Business Day specified by the Borrower as a date on which the Borrower requests the relevant Lenders to make Loans hereunder.

"Business": as defined in Section 4.17(b).

"Business Day": a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to close, provided, that with respect to notices and determinations in connection with, and payments of principal and interest on, Eurodollar Loans, such day is also a day for trading by and between banks in Dollar deposits in the interbank eurodollar market.

"Capital Expenditures": for any period, with respect to any Person, the aggregate of all expenditures (other than those made pursuant to Permitted Acquisitions or Permitted Foreign Acquisitions) by such Person and its Subsidiaries for the acquisition or leasing (pursuant to a capital lease) of fixed or capital assets or additions to equipment (including replacements, capitalized repairs and improvements during such period but excluding merchandise inventory acquired during such period) that should be capitalized under GAAP on a consolidated balance sheet of such Person and its Subsidiaries.

"Capital Expenditures (Expansion)": for any period, with respect to any Person, any Capital Expenditures made by such Person in connection with the opening of new stores to be operated by such Person.

"Capital Expenditures (Maintenance)": for any period, with respect to any Person, any Capital Expenditures which do not constitute Capital Expenditures (Expansion) of such Person.

"Capital Lease Obligations": as to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal

property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP.

"Capital Stock": any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

"Cash/Debt Consideration": with respect to any Permitted Acquisition or any Permitted Foreign Acquisition, the portion of the Purchase Price with respect thereto that is payable in the forms referred to in clauses (a) and (d) of the definition of "Purchase Price" set forth in Section 1.1.

"Cash Equivalents": (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition; (b) certificates of deposit, time deposits, eurodollar time deposits or overnight bank deposits having maturities of six months or less from the date of acquisition issued by any Lender or by any commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than $500,000,000; (c) commercial paper of an issuer rated at least A-2 by Standard & Poor's Ratings Services ("S&P") or P-2 by Moody's Investors Service, Inc. ("Moody's"), or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within six months from the date of acquisition; (d) repurchase obligations of any Lender or of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than 30 days, with respect to securities issued or fully guaranteed or insured by the United States government; (e) securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's; (f) securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any Lender or any commercial bank satisfying the requirements of clause (b) of this definition; (g) short term investments (not exceeding 35 days) in loans made to obligors having an investment grade rating from each of S&P and Moody's; or (h) shares of money market mutual or similar funds which invest exclusively in assets satisfying the requirements of clauses (a) through (g) of this definition.

"Closing Date": the date on which the conditions precedent set forth in Section 5.1 shall have been satisfied, which date is May 28, 2003.

"Code": the Internal Revenue Code of 1986, as amended from time to time.

"Collateral": all property of the Loan Parties, now owned or hereafter acquired, upon which a Lien is purported to be created by any Security Document.

"Commitment": as to any Lender, the sum of the Term Loan Commitment, the Tranche A Commitment and the Revolving Commitment of such Lender.

"Commitment Fee Rate": 1/2 of 1% per annum; provided, that on and after the first Adjustment Date occurring after the completion of two full fiscal quarters of the Borrower after the Closing Date, the Commitment Fee Rate will be determined pursuant to the Pricing Grid.

"Commonly Controlled Entity": an entity, whether or not incorporated, that is under common control with the Borrower within the meaning of Section 4001 of ERISA or is part of a group that includes the Borrower and that is treated as a single employer under Section 414 of the Code.

"Compliance Certificate": a certificate duly executed by a Responsible Officer substantially in the form of Exhibit B.

"Consolidated Current Assets": at any date, (a) all amounts (other than cash and Cash Equivalents) that would, in conformity with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of the Borrower and its Subsidiaries at such date and (b) without duplication of clause (a) above, the book value of all rental merchandise inventory of the Borrower and its Subsidiaries at such date.

"Consolidated Current Liabilities": at any date, all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption) on a consolidated balance sheet of the Borrower and its Subsidiaries at such date, but excluding (a) the current portion of any Funded Debt of the Borrower and its Subsidiaries and (b) without duplication of clause (a) above, all Indebtedness consisting of Revolving Loans or Swingline Loans to the extent otherwise included therein.

"Consolidated EBITDA": for any period, Consolidated Net Income for such period plus, without duplication and to the extent reflected as a charge or reduction in the statement of such Consolidated Net Income for such period, the sum of (a) income tax expense, (b) interest expense, amortization or writeoff of debt discount and debt issuance costs and commissions and other fees and charges associated with Indebtedness (including the Loans), (c) depreciation (excluding depreciation of rental merchandise) and amortization expense, including, without limitation, amortization of intangibles (including, but not limited to, goodwill) and organization costs, (d) any extraordinary, unusual or non-recurring non-cash expenses or losses (including, whether or not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, non-cash losses on sales of assets outside of the ordinary course of business) and (e) any other non-cash charges, and minus, to the extent included in the statement of such Consolidated Net Income for such period, the sum of (a) interest income, (b) any extraordinary, unusual or non-recurring income or gains (including, whether or not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, gains on the sales of assets outside of the ordinary course of business) and (c) any other non-cash income earned outside the ordinary course of business, all as determined on a consolidated basis. For the purposes of calculating Consolidated EBITDA for any Reference Period pursuant to any determination of the Consolidated Leverage Ratio, if during such Reference Period the Borrower or any Subsidiary shall have made a Material Disposition or Material Acquisition, Consolidated EBITDA for such Reference Period shall be calculated after giving pro forma effect thereto as if such Material Disposition or Material Acquisition (including any indebtedness incurred or acquired in connection therewith) occurred on the first day of such Reference Period. As used in this definition, "Material Acquisition" means any acquisition of property or series of related acquisitions of property that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the common stock of a Person and (b) involves the payment of consideration by the Borrower and its Subsidiaries in excess of $15,000,000 (or such lesser amount as the Borrower may determine in its discretion); and "Material Disposition" means any Disposition of property or series of related

Dispositions of property that yields gross proceeds to the Borrower or any of its Subsidiaries in excess of $15,000,000 (or such lesser amount as the Borrower may determine in its discretion).

"Consolidated Fixed Charge Coverage Ratio": for any period, the ratio of (a) the sum of Consolidated EBITDA for such period and, to the extent reducing Consolidated Net Income for such period, Consolidated Lease Expense for such period, less the aggregate amount actually paid by the Borrower and its Subsidiaries during such period on account of Capital Expenditures (Maintenance) to (b) Consolidated Fixed Charges for such period.

"Consolidated Fixed Charges": for any period, the sum (without duplication) of (a) Consolidated Interest Expense for such period, (b) Consolidated Lease Expense for such period, (c) regular, scheduled payments made during such period on account of principal of Indebtedness of the Borrower or any of its Subsidiaries (including scheduled principal payments in respect of the Term Loans but excluding prepayments thereof) and (d) cash dividend payments made during such period in respect of the Preferred Stock.

"Consolidated Funded Debt": at any date, the aggregate principal amount of all Funded Debt (which, for purposes of the calculation of Consolidated Funded Debt, shall be deemed to exclude any unfunded portion of the Letters of Credit) of the Borrower and its Subsidiaries at such date, determined on a consolidated basis in accordance with GAAP.

"Consolidated Interest Coverage Ratio": for any period, the ratio of (a) Consolidated EBITDA for such period to (b)Consolidated Interest Expense for such period.

"Consolidated Interest Expense": for any period, total cash interest expense (including that attributable to Capital Lease Obligations), net of cash interest income, of the Borrower and its Subsidiaries for such period with respect to all outstanding Indebtedness of the Borrower and its Subsidiaries (including all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing, commitment fees payable pursuant to Section 2.8 and net costs under Hedge Agreements in respect of such Indebtedness to the extent such net costs are allocable to such period in accordance with GAAP).

"Consolidated Lease Expense": for any period, the aggregate amount of fixed and contingent rentals payable by the Borrower and its Subsidiaries for such period with respect to leases of real and personal property, determined on a consolidated basis in accordance with GAAP.

"Consolidated Leverage Ratio": as at the last day of any period, the ratio of (a) Consolidated Funded Debt on such day to (b) Consolidated EBITDA for such period.

"Consolidated Net Income": for any period, the consolidated net income (or loss) of the Borrower and its Subsidiaries, determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded (a) the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary of the Borrower or is merged into or consolidated with the Borrower or any of its Subsidiaries, (b) the income (or deficit) of any Person (other than a Subsidiary of the Borrower) in which the Borrower or any of its Subsidiaries has an ownership interest, except to the extent that any such income is actually received by the Borrower or such Subsidiary in the form of dividends or similar distributions and (c) the undistributed earnings of any Subsidiary of the Borrower to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary is not at the time permitted by the terms of any Contractual Obligation (other than under any Loan Document) or Requirement of Law applicable to such Subsidiary.

"Consolidated Net Income Amount": at any date of determination, an amount equal to cumulative Consolidated Net Income from January 1, 2003 through the last day of the most recent fiscal quarter for which financial statements have been delivered pursuant to Section 6.1.

"Consolidated Net Worth": at any date, all amounts that would, in conformity with GAAP, be included on a consolidated balance sheet of the Borrower and its Subsidiaries under stockholders' equity at such date.

"Consolidated Working Capital": at any date, the excess of Consolidated Current Assets on such date over Consolidated Current Liabilities on such date.

"Continuing Directors": the directors of the Borrower on the Closing Date, and each other director of the Borrower, if, in each case, such other director's nomination for election to the board of directors of the Borrower is recommended by at least 66-2/3% of the then Continuing Directors.

"Contractual Obligation": as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control Investment Affiliate": as to any Person, any other Person that (a) directly or indirectly, is in control of, is controlled by, or is under common control with, such Person and (b) is organized by such Person primarily for the purpose of making equity or debt investments in one or more companies. For purposes of this definition, "control" of a Person means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"Default": any of the events specified in Section 8, whether or not any requirement for the giving of notice, the lapse of time, or both, has been satisfied (including, in any event, a "Default" under and as defined in the Senior Subordinated Note Indenture).

"Disposition": with respect to any property, any sale, lease, sale and leaseback, assignment, conveyance, transfer or other disposition thereof. The terms "Dispose" and "Disposed of" shall have correlative meanings.

"Disqualified Stock": any Capital Stock or other ownership or profit interest of any Loan Party that any Loan Party is or, upon the passage of time or the occurrence of any event, may become obligated to redeem, purchase, retire, defease or otherwise make any payment in respect of in consideration other than Capital Stock (other than Disqualified Stock).

"Documentation Agent": as defined in the preamble hereto.

"Dollars" and "$": dollars in lawful currency of the United States.

"Domestic Subsidiary": any Subsidiary of the Borrower organized under the laws of any jurisdiction within the United States.

"Environmental Laws": any and all foreign, Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority or other Requirements of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of human health or the environment, as now or may at any time hereafter be in effect.

"ERISA": the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Eurocurrency Reserve Requirements": for any day as applied to a Eurodollar Loan, the aggregate (without duplication) of the maximum rates (expressed as a decimal fraction) of reserve requirements in effect on such day (including basic, supplemental, marginal and emergency reserves under any regulations of the Board or other Governmental Authority having jurisdiction with respect thereto) dealing with reserve requirements prescribed for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board) maintained by a member bank of the Federal Reserve System.

"Eurodollar Base Rate": with respect to each day during each Interest Period pertaining to a Eurodollar Loan (other than any Eurodollar Loan having a seven-day Interest Period), the rate per annum determined on the basis of the rate for deposits in Dollars for a period equal to such Interest Period commencing on the first day of such Interest Period appearing on Page 3750 of the British Bankers Association Telerate screen as of 11:00 A.M., London time, two Business Days prior to the beginning of such Interest Period, provided that if such rate does not appear on Page 3750 of the British Bankers Association Telerate screen (or otherwise on such screen) the "Eurodollar Base Rate" shall be determined by reference to such other comparable publicly available service for displaying eurodollar rates as may be selected by the Administrative Agent. If no such rate is available or if the Eurodollar Base Rate is being determined in connection with any Eurodollar Loan having a seven-day Interest Period, such rate shall be determined by reference to the rate at which the Administrative Agent is offered Dollar deposits at or about 10:00 A.M., New York City time, two Business Days prior to the beginning of such Interest Period in the interbank eurodollar market where its eurodollar and foreign currency and exchange operations are then being conducted for delivery on the first day of such Interest Period for the number of days comprised therein.

"Eurodollar Loans": Loans the rate of interest applicable to which is based upon the Eurodollar Rate.

"Eurodollar Rate": with respect to each day during each Interest Period pertaining to a Eurodollar Loan, a rate per annum determined for such day in accordance with the following formula (rounded upward to the nearest 1/100th of 1%):

$$\text{Eurodollar Base Rate} \quad \Big/ \quad 1.00 - \text{Eurocurrency Reserve Requirements}$$

"Eurodollar Tranche": the collective reference to Eurodollar Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).

"Event of Default": any of the events specified in Section 8, provided that any requirement for the giving of notice, the lapse of time, or both, has been satisfied (including, in any event, an "Event of Default" under and as defined in the Senior Subordinated Note Indenture).

"Excess Cash Flow": for any fiscal year of the Borrower, the excess, if any, of (a) the sum, without duplication, of (i) Consolidated Net Income for such fiscal year, (ii) an amount equal to the amount of all non-cash charges (including depreciation (other than depreciation of rental merchandise) and amortization) deducted in arriving at such Consolidated Net Income, (iii) decreases in Consolidated Working Capital for such fiscal year, (iv) an amount equal to the aggregate net non-cash loss on the Disposition of property by the Borrower and its Subsidiaries during such fiscal year (other than

Dispositions of (x) rental merchandise otherwise included in changes in Consolidated Working Capital and (y) inventory in the ordinary course of business), to the extent deducted in arriving at such Consolidated Net Income and (v) amounts paid or invested by the Insurance Subsidiary in the Borrower and its Subsidiaries as permitted by this Agreement (other than reimbursement of insurance claims to the Borrower or its Subsidiaries), over (b) the sum, without duplication, of (i) an amount equal to the amount of all non-cash credits included in arriving at such Consolidated Net Income, (ii) the aggregate amount actually paid by the Borrower and its Subsidiaries in cash during such fiscal year on account of Capital Expenditures (excluding the principal amount of Indebtedness incurred in connection with such expenditures and any such expenditures financed with the proceeds of any Reinvestment Deferred Amount), (iii) the aggregate amount actually paid by the Borrower and its Subsidiaries in cash during such fiscal year on account of Permitted Acquisitions or Permitted Foreign Acquisitions (excluding the principal amount of Indebtedness incurred in connection with such expenditures and any such expenditures financed with the proceeds of any Reinvestment Deferred Amount), (iv) the aggregate amount of all prepayments of Revolving Loans and Swingline Loans during such fiscal year to the extent accompanying permanent optional reductions of the Revolving Commitments and all optional prepayments of the Term Loans during such fiscal year (including prepayments of the Term Loans required by Section 7.5(e), (v) the aggregate amount of all regularly scheduled principal payments of Funded Debt (including the Term Loans) of the Borrower and its Subsidiaries made during such fiscal year (other than any such payment of a facility that may thereafter be reborrowed), (vi) increases in Consolidated Working Capital for such fiscal year, (vii) an amount equal to the aggregate net non-cash gain on the Disposition of property by the Borrower and its Subsidiaries during such fiscal year (other than sales of inventory in the ordinary course of business), to the extent included in arriving at such Consolidated Net Income and (viii) the aggregate amount of cash paid to the Insurance Subsidiary by the Borrower and its Subsidiaries as insurance premiums and in additional capital contributions, to the extent the same are required to meet regulatory capital guidelines, policies or rules.

"Excess Cash Flow Application Date": as defined in Section 2.11(d).

"Excluded Foreign Subsidiary": any Foreign Subsidiary in respect of which either (a) the pledge of all of the Capital Stock of such Subsidiary as Collateral or (b) the guaranteeing by such Subsidiary of the Obligations, would, in the good faith judgment of the Borrower, result in adverse tax consequences to the Borrower.

"Existing Credit Agreement": the Credit Agreement, dated as of August 5, 1998, as amended and restated as of December 31, 2002, among the Borrower, RAC East, JPMorgan Chase Bank, as administrative agent, the banks, financial institutions or other entities parties thereto as lenders and certain other parties, as amended by the First Amendment to the Credit Agreement, dated as of April 22, 2003.

"Existing Letter of Credit": each letter of credit issued under the Existing Credit Agreement identified on Schedule 1.1 hereto that is outstanding on the Closing Date and each renewal of such letter of credit, each of which shall be deemed, on and after the Closing Date, to have been issued hereunder, and each of which shall, as a whole or in part, be designated as a "RC Letter of Credit" or a "Tranche A Letter of Credit" as set forth on Schedule 1.1.

"Facility": the credit facility consisting of, as applicable, (a) the Term Loans and Term Loan Commitments (the "Term Facility"), (b) the Revolving Commitments and the extensions of credit made thereunder (the "Revolving Facility") and (c) the Tranche A Commitments and the extensions of credit made thereunder (the "Tranche A LC Facility").

"Federal Funds Effective Rate": for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for the day of such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

"Foreign Subsidiary": any Subsidiary of the Borrower that is not a Domestic Subsidiary.

"Funded Debt": as to any Person, on any date, (a) all Indebtedness of such Person that matures more than one year from the date of its creation or matures within one year from such date but is renewable or extendible, at the option of such Person, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including all current maturities and current sinking fund payments in respect of such Indebtedness whether or not required to be paid within one year from the date of its creation and, in the case of the Borrower, Indebtedness in respect of the Loans and the Reimbursement Obligations (but excluding, in the case of the Borrower, any Guarantee Obligations of the Borrower in respect of Indebtedness of franchisees, to the extent permitted by Section 7.2(h)), minus (b) the aggregate amount of cash and Cash Equivalents on the consolidated balance sheet of the Borrower and its Subsidiaries on such date, but in no event exceeding $50,000,000.

"Funding Office": the office of the Administrative Agent specified in Section 10.2 or such other office as may be specified from time to time by the Administrative Agent as its funding office by written notice to the Borrower and the Lenders.

"GAAP": generally accepted accounting principles in the United States as in effect from time to time, except that for purposes of Section 7.1, GAAP shall be determined on the basis of such principles in effect on the Closing Date and consistent with those used in the preparation of the most recent audited financial statements delivered pursuant to Section 4.1(b). In the event that any "Accounting Change" (as defined below) shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in this Agreement, then the Borrower and the Administrative Agent agree to enter into negotiations in order to amend such provisions of this Agreement so as to equitably reflect such Accounting Change with the desired result that the criteria for evaluating the Borrower's financial condition shall be the same after such Accounting Change as if such Accounting Change had not been made. Until such time as such an amendment shall have been executed and delivered by the Borrower, the Administrative Agent and the Required Lenders, all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Change had not occurred. "Accounting Change" refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or, if applicable, the SEC.

"Governmental Authority": any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization (including the National Association of Insurance Commissioners).

"Guarantee and Collateral Agreement": the Guarantee and Collateral Agreement executed and delivered by the Borrower and each Subsidiary Guarantor, substantially in the form of Exhibit A, as the same may be amended, supplemented or otherwise modified from time to time.

"Guarantee Obligation": as to any Person (the "guaranteeing person"), any obligation of (a) the guaranteeing person or (b) another Person (including any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued or incurred a reimbursement, counterindemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (1) for the purchase or payment of any such primary obligation or (2) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof as determined by the Borrower in good faith.

"Hedge Agreements": all swaps, caps, collars or similar arrangements providing for protection against fluctuations in interest rates (whether from floating to fixed or from fixed to floating), currency exchange rates or commodities prices or the exchange of nominal interest obligations, either generally or under specific contingencies.

"Increased Revolving Facility Activation Notice": a notice substantially in the form of Exhibit N.

"Increased Revolving Facility Closing Date": any Business Day designated as such in an Increased Revolving Facility Activation Notice.

"Indebtedness": of any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than current trade payables incurred in the ordinary course of such Person's business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Capital Lease Obligations of such Person, (f) all obligations of such Person, contingent or otherwise, as an account party under acceptance, letter of credit or similar facilities, (g) the liquidation value of all redeemable preferred Capital Stock of such Person (other than any such preferred Capital Stock that is not redeemable until a date that is no earlier than one year and one day after the final maturity of the Loans and the Preferred Stock) and all obligations of such Person, contingent or otherwise, to purchase, redeem, retire or otherwise acquire for value any Capital Stock of such Person, (h) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (g) above; (i) all obligations of the kind referred to in clauses (a) through (h) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, whether or not such

Person has assumed or become liable for the payment of such obligation; and (j) for the purposes of Section 8(e) only, all obligations of such Person in respect of Hedge Agreements (which, for purposes of such Section 8(e), will be deemed to have an outstanding principal amount equal to the net amount which would be payable (or would permit the counterparty thereto to cause to become payable) by the Borrower or Subsidiary party thereto (including any net termination payment) upon the occurrence of any default, event or condition specified in such Section 8(e)).

"Insolvency": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Insolvent": pertaining to a condition of Insolvency.

"Insurance Subsidiary": Legacy Insurance Co., Ltd., a Bermuda company and a Wholly Owned Subsidiary of the Borrower formed for the sole purpose of writing insurance only for the risks of the Borrower and its Subsidiaries.

"Intellectual Property": the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including copyrights, copyright licenses, patents, patent licenses, trademarks, trademark licenses, technology, know-how and processes, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"Intellectual Property Security Agreement": the Intellectual Property Security Agreement between the certain Loan Parties and the Administrative Agent, dated as of the date hereof and substantially in the form of Exhibit B-1 to the Guarantee and Collateral Agreement.

"Interest Payment Date": (a) as to any ABR Loan, the last day of each March, June, September and December to occur while such Loan is outstanding and the final maturity date of such Loan, (b) as to any Eurodollar Loan having an Interest Period of three months or less, the last day of such Interest Period, (c) as to any Eurodollar Loan having an Interest Period longer than three months, each day that is three months, or a whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period and (d) as to any Loan (other than any Revolving Loan that is an ABR Loan and any Swingline Loan), the date of any repayment or prepayment made in respect thereof.

"Interest Period": as to any Eurodollar Loan, (a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurodollar Loan and ending seven days (in the case of Revolving Loans only) or one, two, three or six months thereafter, as selected by the Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and (b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurodollar Loan and ending seven days (in the case of Revolving Loans only) or one, two, three or six months thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not less than three Business Days prior to the last day of the then current Interest Period with respect thereto; provided that, all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) the Borrower may not select an Interest Period for a particular Facility that would extend beyond the final maturity date applicable thereto;

(iii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month; and

(iv) the Borrower shall select Interest Periods so as not to require a payment or prepayment of any Eurodollar Loan during an Interest Period for such Loan.

Notwithstanding the foregoing, clause (iii) above shall not apply to Eurodollar Loans having a seven-day Interest Period.

"Investments": as defined in Section 7.8.

"Issuing Lender": JPMorgan Chase Bank (or any of its Affiliates), in its capacity as issuer of any Letter of Credit.

"LC Fee Payment Date": the last day of each March, June, September and December, the last day of the Revolving Commitment Period (in the case of RC Letters of Credit) and the Tranche A LC Termination Date (in the case of Tranche A Letters of Credit).

"LC Obligations": at any time, an amount equal to the sum of (a) the aggregate then undrawn and unexpired amount of the then outstanding Letters of Credit and (b) the aggregate amount of drawings under Letters of Credit that have not then been reimbursed.

"Legacy Trust": Legacy Drive Trust, a trust formed under the laws of the State of Texas pursuant to, and operating in accordance with, the Trust Agreement.

"Lender Addendum": with respect to any initial Lender, a Lender Addendum, substantially in the form of Exhibit H, to be executed and delivered by such Lender on the Closing Date as provided in Section 10.15.

"Lenders": as defined in the preamble hereto.

"Letters of Credit": the letters of credit issued pursuant to Section 3.1, which shall be deemed to include the Existing Letters of Credit.

"Lien": any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any capital lease having substantially the same economic effect as any of the foregoing) or any purchase option, call option, right of first refusal or similar right.

"Loan": any loan made by any Lender pursuant to this Agreement, including any Tranche A Loan.

"Loan Documents": this Agreement, the Security Documents and the Notes.

"Loan Parties": the Borrower and each Subsidiary of the Borrower that is a party to a Loan Document.

"Majority Facility Lenders": (i) with respect to the Term Loan Facility, the holders of more than 50% of the aggregate unpaid principal amount of the Term Loans and aggregate Term Loan Commitments outstanding under such facility, (ii) with respect to the Revolving Facility, the holders of more than 50% of the Total Revolving Extensions of Credit (or, prior to any termination of the Revolving Commitments, the holders of more than 50% of the Total Revolving Commitments) outstanding under such Facility or (iii) with respect to the Tranche A LC Facility, the holders of more than 50% of the aggregate Tranche A Loans and aggregate Tranche A Commitments outstanding under such Facility.

"Managing Agents": as defined in the preamble hereto.

"Material Adverse Effect": a material adverse effect on (a) the business, property, operations, condition (financial or otherwise) or prospects of the Borrower and its Subsidiaries taken as a whole, (b) the validity or enforceability of this Agreement or any of the other Loan Documents or the rights or remedies of the Administrative Agent or the Secured Parties hereunder or thereunder or (c) the validity, enforceability or priority of the Liens purported to be created by the Security Documents taken as a whole.

"Materials of Environmental Concern": any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including asbestos, polychlorinated biphenyls and urea-formaldehyde insulation.

"Mortgaged Property": any real property of any Loan Party as to which the Administrative Agent for the benefit of the Secured Parties has been granted a Lien pursuant to any Mortgage.

"Mortgage": any mortgage or deed of trust made by any Loan Party in favor of, or for the benefit of, the Administrative Agent for the benefit of the Secured Parties, substantially in the form of Exhibit D (with such changes thereto as shall be advisable under the law of the jurisdiction in which such mortgage or deed of trust is to be recorded), as the same may be amended, supplemented or otherwise modified from time to time.

"Multiemployer Plan": a Plan that is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Net Cash Proceeds": (a) in connection with any Asset Sale or any Recovery Event, the proceeds thereof in the form of cash and Cash Equivalents (including any such proceeds received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable or otherwise, but only as and when received) of such Asset Sale or Recovery Event, net of reasonable attorneys' fees, accountants' fees, investment banking fees, amounts required to be applied to the repayment of Indebtedness secured by a Lien expressly permitted hereunder on any asset that is the subject of such Asset Sale or Recovery Event (other than any Lien pursuant to a Security Document) and other customary fees and expenses actually incurred in connection therewith and net of taxes paid or reasonably estimated to be payable currently as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements) and (b) in connection with any issuance or sale of equity securities or debt securities or instruments or the incurrence of loans, the cash proceeds received from such issuance or incurrence, net of reasonable attorneys' fees, investment banking fees, accountants'

fees, underwriting discounts and commissions and other customary fees and expenses actually incurred in connection therewith.

"New Revolving Lender": as defined in Section 2.2(c).

"New Revolving Lender Supplement": as defined in Section 2.2(c).

"Non-Excluded Taxes": as defined in Section 2.19(a).

"Non-U.S. Lender": as defined in Section 2.19(d).

"Notes": the collective reference to any promissory note evidencing Loans, substantially in the form of Exhibit J, Exhibit K, Exhibit L or Exhibit M.

"Obligations": the unpaid principal of and interest on (including interest accruing after the maturity of the Loans and Reimbursement Obligations and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to any Loan Party, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Loans and all other obligations and liabilities of any Loan Party to the Administrative Agent or to any Secured Party, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any other Loan Document, the Letters of Credit, any Specified Hedge Agreement or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by the Borrower pursuant hereto) or otherwise; provided, that (i) Obligations of the Borrower or any other Loan Party under any Specified Hedge Agreement shall be secured and guaranteed pursuant to the Security Documents only to the extent that, and for so long as, the other Obligations are so secured and guaranteed, (ii) any release of Collateral or Guarantors effected in the manner permitted by this Agreement shall not require the consent of holders of obligations under Specified Hedge Agreements and (iii) the amount of secured Obligations under any Specified Hedge Agreements shall not exceed the net amount, including any net termination payments, that would be required to be paid to the counterparty to such Specified Hedge Agreement on the date of termination of such Specified Hedge Agreement.

"Other Taxes": any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

"Participant": as defined in Section 10.6(b).

"PBGC": the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor).

"Permitted Acquisition": any acquisition, consisting of a single transaction or a series of related transactions, by the Borrower or any one or more of its Wholly Owned Subsidiary Guarantors of all of the Capital Stock of, or all or a substantial part of the assets of, or of a business, unit or division of, any Person organized under the laws of the United States or any state thereof (or a business, unit or division of any Person organized under the laws of any governmental instrumentality other than the United States or any state thereof, which business unit or division operates entirely within the United States) (such business, unit or division, the "Acquired Business"), provided that (a) the consideration paid

by the Borrower or such Subsidiary or Subsidiaries pursuant to such acquisition shall be solely in a form referred to in clause (a), (b), (c) or (d) of the definition of "Purchase Price" (or some combination thereof), (b) the requirements of Section 6.10 have been satisfied with respect to such acquisition, (c) the Borrower shall be in compliance, on a pro forma basis after giving effect to such acquisition, with the covenants contained in Section 7.1, in each case recomputed as at the last day of the most recently ended fiscal quarter of the Borrower as if such acquisition had occurred on the first day of each relevant period for testing such compliance, (d) no Default or Event of Default shall have occurred and be continuing, or would occur after giving effect to such acquisition, (e) all actions required to be taken with respect to any acquired or newly formed Subsidiary or otherwise with respect to the Acquired Business in such acquisition under Section 6.9 and 6.10 shall have been taken, (f) the aggregate Purchase Prices in respect of such acquisition and all other Permitted Acquisitions consummated in accordance with this Agreement shall not exceed, in any fiscal year of the Borrower, the sum of (i) $100,000,000 (or, if the Consolidated Leverage Ratio as of the last day of any fiscal quarter during such fiscal year is less than 2.25 to 1.00, $175,000,000) and (ii) an additional up to $30,000,000 to the extent not expended as Capital Expenditures (Expansion) during such fiscal year pursuant to 7.7(b), (g) the Cash/Debt Consideration in respect of such acquisition and all other Permitted Acquisitions consummated in accordance with this Agreement shall not exceed, in any fiscal year of the Borrower, $175,000,000 (plus any amounts available pursuant to the foregoing clause (f)(ii)), and (h) any such acquisition shall have been approved by the Board of Directors or such comparable governing body of the Person (or whose business, unit or division is, as the case may be) being acquired.

"Permitted Foreign Acquisition": any acquisition, consisting of a single transaction or a series of related transactions, by the Borrower or any one or more of its Wholly Owned Subsidiary Guarantors of all of the Capital Stock of, or all or a substantial part of the assets of, or of a business, unit or division of, any Person organized under the laws of any governmental instrumentality other than the United States or any state thereof (or a business, unit or division of any Person organized under the laws of the United States or any state thereof, which business unit or division operates entirely outside of the United States) (such business, unit or division, the "Acquired Foreign Business"), provided that (a) the consideration paid by the Borrower or such Subsidiary or Subsidiaries pursuant to such acquisition shall be solely in a form referred to in clause (a), (b), (c) or (d) of the definition of "Purchase Price" (or some combination thereof), (b) the requirements of Section 6.10 have been satisfied with respect to such acquisition, (c) the Borrower shall be in compliance, on a pro forma basis after giving effect to such acquisition, with the covenants contained in Section 7.1, in each case recomputed as at the last day of the most recently ended fiscal quarter of the Borrower as if such acquisition had occurred on the first day of each relevant period for testing such compliance, (d) no Default or Event of Default shall have occurred and be continuing, or would occur after giving effect to such acquisition, (e) all actions required to be taken with respect to any acquired or newly formed Subsidiary or otherwise with respect to the Acquired Foreign Business in such acquisition under Section 6.9 and 6.10 shall have been taken, (f) the aggregate Purchase Prices in respect of such acquisition and all other Permitted Foreign Acquisitions consummated in accordance with this Agreement shall not exceed $50,000,000 in any single fiscal year of the Borrower and shall not exceed $100,000,000 during the term of this Agreement, (g) the Cash/Debt Consideration in respect of such acquisition and all other Permitted Foreign Acquisitions consummated in accordance with this Agreement shall not exceed in the aggregate, $100,000,000, and (h) any such acquisition shall have been approved by the Board of Directors or such comparable governing body of the Person (or whose business, unit or division is, as the case may be) being acquired.

"Permitted Investors": the collective reference to (a) the Sponsor and (b) the Speese Persons.

"Person": an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"Plan": at a particular time, any employee benefit plan that is covered by ERISA and in respect of which the Borrower or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Preferred Stock": the Series A Preferred Stock, $0.01 par value, of the Borrower and the Series C Preferred Stock, $0.01 par value, of the Borrower to be issued pursuant to a certificate of designation in substantially the form previously provided to the Administrative Agent (with changes thereto reasonably acceptable to the Administrative Agent) in exchange for the outstanding Series A Preferred Stock.

"Pricing Grid": the pricing grid attached hereto as Annex A.

"Projections": as defined in Section 6.2(c).

"Properties": as defined in Section 4.17(a).

"Purchase Price": with respect to any Permitted Acquisition or Permitted Foreign Acquisition, the sum (without duplication) of (a) the amount of cash paid by the Borrower and its Subsidiaries in connection with such acquisition, (b) the value (as determined for purposes of such acquisition in accordance with the applicable acquisition agreement) of all Capital Stock of the Borrower issued or given as consideration in connection with such acquisition, (c) the Qualified Net Cash Equity Proceeds applied to finance such acquisition and (d) the principal amount (or, if less, the accreted value) at the time of such acquisition of all Assumed Indebtedness with respect thereto.

"Qualified Net Cash Debt Proceeds": the Net Cash Proceeds of Indebtedness incurred by the Borrower pursuant to Section 7.2(f)(iii), provided that (1) such unsecured subordinated notes were issued in express contemplation of a Permitted Acquisition or Permitted Foreign Acquisition and (2) such Permitted Acquisition or Permitted Foreign Acquisition is consummated within 90 days after receipt by the Borrower of such Net Cash Proceeds.

"Qualified Net Cash Equity Proceeds": the Net Cash Proceeds of any offering of Capital Stock of the Borrower, provided that (a) such offering was made in express contemplation of a Permitted Acquisition or Permitted Foreign Acquisition, (b) such Capital Stock is not mandatorily redeemable and (c) such Permitted Acquisition or Permitted Foreign Acquisition is consummated within 90 days after receipt by the Borrower of such Net Cash Proceeds.

"RAC East": Rent-A-Center East, Inc., a Delaware corporation.

"RC LC Obligations": at any time, an amount equal to the sum of (a) the aggregate then undrawn and unexpired amount of the then outstanding RC Letters of Credit and (b) the aggregate amount of drawings under RC Letters of Credit that have not then been reimbursed by the Borrower pursuant to Section 3.6.

"RC LC Participants": the collective reference to all Revolving Lenders (including the Issuing Lender), as participants in each RC Letter of Credit.

"RC Letter of Credit": each Letter of Credit issued by the Issuing Bank under the Revolving Facility pursuant to Section 3.1, including any portion of any Existing Letter of Credit deemed to be an RC Letter of Credit in accordance with Section 3.1 and as indicated on Schedule 1.1.

"Recovery Event": any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding relating to any asset of the Borrower or any of its Subsidiaries.

"Reference Period": with respect to any date, the period of four consecutive fiscal quarters of the Borrower immediately preceding such date or, if such date is the last day of a fiscal quarter, ending on such date.

"Refunded Swingline Loans": as defined in Section 2.6(b).

"Refunding Date": as defined in Section 2.6(c).

"Register": as defined in Section 10.6(d).

"Regulation U": Regulation U of the Board as in effect from time to time.

"Reimbursement Obligation": the obligation of the Borrower to reimburse pursuant to Section 3.6 amounts paid under Letters of Credit.

"Reinvestment Deferred Amount": with respect to any Reinvestment Event, the aggregate Net Cash Proceeds received by the Borrower or any of its Subsidiaries in connection therewith that are not applied to prepay the Term Loans pursuant to Section 2.11(c) as a result of the delivery of a Reinvestment Notice.

"Reinvestment Event": any Asset Sale or Recovery Event in respect of which the Borrower has delivered a Reinvestment Notice.

"Reinvestment Notice": a written notice executed by a Responsible Officer stating that no Event of Default has occurred and is continuing and that the Borrower (directly or indirectly through a Subsidiary of the Borrower other than a Specified Subsidiary (unless such Specified Subsidiary was the recipient of such Net Cash Proceeds)) intends and expects to use all or a specified portion of the Net Cash Proceeds of an Asset Sale or Recovery Event to acquire assets useful in its business.

"Reinvestment Prepayment Amount": with respect to any Reinvestment Event, the Reinvestment Deferred Amount relating thereto less any amount expended prior to the relevant Reinvestment Prepayment Date to acquire assets useful in the Borrower's business.

"Reinvestment Prepayment Date": with respect to any Reinvestment Event, the earlier of (a) the date occurring twelve months after such Reinvestment Event and (b) the date on which the Borrower shall have determined not to, or shall have otherwise ceased to, acquire assets useful in the Borrower's business with all or any portion of the relevant Reinvestment Deferred Amount.

"Reorganization": with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Reportable Event": any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty day notice period is waived under subsections .27, .28, .29, .30, .31, .32, .34 or .35 of PBGC Reg. Section 4043.

"Repurchase Amount": as defined in Section 7.6(b).

"Required Lenders": at any time, the holders of more than 50% of the sum of (a) the aggregate unpaid principal amount of the Term Loans and the aggregate Term Loan Commitments then outstanding, (b) the Total Revolving Commitments then in effect or, if the Revolving Commitments have been terminated, the Total Revolving Extensions of Credit then outstanding and (c) the aggregate unpaid principal amount of Tranche A Loans together with the aggregate Tranche A Commitments then in effect.

"Required Prepayment Lenders": the Majority Facility Lenders in respect of each of the Term Facility and the Revolving Facility.

"Requirement of Law": as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Responsible Officer": the chief executive officer, president, chief financial officer or treasurer of the Borrower, but in any event, with respect to financial matters, the chief financial officer or president of the Borrower.

"Restricted Payments": as defined in Section 7.6.

"Revolving Commitment": as to any Lender, the obligation of such Lender, if any, to make Revolving Loans and participate in Swingline Loans and RC Letters of Credit, in an aggregate principal and/or face amount not to exceed the amount set forth under the heading "Revolving Commitment" opposite such Lender's name on Schedule 1 to the Lender Addendum delivered by such Lender, or, as the case may be, in the Assignment and Acceptance pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof; provided that the original aggregate amount of the Revolving Commitments is $120,000,000.

"Revolving Commitment Period": the period ending on the Revolving Scheduled Commitment Termination Date.

"Revolving Extensions of Credit": as to any Revolving Lender at any time, an amount equal to the sum of (a) the aggregate principal amount of all Revolving Loans held by such Lender then outstanding, (b) such Lender's Revolving Percentage of the RC LC Obligations then outstanding and (c) such Lender's Revolving Percentage of the aggregate principal amount of Swingline Loans then outstanding.

"Revolving Lender": each Lender that has a Revolving Commitment or that holds Revolving Loans.

"Revolving Loans": as defined in Section 2.2.

"Revolving Percentage": as to any Revolving Lender at any time, the percentage which such Lender's Revolving Commitment then constitutes of the Total Revolving Commitments (or, at any time after the Revolving Commitments shall have expired or terminated, the percentage which the

aggregate principal amount of such Lender's Revolving Loans then outstanding constitutes of the aggregate principal amount of the Revolving Loans then outstanding).

"Revolving Scheduled Commitment Termination Date": May 28, 2008.

"Sale/Leaseback Transaction": any arrangement providing for the leasing to the Borrower or any Subsidiary of real or personal property that has been or is to be (a) sold or transferred by the Borrower or any Subsidiary or (b) constructed or acquired by a third party in anticipation of a program of leasing to the Borrower or any Subsidiary.

"SEC": the Securities and Exchange Commission, any successor thereto and any analogous Governmental Authority.

"Secured Parties": collectively, the Arranger, the Agents, the Lenders and, with respect to any Specified Hedge Agreement, any affiliate of any Lender party thereto (or any Person that was a Lender or an affiliate thereof when such Specified Hedge Agreement was entered into) that has agreed to be bound by the provisions of Section 7.2 of the Guarantee and Collateral Agreement as if it were a party thereto and by the provisions of Section 9 hereof as if it were a Lender party hereto; provided that any counterparty to a Specified Hedge Agreement that is not a Lender shall have no rights in connection with the management or release of any Collateral or the obligations of any Guarantor under the Loan Documents.

"Security Documents": the collective reference to the Guarantee and Collateral Agreement, the Mortgages, the Intellectual Property Security Agreement and all other security documents hereafter delivered to the Administrative Agent granting a Lien on any property of any Person to secure the obligations and liabilities of any Loan Party under any Loan Document.

"Senior Subordinated Note Indenture": the collective reference to each Indenture entered into by the Borrower and certain of its Subsidiaries in connection with any issuance of Senior Subordinated Notes, together with all instruments and other agreements entered into by the Borrower or such Subsidiaries in connection therewith, as the same may be amended, supplemented or otherwise modified from time to time in accordance with Section 7.9.

"Senior Subordinated Notes": the collective reference to (a) the subordinated notes of the Borrower or RAC East outstanding on the Closing Date and (b) any subordinated notes of the Borrower issued thereafter pursuant to Section 7.2(f) on terms no less favorable to the Borrower and its Subsidiaries (taken as a whole) and to the Lenders than the terms applicable to the subordinated notes referred to in clause (a) above.

"Single Employer Plan": any Plan that is covered by Title IV of ERISA, but that is not a Multiemployer Plan.

"Solvent": when used with respect to any Person, means that, as of any date of determination, (a) the amount of the "present fair saleable value" of the assets of such Person will, as of such date, exceed the amount of all "liabilities of such Person, contingent or otherwise", as of such date, as such quoted terms are determined in accordance with applicable federal and state laws governing determinations of the insolvency of debtors, (b) the present fair saleable value of the assets of such Person will, as of such date, be greater than the amount that will be required to pay the liability of such Person on its debts as such debts become absolute and matured, (c) such Person will not have, as of such date, an unreasonably small amount of capital with which to conduct its business, and (d) the realization of the current assets of such Person in the ordinary course of business will be sufficient for such Person to pay

recurring current debt, short-term debt and long-term debt service as such debts mature. For purposes of this definition, (i) "debt" means liability on a "claim", and (ii) "claim" means any (x) right to payment, whether or not such a right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured or (y) right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured or unmatured, disputed, undisputed, secured or unsecured.

"Specified Change of Control": a "Change of Control" or similar event (however defined) as defined in any Senior Subordinated Note Indenture.

"Specified Hedge Agreement": any Hedge Agreement (a) entered into by (i) the Borrower or any of its Subsidiaries and (ii) any Lender or any affiliate thereof, or any Person that was a Lender or an affiliate thereof when such Hedge Agreement was entered into as counterparty and (b) which has been designated by such Lender and the Borrower, by notice to the Administrative Agent not later than 90 days after the execution and delivery thereof by the Borrower or such Subsidiary, as a Specified Hedge Agreement; provided that the designation of any Hedge Agreement as a Specified Hedge Agreement shall not create in favor of any Lender or affiliate thereof that is a party thereto any rights in connection with the management or release of any Collateral or of the obligations of any Guarantor under the Guarantee and Collateral Agreement.

"Specified Subsidiaries": the collective reference to the Insurance Subsidiary, Legacy Trust and any Excluded Foreign Subsidiary.

"Speese Persons": the collective reference to Mark E. Speese, any person having a relationship with Mark E. Speese by blood, marriage or adoption not more remote than first cousin and any trust established for the benefit of any such person.

"Sponsor": Apollo Management IV, L.P., Apollo Investment Fund IV, L.P., Apollo Overseas Partners IV, L.P., Apollo Management, L.P. and their Control Investment Affiliates.

"Subordinated Intercompany Note": the Subordinated Intercompany Note to be executed and delivered by the Borrower and each of its Subsidiaries, substantially in the form of Exhibit I, as the same may be amended, supplemented, replaced or otherwise modified from time to time in accordance with this Agreement.

"Subsidiary": as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower. Legacy Trust shall be considered a Subsidiary of the Borrower.

"Subsidiary Guarantor": each Subsidiary of the Borrower other than the Specified Subsidiaries.

"Swingline Commitment": the obligation of the Swingline Lender to make Swingline Loans pursuant to Section 2.6 in an aggregate principal amount at any one time outstanding not to exceed $30,000,000.

"Swingline Lender": Lehman Commercial Paper Inc., in its capacity as the lender of Swingline Loans.

"Swingline Loans": as defined in Section 2.3.

"Swingline Participation Amount": as defined in Section 2.6(c).

"Syndication Agents": as defined in the preamble hereto.

"Term Commitment Percentage": as to any Term Lender at any time, the percentage which such Term Lender's Term Loan Commitment constitutes of the aggregate Term Loan Commitments of all Term Loan Lenders.

"Term Commitment Termination Date": August 5, 2003.

"Term Lenders": each Lender that holds a Term Loan.

"Term Loan Commitment": as to any Term Loan Lender at any time, the obligation of such Lender, if any, to make Term Loans to the Borrower hereunder in a principal amount not to exceed the amount set forth under the heading "Term Loan Commitment" opposite such Lender's name on Schedule 1 to the Lender Addendum delivered by such Lender, or, as the case may be, in the Assignment and Acceptance pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof; provided that the original aggregate amount of the Term Loan Commitments is $400,000,000.

"Term Loan Percentage": as to any Term Lender at any time, the percentage which the aggregate principal amount of such Lender's Term Loans then outstanding constitutes of the aggregate principal amount of the Term Loans then outstanding.

"Term Loans": as defined in Section 2.1(a).

"Total Revolving Commitments": at any time, the aggregate amount of the Revolving Commitments then in effect. The amount of the Total Revolving Commitments as of the Closing Date is $120,000,000.

"Total Revolving Extensions of Credit": at any time, the aggregate amount of the Revolving Extensions of Credit of the Revolving Lenders outstanding at such time.

"Total Tranche A Extensions of Credit": at any time, the aggregate amount of the Tranche A LC Obligations and the Tranche A Loans outstanding at such time.

"Tranche A Commitment": as to any Tranche A Lender, the obligation of such Lender to make Tranche A Loans to the Borrower or (without duplication) to participate in Tranche A Letters of Credit. The aggregate amount of the Tranche A Commitments as of the Closing Date is $80,000,000.

"Tranche A LC Obligations": at any time, an amount equal to the sum of (a) the aggregate then undrawn and unexpired amount of the then outstanding Tranche A Letters of Credit and

(b) the aggregate amount of drawings under Tranche A Letters of Credit that have not then been reimbursed by the Borrower pursuant to Section 3.6.

"Tranche A LC Termination Date": the earlier to occur of (i) May 28, 2008 and (ii) the date on which all Tranche A Letters of Credit are permanently canceled, expire or terminate.

"Tranche A Lender": each Lender that holds Tranche A Commitments or Tranche A Loans.

"Tranche A Letter of Credit": each Existing Letter of Credit (or portion thereof) set forth under the heading "Tranche A Letters of Credit" on Schedule 1.1 hereto, and each renewal thereof.

"Tranche A Loan": as defined in Section 3.6.

"Tranche A Percentage": as to any Tranche A Lender at any time, the percentage which such Lender's Tranche A Commitment then constitutes of the aggregate Tranche A Commitments (or, at any time after the Tranche A Commitments shall have expired or terminated, the percentage which the aggregate principal amount of such Lender's Tranche A Loans then outstanding constitutes of the aggregate principal amount of the Tranche A Loans then outstanding).

"Transferee": any Assignee or Participant.

"Trust Agreement": the Trust Agreement, dated December 31, 2002, between the Borrower and JPMorgan Chase Bank, as trustee, as amended from time to time in accordance with the terms hereof and thereof (and provided that no Event of Default would occur hereunder as a result of such amendment).

"Type": as to any Loan, its nature as an ABR Loan or a Eurodollar Loan.

"Uniform Customs": the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500, as the same may be amended from time to time.

"United States": the United States of America.

"Voting Stock": with respect to any Person, any class or series of Capital Stock of such Person that is ordinarily entitled to vote in the election of directors thereof at a meeting of stockholders called for such purpose, without the occurrence of any additional event or contingency.

"Wholly Owned Subsidiary": as to any Person, any other Person all of the Capital Stock of which (other than directors' qualifying shares required by law) is owned by such Person directly and/or through other Wholly Owned Subsidiaries.

"Wholly Owned Subsidiary Guarantor": any Subsidiary Guarantor that is a Wholly Owned Subsidiary of the Borrower.

1.2. Other Definitional Provisions. (a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Loan Documents or any certificate or other document made or delivered pursuant hereto or thereto.

(b) As used herein and in the other Loan Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i) accounting terms relating to the Borrower and its Subsidiaries not defined in Section 1.1 and accounting terms partly defined in Section 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP, (ii) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation" and (iii) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, Capital Stock, securities, revenues, accounts, leasehold interests and contract rights.

(c) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

SECTION 2. AMOUNT AND TERMS OF FACILITIES

2.1. Term Loans. Subject to the terms and conditions hereof, each Term Lender severally agrees to make a term loan (a "Term Loan") to the Borrower (i) on the Closing Date and (ii) on any other Business Day on or prior to August 5, 2003 in an amount, on each of the dates set forth in the preceding clauses (i) and (ii), equal to the amount of such requested Term Loan multiplied by such Term Lender's Term Commitment Percentage (which amounts in the aggregate shall not exceed the amount of the Term Loan Commitment of such Term Lender). The Term Loans may from time to time be Eurodollar Loans or ABR Loans, as determined by the Borrower and notified to the Administrative Agent in accordance with Sections 2.4 and 2.12.

2.2. Revolving Commitments. (a) Subject to the terms and conditions hereof, each Revolving Lender severally agrees to make revolving credit loans ("Revolving Loans") to the Borrower from time to time during the Revolving Commitment Period in an aggregate principal amount at any one time outstanding which, when added to such Lender's Revolving Percentage of the sum of (i) the RC LC Obligations then outstanding and (ii) the aggregate principal amount of the Swingline Loans then outstanding, does not exceed the amount of such Lender's Revolving Commitment. During the Revolving Commitment Period the Borrower may use the Revolving Commitments by borrowing, prepaying the Revolving Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof. The Revolving Loans may from time to time be Eurodollar Loans or ABR Loans, as determined by the Borrower and notified to the Administrative Agent in accordance with Sections 2.5 and 2.12.

(b) The Borrower and any one or more Revolving Lenders (including New Revolving Lenders) may agree that each such Lender shall obtain a Revolving Commitment or increase the amount of its existing Revolving Commitment, as applicable, in each case by executing and delivering to the Administrative Agent an Increased Revolving Facility Activation Notice specifying (i) the amount of such increase and (ii) the Increased Revolving Facility Closing Date. Notwithstanding the foregoing, without the consent of the Required Lenders, (i) the aggregate amount of incremental Revolving Commitments obtained pursuant to this paragraph shall not exceed $40,000,000 and (ii) no more than three Increased Revolving Facility Closing Dates may be selected by the Borrower during the term of this Agreement. No Lender shall have any obligation to participate in any increase described in this paragraph unless it agrees to do so in its sole discretion.

(c) Any additional bank, financial institution or other entity which, with the consent of the Borrower and the Administrative Agent (which consent shall not be unreasonably withheld), elects to become a "Revolving Lender" under this Agreement in connection with any transaction described in Section 2.2(b) shall execute a New Revolving Lender Supplement (each, a "New Revolving Lender Supplement"), substantially in the form of Exhibit O, whereupon such bank, financial institution or other entity (a "New Revolving Lender") shall become a Revolving Lender for all purposes and to the same extent as if originally a party hereto and shall be bound by and entitled to the benefits of this Agreement.

(d) For the purpose of providing that the respective amounts of Revolving Loans (and Eurodollar Tranches in respect thereof) held by the Revolving Lenders are held by them on a pro rata basis according to their respective Revolving Percentages, on each Increased Revolving Facility Closing Date (i) all outstanding Revolving Loans shall be converted into a single Revolving Loan that is a Eurodollar Loan (with an interest period to be selected by the Borrower), and upon such conversion the Borrower shall pay any amounts owing pursuant to Section 2.20, if any, (ii) any new borrowings of Revolving Loans on such date shall also be part of such single Revolving Loan and (iii) all Revolving Lenders (including the New Revolving Lenders) shall hold a portion of such single Revolving Loan equal to its Revolving Percentage thereof and any fundings on such date shall be made in such a manner so as to achieve the foregoing.

2.3. Swingline Commitment. Subject to the terms and conditions hereof, the Swingline Lender agrees to make a portion of the credit otherwise available to the Borrower under the Revolving Commitments from time to time during the Revolving Commitment Period by making swing line loans ("Swingline Loans") to the Borrower; provided that (a) the aggregate principal amount of Swingline Loans outstanding at any time shall not exceed the Swingline Commitment then in effect (notwithstanding that the Swingline Loans outstanding at any time, when aggregated with the Swingline Lender's other outstanding Revolving Loans hereunder, may exceed the Swingline Commitment then in effect) and (b) the Borrower shall not request, and the Swingline Lender shall not make, any Swingline Loan if, after giving effect to the making of such Swingline Loan, the aggregate amount of the Available Revolving Commitments would be less than zero. During the Revolving Commitment Period, the Borrower may use the Swingline Commitment by borrowing, repaying and reborrowing, all in accordance with the terms and conditions hereof. Swingline Loans shall be ABR Loans only.

2.4. Procedure for Term Loan Borrowing. The Borrower shall give the Administrative Agent irrevocable notice (which notice must be received by the Administrative Agent prior to 12:00 Noon, New York City time, one Business Day prior to the anticipated Borrowing Date with respect to ABR Loans and three Business Days prior to the anticipated Borrowing Date with respect to Eurodollar Loans) requesting that the Term Lenders make the Term Loans on the Borrowing Date and specifying the amount to be borrowed. Each borrowing of Term Loans shall be in an amount equal to $2,000,000 or a whole multiple of $500,000 in excess thereof (or, if the then aggregate Available Term Commitments are less than $2,000,000, such lesser amount). Upon receipt of such notice the Administrative Agent shall promptly notify each Term Lender thereof. Not later than 12:00 Noon, New York City time, on the Borrowing Date each Term Lender shall make available to the Administrative Agent at the Funding Office an amount in immediately available funds equal to the Term Loan or Term Loans to be made by such Lender. The Administrative Agent shall make available to the Borrower the aggregate of the amounts made available to the Administrative Agent by the Term Lenders in like funds.

2.5. Procedure for Revolving Loan Borrowing. (a) The Borrower may borrow under the Revolving Commitments during the Revolving Commitment Period on any Business Day, provided that the Borrower shall give the Administrative Agent irrevocable notice (which notice must be received by the Administrative Agent prior to 12:00 Noon, New York City time, (a) three Business Days prior to the requested Borrowing Date, in the case of Eurodollar Loans, or (b) one Business Day prior to the

requested Borrowing Date, in the case of ABR Loans), specifying (i) the amount and Type of Loans to be borrowed, (ii) the requested Borrowing Date and (iii) in the case of Eurodollar Loans, the respective amounts of each such Type of Loan and the respective lengths of the initial Interest Period therefor. Each borrowing under the Revolving Commitments shall be in an amount equal to (x) in the case of ABR Loans, $2,000,000 or a whole multiple of $500,000 in excess thereof (or, if the then aggregate Available Revolving Commitments are less than $2,000,000, such lesser amount) and (y) in the case of Eurodollar Loans, $3,000,000 or a whole multiple of $1,000,000 in excess thereof; provided, that the Swingline Lender may request, on behalf of the Borrower, borrowings under the Revolving Commitments that are ABR Loans in other amounts pursuant to Section 2.6 and the Borrower may request borrowings under the Revolving Commitments that are ABR Loans in other amounts pursuant to Section 3.6.

(b) Upon receipt of any such notice from the Borrower, the Administrative Agent shall promptly notify each relevant Lender thereof. Each relevant Lender will make the amount of its pro rata share of each such borrowing available to the Administrative Agent for the account of the Borrower at the Funding Office prior to 12:00 Noon, New York City time, on the Borrowing Date requested by the Borrower in funds immediately available to the Administrative Agent. Such borrowing will then be made available to the Borrower by the Administrative Agent crediting the account of the Borrower on the books of such office with the aggregate of the amounts made available to the Administrative Agent by the relevant Lenders and in like funds as received by the Administrative Agent or, if the borrowing was made pursuant to Section 3.6, by paying the Issuing Bank the amounts funded by it with respect to the Letter of Credit drawing which gave rise to such borrowing.

2.6. Procedure for Swingline Borrowing; Refunding of Swingline Loans. (a) Whenever the Borrower desires that the Swingline Lender make Swingline Loans it shall give the Swingline Lender irrevocable telephonic notice confirmed promptly in writing (which telephonic notice must be received by the Swingline Lender not later than 1:00 P.M., New York City time, on the proposed Borrowing Date), specifying (i) the amount to be borrowed and (ii) the requested Borrowing Date (which shall be a Business Day during the Revolving Commitment Period). Each borrowing under the Swingline Commitment shall be in an amount equal to $500,000 or a whole multiple of $100,000 in excess thereof. Not later than 3:00 P.M., New York City time, on the Borrowing Date specified in a notice in respect of Swingline Loans, the Swingline Lender shall make available to the Administrative Agent at the Funding Office an amount in immediately available funds equal to the amount of the Swingline Loan to be made by the Swingline Lender. The Administrative Agent shall make the proceeds of such Swingline Loan available to the Borrower on such Borrowing Date by depositing such proceeds in the account of the Borrower with the Administrative Agent on such Borrowing Date in immediately available funds.

(b) The Swingline Lender, at any time and from time to time in its sole and absolute discretion may (and, not later than 10 Business Days after the making of a Swingline Loan, shall) on behalf of the Borrower (which hereby irrevocably directs the Swingline Lender to act on its behalf), on one Business Day's notice given by the Swingline Lender no later than 12:00 Noon, New York City time (with a copy of such notice being provided to the Borrower), request each Revolving Lender to make, and each Revolving Lender hereby agrees to make, a Revolving Loan, in an amount equal to such Revolving Lender's Revolving Percentage of the aggregate amount of the Swingline Loans (the "Refunded Swingline Loans") outstanding on the date of such notice, to repay the Swingline Lender. Each Revolving Lender shall make the amount of such Revolving Loan available to the Administrative Agent at the Funding Office in immediately available funds, not later than 10:00 A.M., New York City time, one Business Day after the date of such notice. The proceeds of such Revolving Loans shall be immediately made available by the Administrative Agent to the Swingline Lender for application by the Swingline Lender to the repayment of the Refunded Swingline Loans. The Borrower irrevocably authorizes the Swingline Lender to charge the Borrower's accounts with the Administrative Agent (up to the amount available in each such account) in order to immediately pay the amount of such Refunded Swingline

Loans to the extent amounts received from the Revolving Lenders are not sufficient to repay in full such Refunded Swingline Loans (with notice of such charge being provided to the Borrower, provided that the failure to give such notice shall not affect the validity of such charge).

(c) If prior to the time a Revolving Loan would have otherwise been made pursuant to Section 2.6(b), one of the events described in Section 8(f) shall have occurred and be continuing with respect to the Borrower or if for any other reason, as determined by the Swingline Lender in its sole discretion, Revolving Loans may not be made as contemplated by Section 2.6(b), each Revolving Lender shall, on the date such Revolving Loan was to have been made pursuant to the notice referred to in Section 2.6(b) (the "Refunding Date"), purchase for cash an undivided participating interest in the then outstanding Swingline Loans by paying to the Swingline Lender an amount (the "Swingline Participation Amount") equal to (i) such Revolving Lender's Revolving Percentage times (ii) the sum of the aggregate principal amount of Swingline Loans then outstanding that were to have been repaid with such Revolving Loans.

(d) Whenever, at any time after the Swingline Lender has received from any Revolving Lender such Lender's Swingline Participation Amount, the Swingline Lender receives any payment on account of the Swingline Loans, the Swingline Lender will distribute to such Revolving Lender its Swingline Participation Amount (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Revolving Lender's participating interest was outstanding and funded and, in the case of principal and interest payments, to reflect such Revolving Lender's pro rata portion of such payment if such payment is not sufficient to pay the principal of and interest on all Swingline Loans then due); provided, however, that in the event that such payment received by the Swingline Lender is required to be returned, such Revolving Lender will return to the Swingline Lender any portion thereof previously distributed to it by the Swingline Lender.

(e) Each Revolving Lender's obligation to make the Loans referred to in Section 2.6(b) and to purchase participating interests pursuant to Section 2.6(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such Revolving Lender or the Borrower may have against the Swingline Lender, the Borrower or any other Person for any reason whatsoever; (ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Section 5; (iii) any adverse change in the condition (financial or otherwise) of the Borrower; (iv) any breach of this Agreement or any other Loan Document by the Borrower, any other Loan Party or any other Revolving Lender; or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

2.7. Repayment of Loans. (a) The Term Loan of each Term Lender shall mature in 24 installments, each of which shall be in an amount equal to such Term Lender's Term Loan Percentage multiplied by an amount equal to (x) the percentage set forth below opposite the applicable installment date multiplied by (y) the aggregate principal amount of Term Loans outstanding on the Term Commitment Termination Date less any amounts prepaid pursuant to Section 2.10 or 2.11 on or prior to such installment date (provided that the aggregate amount of the final installment shall in any event equal the aggregate then outstanding principal amount of the Term Loans):

Installment	Percentage of Principal Amount
September 30, 2003	0.25%
December 31, 2003	0.25%
March 31, 2004	0.25%
June 30, 2004	0.25%

September 30, 2004	0.25%
December 31, 2004	0.25%
March 31, 2005	0.25%
June 30, 2005	0.25%
September 30, 2005	0.25%
December 31, 2005	0.25%
March 31, 2006	0.25%
June 30, 2006	0.25%
September 30, 2006	0.25%
December 31, 2006	0.25%
March 31, 2007	0.25%
June 30, 2007	0.25%
September 30, 2007	0.25%
December 31, 2007	0.25%
March 31, 2008	0.25%
June 30, 2008	0.25%
September 30, 2008	23.75%
December 31, 2008	23.75%
March 31, 2009	23.75%
May 28, 2009	23.75%

(b) The Borrower shall repay all outstanding Revolving Loans and Swingline Loans on the Revolving Scheduled Commitment Termination Date.

(c) The Borrower shall repay all outstanding Tranche A Loans on the Tranche A LC Termination Date.

2.8. Commitment Fees, Etc. (a) The Borrower agrees to pay to the Administrative Agent for the account of each Revolving Lender a commitment fee accruing during the Revolving Commitment Period, computed at a per annum rate equal to the Commitment Fee Rate on the average daily amount of the Available Revolving Commitment of such Lender during the period for which payment is made, payable on the last day of each March, June, September and December and on the Revolving Scheduled Commitment Termination Date.

(b) The Borrower agrees to pay to the Administrative Agent for the account of each Term Lender a commitment fee accruing during the period beginning on the Closing Date and ending on the Term Commitment Termination Date, computed at a per annum rate equal to 1/2 of 1% on the average daily amount of the Available Term Commitment of such Lender during the period for which payment is made, payable on the Term Commitment Termination Date.

(c) The Borrower agrees to pay to the Administrative Agent the fees in the amounts and on the dates previously agreed to in writing by the Borrower and the Administrative Agent.

2.9. Termination or Reduction of Commitments. (a) The Borrower shall have the right, upon not less than three Business Days' notice to the Administrative Agent, to terminate the Revolving Commitments or, from time to time, to reduce the amount of the Revolving Commitments;

provided that no such termination or reduction of Revolving Commitments shall be permitted if, after giving effect thereto and to any prepayments of the Revolving Loans and Swingline Loans made on the effective date thereof, the Total Revolving Extensions of Credit would exceed the Total Revolving Commitments. Any such partial reduction shall be in an amount equal to $1,000,000, or a whole multiple thereof, and shall reduce permanently the Revolving Commitments then in effect.

(b) The Borrower shall have the right, upon not less than three Business Days' notice to the Administrative Agent, to terminate the Tranche A Commitments or, from time to time, to reduce the amount of the Tranche A Commitments; provided that no such termination or reduction of Tranche A Commitments shall be permitted if, after giving effect thereto and to any prepayments of the Tranche A Loans made on the effective date thereof, the Total Tranche A Extensions of Credit would exceed the aggregate Tranche A Commitments. Any such partial reduction shall be in an amount equal to $1,000,000, or a whole multiple thereof, and shall reduce permanently the Tranche A Commitments then in effect. Notwithstanding the foregoing, the Tranche A Commitments shall be automatically and permanently reduced on a dollar-for-dollar basis upon the cancellation, termination or expiration without renewal of each Tranche A Letter of Credit or any portion of the face amount thereof.

(c) The Borrower shall have the right, upon not less than three Business Days' notice to the Administrative Agent, to terminate the Term Loan Commitments or, from time to time, to reduce the amount of the Term Loan Commitments. Any such partial reduction shall be in an amount equal to $1,000,000, or a whole multiple thereof, and shall reduce permanently the Term Loan Commitments then in effect.

2.10. Optional Prepayments. Subject to Section 2.17, the Borrower may at any time and from time to time prepay the Loans, in whole or in part, without premium or penalty, upon irrevocable notice delivered to the Administrative Agent at least three Business Days prior thereto in the case of Eurodollar Loans and at least one Business Day prior thereto in the case of ABR Loans, which notice shall specify the date and amount of prepayment and, if applicable, whether the prepayment is of Eurodollar Loans or ABR Loans; provided, that if a Eurodollar Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to Section 2.20. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, together with (except in the case of Revolving Loans that are ABR Loans and Swingline Loans) accrued interest to such date on the amount prepaid. Partial prepayments of Loans (other than Swingline Loans) shall be in an aggregate principal amount of $1,000,000 or a whole multiple thereof. Partial prepayments of Swingline Loans shall be in an aggregate principal amount of $100,000 or a whole multiple thereof.

2.11. Mandatory Prepayments. (a) Unless the Required Prepayment Lenders shall otherwise agree, if any Capital Stock (other than any Capital Stock issued by the Borrower which yields Qualified Net Cash Equity Proceeds) shall be issued by the Borrower or any of its Subsidiaries at such time when the Consolidated Leverage Ratio (determined as at the end of the most recent period of four consecutive fiscal quarters ended prior to the required date of prepayment for which the relevant financial information is available on a pro forma basis as if such issuance had occurred on the first day of such period) is greater than or equal to 1.50 to 1.00, an amount equal to 25% of the Net Cash Proceeds thereof shall be applied within two Business Days following the date of such issuance (or with respect to Net Cash Proceeds at one time constituting Qualified Net Cash Equity Proceeds, failure to constitute Qualified Net Cash Equity Proceeds) toward the prepayment of the Term Loans.

(b) Unless the Required Prepayment Lenders shall otherwise agree, if any Indebtedness shall be incurred by the Borrower or any of its Subsidiaries (including any Indebtedness

incurred in accordance with Section 7.2(f)(iii), other than Indebtedness which yields Qualified Net Cash Debt Proceeds in an aggregate amount not to exceed $175,000,000, but excluding any other Indebtedness incurred in accordance with Section 7.2), an amount equal to 100% of the Net Cash Proceeds thereof shall be applied on the date of such incurrence (or with respect to Net Cash Proceeds at one time constituting Qualified Net Cash Debt Proceeds, failure to constitute Qualified Net Cash Debt Proceeds) toward the prepayment of the Term Loans.

(c) Unless the Required Prepayment Lenders shall otherwise agree, if on any date the Borrower or any of its Subsidiaries shall receive Net Cash Proceeds from any Asset Sale or Recovery Event then, unless a Reinvestment Notice shall be delivered in respect thereof, an amount equal to 75% of such Net Cash Proceeds shall be applied within two Business Days following such date toward the prepayment of the Term Loans; provided, that, notwithstanding the foregoing, (i) the aggregate Net Cash Proceeds of Asset Sales that may be excluded from the foregoing requirement pursuant to a Reinvestment Notice shall not exceed $25,000,000 in any fiscal year of the Borrower, and (ii) on each Reinvestment Prepayment Date, an amount equal to the Reinvestment Prepayment Amount with respect to the relevant Reinvestment Event shall be applied toward the prepayment of the Term Loans; provided, further, that, notwithstanding the foregoing, the Borrower shall not be required to prepay the Term Loans in accordance with this paragraph (c) except to the extent that the Net Cash Proceeds from all Asset Sales which have not been so applied equals or exceeds $10,000,000 in the aggregate.

(d) Unless the Required Prepayment Lenders shall otherwise agree, if, for any fiscal year of the Borrower, commencing with the fiscal year ending December 31, 2003, there shall be Excess Cash Flow and the Consolidated Leverage Ratio as of the last day of such fiscal year is greater than or equal to 1.50 to 1.00, the Borrower shall, on the relevant Excess Cash Flow Application Date, apply 50% (or, if the Consolidated Leverage Ratio as of the last day of such fiscal year is less than 1.50 to 1.00 but greater than or equal to 1.00 to 1.00, 25%) of such Excess Cash Flow toward the prepayment of the Term Loans. Each such prepayment shall be made on a date (an "Excess Cash Flow Application Date") no later than five Business Days after the earlier of (i) the date on which the financial statements of the Borrower referred to in Section 6.1(a), for the fiscal year with respect to which such prepayment is made, are required to be delivered to the Lenders and (ii) the date such financial statements are actually delivered.

(e) The application of any prepayment of Loans pursuant to this Section 2.11 shall be made, first, to ABR Loans and, second, to Eurodollar Loans. Each prepayment of the Loans under Section 2.11 (except in the case of Revolving Loans that are ABR Loans and Swingline Loans) shall be accompanied by accrued interest to the date of such prepayment on the amount prepaid.

2.12. Conversion and Continuation Options. (a) The Borrower may elect from time to time to convert Eurodollar Loans to ABR Loans by giving the Administrative Agent at least two Business Days' prior irrevocable notice of such election, provided that any such conversion of Eurodollar Loans may only be made on the last day of an Interest Period with respect thereto. The Borrower may elect from time to time to convert ABR Loans to Eurodollar Loans by giving the Administrative Agent at least three Business Days' prior irrevocable notice of such election (which notice shall specify the length of the initial Interest Period therefor), provided that no ABR Loan under a particular Facility may be converted into a Eurodollar Loan when any Event of Default has occurred and is continuing and the Administrative Agent or the Majority Facility Lenders in respect of such Facility have determined in its or their sole discretion not to permit such conversions. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof.

(b) Any Eurodollar Loan may be continued as such upon the expiration of the then current Interest Period with respect thereto by the Borrower giving irrevocable notice to the

Administrative Agent, in accordance with the applicable provisions of the term "Interest Period", of the length of the next Interest Period to be applicable to such Loans, provided that no Eurodollar Loan under a particular Facility may be continued as such when any Event of Default has occurred and is continuing and the Administrative Agent has or the Majority Facility Lenders in respect of such Facility have determined in its or their sole discretion not to permit such continuations, and provided, further, that if the Borrower shall fail to give any required notice as described above in this paragraph or if such continuation is not permitted pursuant to the preceding proviso such Loans shall be automatically converted to ABR Loans on the last day of such then expiring Interest Period. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof.

2.13. Limitations on Eurodollar Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Eurodollar Loans hereunder and all selections of Interest Periods hereunder shall be in such amounts and be made pursuant to such elections so that, (a) after giving effect thereto, the aggregate principal amount of the Eurodollar Loans comprising each Eurodollar Tranche shall be equal to $3,000,000 or a whole multiple of $1,000,000 in excess thereof and (b) no more than 15 Eurodollar Tranches shall be outstanding at any one time.

2.14. Interest Rates and Payment Dates. (a) Each Eurodollar Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurodollar Rate determined for such day plus the Applicable Margin.

(b) Each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin.

(c) (i) If all or a portion of the principal amount of any Loan or Reimbursement Obligation shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), all outstanding Loans and Reimbursement Obligations (whether or not overdue) shall bear interest at a rate per annum equal to (x) in the case of the Loans, the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this Section 2.14 plus 2% or (y) in the case of Reimbursement Obligations under the Revolving Facility or the Tranche A LC Facility, the rate applicable to ABR Loans under the Revolving Facility or the Tranche A LC Facility, respectively, plus 2% and (ii) if all or a portion of any interest payable on any Loan or Reimbursement Obligation or any commitment fee, Letter of Credit fee or other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to the rate then applicable to ABR Loans under the relevant Facility plus 2% (or, in the case of any such other amounts that do not relate to a particular Facility, the rate then applicable to ABR Loans under the Revolving Facility plus 2%), in each case, with respect to clauses (i) and (ii) above, from the date of such non-payment until such amount is paid in full (after as well as before judgment).

(d) Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to paragraph (c) of this Section shall be payable from time to time on demand.

2.15. Computation of Interest and Fees. (a) Interest and fees payable pursuant hereto shall be calculated on the basis of a 360-day year for the actual days elapsed, except that, with respect to ABR Loans the rate of interest on which is calculated on the basis of the Prime Rate, the interest thereon shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of each determination of a Eurodollar Rate. Any change in the interest rate on a Loan resulting from a change in the ABR or the Eurocurrency Reserve Requirements shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall

as soon as practicable notify the Borrower and the relevant Lenders of the effective date and the amount of each such change in interest rate.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Borrower, deliver to the Borrower a statement showing the quotations used by the Administrative Agent in determining any interest rate pursuant to Section 2.15(a).

2.16. Inability to Determine Interest Rate. If prior to the first day of any Interest Period

(a) the Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Borrower) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Eurodollar Rate for such Interest Period, or

(b) the Administrative Agent shall have received notice from the Majority Facility Lenders in respect of the relevant Facility that the Eurodollar Rate determined or to be determined for such Interest Period will not adequately and fairly reflect the cost to such Lenders (as conclusively certified by such Lenders) of making or maintaining their affected Loans during such Interest Period,

the Administrative Agent shall give telecopy or telephonic notice thereof to the Borrower and the relevant Lenders as soon as practicable thereafter. If such notice is given (x) any Eurodollar Loans under the relevant Facility requested to be made on the first day of such Interest Period shall be made as ABR Loans, (y) any Loans under the relevant Facility that were to have been converted on the first day of such Interest Period to Eurodollar Loans shall be continued as ABR Loans and (z) any outstanding Eurodollar Loans under the relevant Facility shall be converted, on the last day of the then-current Interest Period, to ABR Loans. Until such notice has been withdrawn by the Administrative Agent, no further Eurodollar Loans under the relevant Facility shall be made or continued as such, nor shall the Borrower have the right to convert Loans under the relevant Facility to Eurodollar Loans.

2.17. Pro Rata Treatment and Payments. (a) Each borrowing by the Borrower from the Lenders hereunder, each payment by the Borrower on account of any commitment fee and any reduction of the Commitments of the Lenders shall be made pro rata according to the Commitments in the relevant Facility held by the relevant Lenders.

(b) Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Term Loans or Tranche A Loans shall be made pro rata according to the respective outstanding principal amounts of the Term Loans or Tranche A Loans then held by the Term Lenders or Tranche A Lenders, respectively. The amount of each principal prepayment of the Term Loans shall be applied to reduce the then remaining installments of the Term Loans on a pro rata basis based upon the then remaining principal amount thereof. Amounts repaid or prepaid on account of the Term Loans or Tranche A Loans may not be reborrowed.

(c) Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Revolving Loans shall be made pro rata to the Revolving Lenders according to the respective outstanding principal amounts of the Revolving Loans then held by the Revolving Lenders.

(d) All payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, interest, fees or otherwise, shall be made without setoff or counterclaim and shall be made prior to 12:00 Noon, New York City time, on the due date thereof to the Administrative Agent, for the account of the Lenders, at the Funding Office, in Dollars and in immediately available funds. The Administrative Agent shall distribute such payments to the Lenders promptly upon receipt in like funds as received. If any payment hereunder (other than payments on the Eurodollar Loans) becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day. If any payment on a Eurodollar Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. In the case of any extension of any payment of principal pursuant to the preceding two sentences, interest thereon shall be payable at the then applicable rate during such extension.

(e) Unless the Administrative Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on the Borrowing Date therefor, such Lender shall pay to the Administrative Agent, on demand, such amount with interest thereon at a rate equal to the daily average Federal Funds Effective Rate for the period until such Lender makes such amount immediately available to the Administrative Agent. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this paragraph shall be conclusive in the absence of manifest error. If such Lender's share of such borrowing is not made available to the Administrative Agent by such Lender within three Business Days of such Borrowing Date, the Administrative Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans under the relevant Facility, on demand, from the Borrower.

(f) Unless the Administrative Agent shall have been notified in writing by the Borrower prior to the date of any payment being made hereunder that the Borrower will not make such payment to the Administrative Agent, the Administrative Agent may assume that the Borrower is making such payment, and the Administrative Agent may, but shall not be required to, in reliance upon such assumption, make available to the Lenders their respective pro rata shares of a corresponding amount. If such payment is not made to the Administrative Agent by the Borrower within three Business Days of such required date, the Administrative Agent shall be entitled to recover, on demand, from each Lender to which any amount which was made available pursuant to the preceding sentence, such amount with interest thereon at the rate per annum equal to the daily average Federal Funds Effective Rate. Nothing herein shall be deemed to limit the rights of the Administrative Agent or any Lender against the Borrower.

2.18. Requirements of Law. (a) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the Closing Date:

(i) shall subject any Lender to any tax of any kind whatsoever with respect to this Agreement, any Letter of Credit, any Application or any Eurodollar Loan made by it, or change the basis of taxation of payments to such Lender in respect thereof (except for Non-Excluded

Taxes covered by Section 2.19 and changes in the rate of tax on the overall net income of such Lender);

(ii) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any office of such Lender that is not otherwise included in the determination of the Eurodollar Rate hereunder; or

(iii) shall impose on such Lender any other condition;

and the result of any of the foregoing is to increase the cost to such Lender, by an amount that such Lender deems to be material, of making, converting into, continuing or maintaining Eurodollar Loans, issuing or participating in Letters of Credit, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Borrower shall promptly pay such Lender, upon its demand, any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable. If any Lender becomes entitled to claim any additional amounts pursuant to this paragraph, it shall promptly notify (no more frequently than quarterly) the Borrower (with a copy to the Administrative Agent) of the event by reason of which it has become so entitled.

(b) If any Lender shall have determined that the adoption of or any change in any Requirement of Law regarding capital adequacy or in the interpretation or application thereof or compliance by such Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy (whether or not having the force of law) from any Governmental Authority made subsequent to the Closing Date shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder or under or in respect of any Letter of Credit to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy) by an amount deemed by such Lender to be material, then from time to time, after submission by such Lender to the Borrower (with a copy to the Administrative Agent) of a written request therefor (which may be submitted no more frequently than quarterly), the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender for such reduction; provided that the Borrower shall not be required to compensate a Lender pursuant to this paragraph for any amounts incurred more than six months prior to the date that such Lender notifies the Borrower of such Lender's intention to claim compensation therefor; and provided further that, if the circumstances giving rise to such claim have a retroactive effect, then such six-month period shall be extended to include the period of such retroactive effect.

(c) In determining any additional amounts payable pursuant to this Section 2.18, each Lender will act reasonably and in good faith and will use averaging and attribution methods which are reasonable, provided that such Lender's determination of compensation owing under this Section 2.18 shall, absent manifest error, be final and conclusive and binding on all the parties hereto. Each Lender, upon determining that any additional amounts will be payable pursuant to this Section 2.18, shall give prompt written notice of such determination to the Borrower, which notice shall show the basis for calculation of such additional amounts. The obligations of the Borrower pursuant to this Section 2.18 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.19. Taxes. (a) Subject to the last proviso of this paragraph (a), all payments made by the Borrower under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any present or future income, stamp or other taxes, levies, imposts,

duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, excluding net income taxes and franchise taxes imposed on the Administrative Agent or any Lender as a result of a present or former connection between the Administrative Agent or such Lender and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from the Administrative Agent or such Lender having executed, delivered or performed its obligations or received a payment under, or enforced, this Agreement or any other Loan Document). If any such non-excluded taxes, levies, imposts, duties, charges, fees, deductions or withholdings ("Non-Excluded Taxes") or Other Taxes are required to be withheld from any amounts payable to the Administrative Agent or any Lender hereunder, the amounts so payable to the Administrative Agent or such Lender shall be increased to the extent necessary to yield to the Administrative Agent or such Lender (after payment of all Non-Excluded Taxes and Other Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement, provided, however, that the Borrower shall not be required to increase any such amounts payable to any Lender with respect to any Non-Excluded Taxes (i) that are attributable to such Lender's failure to comply with the requirements of paragraph (d) or (e) of this Section or (ii) that are United States withholding taxes imposed on amounts payable to such Lender at the time the Lender becomes a party to this Agreement, except to the extent that such Lender's assignor (if any) was entitled, at the time of assignment, to receive additional amounts from the Borrower with respect to such Non-Excluded Taxes pursuant to this paragraph.

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Whenever any Non-Excluded Taxes or Other Taxes are payable by the Borrower, as promptly as possible thereafter the Borrower shall send to the Administrative Agent for its own account or for the account of the relevant Lender, as the case may be, a certified copy of an original official receipt received by the Borrower showing payment thereof. If the Borrower fails to pay any Non-Excluded Taxes or Other Taxes when due to the appropriate taxing authority or fails to remit to the Administrative Agent the required receipts or other required documentary evidence, the Borrower shall indemnify the Administrative Agent and the Lenders for any incremental taxes, interest or penalties that may become payable by the Administrative Agent or any Lender as a result of any such failure.

(d) Each Lender (or Transferee) that is not a citizen or resident of the United States of America, a corporation, partnership or other entity created or organized in or under the laws of the United States of America (or any state thereof), or any estate or trust that is subject to federal income taxation regardless of the source of its income (a "Non-U.S. Lender") shall deliver to the Borrower and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased) two copies of either U.S. Internal Revenue Service Form 8-BEN or Form 8-ECI, or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of Exhibit G and a Form 8-BEN, or any subsequent versions thereof or successors thereto, properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on all payments by the Borrower under this Agreement and the other Loan Documents. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation). In addition, each Non-U.S. Lender shall deliver such forms promptly upon the request of the Borrower as a result of the obsolescence, inaccuracy or invalidity of any form previously delivered by such Non-U.S. Lender. Each Non-U.S. Lender shall promptly notify the Borrower at any time it determines that it is no longer qualified to provide or capable of providing any previously delivered certificate to the Borrower (or any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this

paragraph, a Non-U.S. Lender shall not be required to deliver any form pursuant to this paragraph that such Non-U.S. Lender is not legally able to deliver.

(e) A Lender that is entitled to an exemption from or reduction of non-U.S. withholding tax under the law of the jurisdiction in which the Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law or reasonably requested by the Borrower, such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate, provided that such Lender is legally entitled to complete, execute and deliver such documentation and in such Lender's judgment such completion, execution or submission would not materially prejudice the legal position of such Lender.

(f) If any Lender receives a refund of any Non-Excluded Taxes or Other Taxes paid or indemnified by the Borrower under this Section 2.19, such Lender shall pay the amount of such refund to the Borrower within 15 days of the date it received such refund.

(g) The agreements in this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.20. Indemnity. The Borrower agrees to indemnify each Lender and to hold each Lender harmless from any loss or expense that such Lender may sustain or incur as a consequence of (a) default by the Borrower in making a borrowing of, conversion into or continuation of Eurodollar Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement, (b) default by the Borrower in making any prepayment of or conversion from Eurodollar Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement or (c) the making of a prepayment of Eurodollar Loans on a day that is not the last day of an Interest Period with respect thereto. Such indemnification may include an amount equal to the excess, if any, of (i) the amount of interest that would have accrued on the amount so prepaid, or not so borrowed, converted or continued, for the period from the date of such prepayment or of such failure to borrow, convert or continue to the last day of such Interest Period (or, in the case of a failure to borrow, convert or continue, the Interest Period that would have commenced on the date of such failure) in each case at the applicable rate of interest for such Loans provided for herein (excluding, however, the Applicable Margin included therein, if any) over (ii) the amount of interest (as reasonably determined by such Lender) that would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the interbank eurodollar market. A certificate as to any amounts payable pursuant to this Section submitted to the Borrower by any Lender shall be conclusive in the absence of manifest error. This covenant shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.21. Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.18, 2.19(a) or 2.23 with respect to such Lender, it will use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event with the object of avoiding the consequences of such event; provided, that such designation is made on terms that, in the sole judgment of such Lender, cause such Lender and its lending office(s) to suffer no economic, legal or regulatory disadvantage, and provided, further, that nothing in this Section shall affect or postpone any of the obligations of any Borrower or the rights of any Lender pursuant to Section 2.18, 2.19(a) or 2.23.

2.22. Replacement of Lenders. The Borrower shall be permitted to replace any Lender that (a) requests reimbursement for amounts owing pursuant to Section 2.18 or 2.19(a) or (b) defaults in

its obligation to make Loans hereunder, with a replacement financial institution; provided that (i) such replacement does not conflict with any Requirement of Law, (ii) no Event of Default shall have occurred and be continuing at the time of such replacement, (iii) prior to any such replacement, such Lender shall have taken no action under Section 2.21 so as to eliminate the continued need for payment of amounts owing pursuant to Section 2.18 or 2.19(a), (iv) the replacement financial institution shall purchase, at par, all Loans and other amounts owing to such replaced Lender on or prior to the date of replacement, (v) the Borrower shall be liable to such replaced Lender under Section 2.20 if any Eurodollar Loan owing to such replaced Lender shall be purchased other than on the last day of the Interest Period relating thereto, (vi) the replacement financial institution, if not already a Lender, shall be reasonably satisfactory to the Administrative Agent, (vii) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 10.6 (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein), (viii) until such time as such replacement shall be consummated, the Borrower shall pay all additional amounts (if any) required pursuant to Section 2.18 or 2.19(a), as the case may be, and (ix) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender.

2.23. Illegality. Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain Eurodollar Loans as contemplated by this Agreement, (a) the commitment of such Lender hereunder to make Eurodollar Loans, continue Eurodollar Loans as such and convert ABR Loans to Eurodollar Loans shall forthwith be canceled and (b) such Lender's Loans then outstanding as Eurodollar Loans, if any, shall be converted automatically to ABR Loans on the respective last days of the then current Interest Periods with respect to such Loans or within such earlier period as required by law. If any such conversion of a Eurodollar Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the Borrower shall pay to such Lender such amounts, if any, as may be required pursuant to Section 2.20.

SECTION 3. LETTERS OF CREDIT

3.1. LC Commitments. (a) Subject to the terms and conditions hereof, the Issuing Lender, in reliance on the agreements of the RC LC Participants or the Tranche A Lenders, as the case may be, set forth in this Section 3, agrees to issue, on any Business Day, Letters of Credit for the account of the Borrower (including the account of the Borrower acting on behalf of any of its Subsidiaries), each of which shall be designated according to the Facility under which such Letter of Credit is issued, as either an RC Letter of Credit or a Tranche A Letter of Credit, as the case may be, and in such form as may be approved from time to time by the Issuing Lender; provided that (i) the Issuing Lender shall have no obligation to issue any RC Letter of Credit if, after giving effect to such issuance, (x) the RC LC Obligations would exceed the Total Revolving Commitments or (y) the aggregate amount of the Available Revolving Commitments would be less than zero and (ii) the Tranche A Letters of Credit shall be Existing Letters of Credit (or portions thereof) only, as set forth on Schedule 1.1. Any portion of the Existing Letters of Credit in excess of the aggregate Tranche A Commitments on the Closing Date shall be deemed to constitute RC Letters of Credit, as specified on Schedule 1.1. Each Letter of Credit shall (i) be denominated in Dollars and (ii) expire no later than the earlier of (x) the first anniversary of its date of issuance and (y) the date that is five Business Days prior to (1) in the case of RC Letters of Credit, the Revolving Scheduled Commitment Termination Date or (2) in the case of Tranche A Letters of Credit, the date set forth in clause (i) of the definition of "Tranche A LC Termination Date"; provided that any Letter of Credit with a one-year term may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond the date referred to in clause (y) above). Any draw on (and any reimbursement under) a Letter of Credit for which a portion is allocated to each of the Revolving Facility

and the Tranche A LC Facility shall be made on a pro rata basis between the Revolving Facility and the Tranche A LC Facility in proportion to the amount of such Letter of Credit allocated to such Facility.

(b) Each Letter of Credit shall be subject to the Uniform Customs and, to the extent not inconsistent therewith, the laws of the State of New York.

(c) The Issuing Lender shall not at any time be obligated to issue any Letter of Credit hereunder if such issuance would conflict with, or cause the Issuing Lender or any LC Participant to exceed any limits imposed by, any applicable Requirement of Law.

3.2. Procedure for Issuance of Letter of Credit. The Borrower may from time to time request that the Issuing Lender issue a Letter of Credit by delivering to the Issuing Lender at its address for notices specified herein an Application therefor (and, with respect to RC Letters of Credit, delivery of a copy of such Application to the Administrative Agent), completed to the satisfaction of the Issuing Lender, and such other certificates, documents and other papers and information as the Issuing Lender may request. Upon receipt of any Application, the Issuing Lender will process such Application and the certificates, documents and other papers and information delivered to it in connection therewith in accordance with its customary procedures and shall promptly issue the Letter of Credit requested thereby (but in no event shall the Issuing Lender be required to issue any Letter of Credit earlier than three Business Days after its receipt of the Application therefor and all such other certificates, documents and other papers and information relating thereto) by issuing the original of such Letter of Credit to the beneficiary thereof or as otherwise may be agreed to by the Issuing Lender and the Borrower. The Issuing Lender shall furnish a copy of such Letter of Credit to the Borrower (and, with respect to RC Letters of Credit, to the Administrative Agent) promptly following the issuance thereof. The Issuing Lender shall promptly furnish to the Administrative Agent, which shall in turn promptly furnish to the Lenders, notice of the issuance of each Letter of Credit (including the amount thereof).

3.3. Fees and Other Charges. (a) The Borrower will pay a Letter of Credit fee calculated at a per annum rate equal to the Applicable Margin then in effect with respect to Eurodollar Loans under the Revolving Facility or the Tranche A LC Facility, respectively, and payable on the face amount of all outstanding RC Letters of Credit and Tranche A Letters of Credit, in each case shared ratably among the Lenders under the relevant Facility and payable quarterly in arrears on each LC Fee Payment Date. In addition, the Borrower shall pay to the Issuing Lender for its own account a fronting fee of 0.25% per annum on the undrawn and unexpired amount of each Letter of Credit, payable quarterly in arrears on each LC Fee Payment Date.

(b) In addition to the foregoing fees, the Borrower shall pay or reimburse the Issuing Lender for such normal and customary costs and expenses as are incurred or charged by the Issuing Lender in issuing, negotiating, effecting payment under, amending or otherwise administering any Letter of Credit.

3.4. RC LC Participations. (a) The Issuing Lender irrevocably agrees to grant and hereby grants to each RC LC Participant, and, to induce the Issuing Lender to issue RC Letters of Credit hereunder, each RC LC Participant irrevocably agrees to accept and purchase and hereby accepts and purchases from the Issuing Lender, on the terms and conditions hereinafter stated, for such RC LC Participant's own account and risk an undivided interest equal to such RC LC Participant's Revolving Percentage in the Issuing Lender's obligations and rights under each RC Letter of Credit (including, for the avoidance of doubt, any portion of an Existing Letter of Credit deemed to be a RC Letter of Credit in accordance with Section 3.1 and as indicated on Schedule 1.1) issued hereunder and the amount of each draft paid by the Issuing Lender thereunder. Each RC LC Participant unconditionally and irrevocably agrees with the Issuing Lender that, if a draft is paid under any RC Letter of Credit for which the Issuing

Lender is not reimbursed in full by the Borrower in accordance with the terms of this Agreement, such RC LC Participant shall pay to the Administrative Agent for the account of the Issuing Lender upon demand at the Administrative Agent's address for notices specified herein (and thereafter the Administrative Agent shall promptly pay to the Issuing Lender) an amount equal to such RC LC Participant's Revolving Percentage of the amount of such draft, or any part thereof, that is not so reimbursed.

(b) If any amount required to be paid by any RC LC Participant to the Issuing Lender pursuant to Section 3.4(a) in respect of any unreimbursed portion of any payment made by the Issuing Lender under any RC Letter of Credit is paid to the Issuing Lender within three Business Days after the date such payment is due, the Issuing Lender shall so notify the Administrative Agent, who shall promptly notify the RC LC Participants, and each such RC LC Participant shall pay to the Administrative Agent, for the account of the Issuing Lender, on demand (and thereafter the Administrative Agent shall promptly pay to the Issuing Lender) an amount equal to the product of (i) such amount, times (ii) the daily average Federal Funds Effective Rate during the period from and including the date such payment is required to the date on which such payment is immediately available to the Issuing Lender, times (iii) a fraction the numerator of which is the number of days that elapse during such period and the denominator of which is 360. If any such amount required to be paid by any RC LC Participant pursuant to Section 3.4(a) is not made available to the Administrative Agent for the account of the Issuing Lender by such RC LC Participant within three Business Days after the date such payment is due, the Administrative Agent on behalf of the Issuing Lender shall be entitled to recover from such RC LC Participant, on demand, such amount with interest thereon calculated from such due date at the rate per annum applicable to ABR Loans under the Revolving Facility. A certificate of the Administrative Agent submitted on behalf of the Issuing Lender to any RC LC Participant with respect to any amounts owing under this Section shall be conclusive in the absence of manifest error.

(c) Whenever, at any time after the Issuing Lender has made payment under any RC Letter of Credit and has received from the Administrative Agent any RC LC Participant's pro rata share of such payment in accordance with Section 3.4(a), the Issuing Lender receives any payment related to such RC Letter of Credit (whether directly from the Borrower or otherwise, including proceeds of collateral applied thereto by the Issuing Lender), or any payment of interest on account thereof, the Issuing Lender will distribute to the Administrative Agent for the account of such RC LC Participant (and thereafter the Administrative Agent will promptly distribute to such RC LC Participant) its pro rata share thereof; provided, however, that in the event that any such payment received by the Issuing Lender shall be required to be returned by the Issuing Lender, such RC LC Participant shall return to the Administrative Agent for the account of the Issuing Lender (and thereafter the Administrative Agent shall promptly return to the Issuing Lender) the portion thereof previously distributed by the Issuing Lender.

(d) Each RC LC Participant's obligation to purchase participating interests pursuant to Section 3.4(a) shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such RC LC Participant or the Borrower may have against the Issuing Lender, the Borrower or any other Person for any reason whatsoever; (ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Section 5; (iii) any adverse change in the condition (financial or otherwise) of the Borrower; (iv) any breach of this Agreement or any other Loan Document by the Borrower, any other Loan Party or any other Lender; or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

3.5. Tranche A LC Participations. (a) The Issuing Lender irrevocably agrees to grant and hereby grants to each Tranche A Lender, and, to induce the Issuing Lender to issue Tranche A Letters of Credit hereunder, each Tranche A Lender irrevocably agrees to accept and purchase and hereby accepts

and purchases from the Issuing Lender, on the terms and conditions hereinafter stated, for such Tranche A Lender's own account and risk an undivided interest equal to such Tranche A Lender's Tranche A Percentage in the Issuing Lender's obligations and rights under each Tranche A Letter of Credit (including, for the avoidance of doubt, any portion of an Existing Letter of Credit deemed to be a Tranche A Letter of Credit in accordance with Section 3.1 and as indicated on Schedule 1.1) issued hereunder and the amount of each draft paid by the Issuing Lender thereunder. Each Tranche A Lender unconditionally and irrevocably agrees with the Issuing Lender that, if a draft is paid under any Tranche A Letter of Credit for which the Issuing Lender is not reimbursed in full by the Borrower in accordance with the terms of this Agreement, such Tranche A Lender shall pay to the Administrative Agent for the account of the Issuing Lender upon demand at the Administrative Agent's address for notices specified herein (and thereafter the Administrative Agent shall promptly pay to the Issuing Lender) an amount equal to such Tranche A Lender's Tranche A Percentage of the amount of such draft, or any part thereof, that is not so reimbursed.

(b) If any amount required to be paid by any Tranche A Lender to the Issuing Lender pursuant to Section 3.5(a) in respect of any unreimbursed portion of any payment made by the Issuing Lender under any Tranche A Letter of Credit is paid to the Issuing Lender within three Business Days after the date such payment is due, the Issuing Lender shall so notify the Administrative Agent, who shall promptly notify the Tranche A Lenders, and each such Tranche A Lender shall pay to the Administrative Agent, for the account of the Issuing Lender, on demand (and thereafter the Administrative Agent shall promptly pay to the Issuing Lender) an amount equal to the product of (i) such amount, times (ii) the daily average Federal Funds Effective Rate during the period from and including the date such payment is required to the date on which such payment is immediately available to the Issuing Lender, times (iii) a fraction the numerator of which is the number of days that elapse during such period and the denominator of which is 360. If any such amount required to be paid by any Tranche A Lender pursuant to Section 3.5(a) is not made available to the Administrative Agent for the account of the Issuing Lender by such Tranche A Lender within three Business Days after the date such payment is due, the Administrative Agent on behalf of the Issuing Lender shall be entitled to recover from such Tranche A Lender, on demand, such amount with interest thereon calculated from such due date at the rate per annum applicable to ABR Loans under the Tranche A LC Facility. A certificate of the Administrative Agent submitted on behalf of the Issuing Lender to any Tranche A Lender with respect to any amounts owing under this Section shall be conclusive in the absence of manifest error.

(c) Whenever, at any time after the Issuing Lender has made payment under any Tranche A Letter of Credit and has received from the Administrative Agent any Tranche A Lender's pro rata share of such payment in accordance with Section 3.5(a), the Issuing Lender receives any payment related to such Tranche A Letter of Credit (whether directly from the Borrower or otherwise, including proceeds of Collateral applied thereto by the Issuing Lender), or any payment of interest on account thereof, the Issuing Lender will distribute to the Administrative Agent for the account of such Tranche A Lender (and thereafter the Administrative Agent will promptly distribute to such Tranche A Lender) its pro rata share thereof; provided, however, that in the event that any such payment received by the Issuing Lender shall be required to be returned by the Issuing Lender, such Tranche A Lender shall return to the Administrative Agent for the account of the Issuing Lender (and thereafter the Administrative Agent shall promptly return to the Issuing Lender) the portion thereof previously distributed by the Issuing Lender.

(d) Each Tranche A Lender's obligation to purchase participating interests pursuant to Section 3.5(a) shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such Tranche A Lender or the Borrower may have against the Issuing Lender, the Borrower or any other Person for any reason whatsoever; (ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Section 5; (iii) any adverse change in the condition (financial or

otherwise) of the Borrower; (iv) any breach of this Agreement or any other Loan Document by the Borrower, any other Loan Party or any other Lender; or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

3.6. Reimbursement Obligation of the Borrower. (a) The Borrower agrees to reimburse the Issuing Lender in accordance with this Section upon notification to the Borrower of the date and amount of a draft presented under any Letter of Credit and paid by the Issuing Lender for the amount of (i) such draft so paid and (ii) any taxes, fees, charges or other reasonable costs or expenses incurred by the Issuing Lender in connection with such payment.

(b) In the case of RC Letters of Credit and Tranche A Letters of Credit, if the Borrower is notified as provided in the immediately preceding sentence by 2:00 P.M., New York City time, on any day, then the Borrower shall so reimburse the Issuing Lender by 12:00 Noon, New York City time, on the next succeeding Business Day, and, if so notified after 2:00 P.M., New York City time, on any day, the Borrower shall so reimburse the Issuing Lender by 12:00 Noon, New York City time, on the second succeeding Business Day.

(c) Each drawing under an RC Letter of Credit or Tranche A Letter of Credit shall (unless an event of the type described in Section 8(f) shall have occurred and be continuing with respect to the Borrower, in which case the procedures set forth in Sections 3.4 and 3.5 for the funding of participations shall apply) constitute a request by the Borrower to the Administrative Agent for a borrowing, in the amount of such drawing, (x) in the case of a drawing under an RC Letter of Credit, of ABR Revolving Loans pursuant to Section 2.5 (or, at the option of the Administrative Agent and the Swingline Lender in their sole discretion, a borrowing of Swingline Loans pursuant to Section 2.6) and (y) in the case of a drawing under a Tranche A Letter of Credit, of ABR Loans from the Tranche A Lenders ("Tranche A Loans"). The Borrowing Date with respect to any such borrowing shall be (i) in the case of Revolving Loans or Swingline Loans, the first date on which a borrowing of Revolving Loans (or, if applicable, Swingline Loans) could be made pursuant to Section 2.5 (or, if applicable, Section 2.7) if the Administrative Agent had received a notice of such borrowing at the time of such drawing under such RC Letter of Credit and (ii) in the case of Tranche A Loans, if such drawing occurred prior to 12:00 noon, New York City time, on the following Business Day and if such drawing occurred at or after 12:00 noon, New York City time, on the second following Business Day. Section 2.5(b) shall apply to borrowings of Tranche A Loans, mutatis mutandis.

(d) Each payment under this Section 3.6 shall be made to the Issuing Lender at its address for notices specified herein in lawful money of the United States and in immediately available funds. Interest shall be payable on any and all amounts remaining unpaid by the Borrower under this Section from the date such amounts become payable (whether at stated maturity, by acceleration or otherwise) until payment in full in the case of RC Letters of Credit and Tranche A Letters of Credit, at the rate set forth in (i) until the second Business Day following the date of payment of the applicable drawing, Section 2.14(b) and (ii) thereafter, Section 2.14(c), in each case payable on demand.

3.7. Obligations Absolute. The Borrower's obligations under this Section 3 shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment that the Borrower may have or have had against the Issuing Lender, any beneficiary of a Letter of Credit or any other Person. The Borrower also agrees with the Issuing Lender that the Issuing Lender shall not be responsible for, and the Borrower's Reimbursement Obligations under Section 3.6 shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even though such documents shall in fact prove to be invalid, fraudulent or forged, or any dispute between or among the Borrower and any beneficiary of any Letter of Credit or any other party to which such Letter of Credit may be transferred or any claims whatsoever of the Borrower

against any beneficiary of such Letter of Credit or any such transferee. The Issuing Lender shall not be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit, except for errors or omissions constituting gross negligence or willful misconduct of the Issuing Lender. The Borrower agrees that any action taken or omitted by the Issuing Lender under or in connection with any Letter of Credit or the related drafts or documents, if done in the absence of gross negligence or willful misconduct and in accordance with the standards of care specified in the Uniform Customs and, to the extent not inconsistent therewith, the Uniform Commercial Code of the State of New York, shall be binding on the Borrower and shall not result in any liability of the Issuing Lender to the Borrower.

3.8. Letter of Credit Payments. If any draft shall be presented for payment under any Letter of Credit, the Issuing Lender shall promptly notify the Borrower and the Administrative Agent of the date and amount thereof. The responsibility of the Issuing Lender to the Borrower in connection with any draft presented for payment under any Letter of Credit shall, in addition to any payment obligation expressly provided for in such Letter of Credit, be limited to determining that the documents (including each draft) delivered under such Letter of Credit in connection with such presentment are substantially in conformity with such Letter of Credit.

3.9. Applications. To the extent that any provision of any Application related to any Letter of Credit is inconsistent with the provisions of this Section 3, the provisions of this Section 3 shall apply.

SECTION 4. REPRESENTATIONS AND WARRANTIES

To induce the Administrative Agent and the Lenders to enter into this Agreement and to make the Loans and issue or participate in the Letters of Credit, the Borrower hereby represents and warrants to the Administrative Agent and each Lender that:

4.1. Financial Condition. The audited consolidated balance sheet of the Borrower as at December 31, 2002, and the related consolidated statements of operations, stockholder's equity and cash flows for the fiscal year ended on such date, reported on by and accompanied by an unqualified report from Grant Thornton LLP, present fairly the consolidated financial condition of the Borrower as at such date, and the consolidated results of its operations and its consolidated cash flows for the fiscal year then ended. The unaudited consolidated balance sheet of the Borrower as at March 31, 2003, and the related unaudited consolidated and consolidating statements of income and cash flows for the three-month period ended on such date, present fairly the consolidated financial condition of the Borrower as at such date, and the consolidated results of its operations and its consolidated and consolidating cash flows for the three-month period then ended (subject to normal year-end audit adjustments and the absence of footnotes). Such financial statements have been prepared in accordance with GAAP applied consistently throughout the periods involved (except as approved by the aforementioned firm of accountants and disclosed therein). The Borrower and its Subsidiaries do not have any material Guarantee Obligations, contingent liabilities or liabilities for taxes, or any long-term leases or unusual forward or long-term commitments, including any interest rate or foreign currency swap or exchange transaction or other obligation in respect of derivatives, that are not reflected in the financial statements referred to in this paragraph. During the period from March 31, 2003 to and including the date hereof there has been no Disposition by the Borrower or any Subsidiary of any material part of its business or property.

4.2. No Change. Since December 31, 2002 there has been no development or event that has had or could reasonably be expected to have a Material Adverse Effect.

4.3. Existence; Compliance with Law. Each of the Borrower and its Subsidiaries (a) is duly organized, validly existing and in good standing, if applicable, under the laws of the jurisdiction of its organization, (b) has the power (corporate or otherwise) and authority, and the legal right, to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (c) is duly qualified as a foreign corporation or other entity and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification, except to the extent that the failure to be so qualified and in good standing could not, in the aggregate, reasonably be expected to have a Material Adverse Effect, and (d) is in compliance with all Requirements of Law except to the extent that the failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.4. Power; Authorization; Enforceable Obligations. Each Loan Party has the power (corporate or otherwise) and authority, and the legal right, to make, deliver and perform the Loan Documents to which it is a party and, in the case of the Borrower, to borrow hereunder. Each Loan Party has taken all necessary action (corporate or otherwise) to authorize the execution, delivery and performance of the Loan Documents to which it is a party and, in the case of the Borrower, to authorize the borrowings on the terms and conditions of this Agreement. No consent or authorization of, filing with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the borrowings hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement or any of the Loan Documents, except (i) consents, authorizations, filings and notices described in Schedule 4.4, which consents, authorizations, filings and notices have been obtained or made and are in full force and effect and (ii) the filings referred to in Section 4.19. Each Loan Document has been duly executed and delivered on behalf of each Loan Party party thereto. This Agreement constitutes, and each other Loan Document upon execution will constitute, a legal, valid and binding obligation of each Loan Party party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

4.5. No Legal Bar. The execution, delivery and performance of this Agreement and the other Loan Documents, the issuance of Letters of Credit, the borrowings hereunder and the use of the proceeds thereof will not violate any Requirement of Law or any material Contractual Obligation of the Borrower or any of its Subsidiaries and will not result in, or require, the creation or imposition of any Lien on any of their respective properties or revenues pursuant to any Requirement of Law or any such Contractual Obligation (other than the Liens created by the Security Documents). No Requirement of Law or Contractual Obligation applicable to the Borrower or any of its Subsidiaries could reasonably be expected to have a Material Adverse Effect.

4.6. Litigation. Except as set forth on Schedule 4.6, no litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened by or against the Borrower or any of its Subsidiaries or against any of their respective properties or revenues (a) with respect to any of the Loan Documents or any of the transactions contemplated hereby or thereby, or (b) that could reasonably be expected to have a Material Adverse Effect.

4.7. No Default. Neither the Borrower nor any of its Subsidiaries is in default under or with respect to any of its Contractual Obligations in any respect that could reasonably be expected to have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.

4.8. Ownership of Property; Liens. Each of the Borrower and its Subsidiaries has title in fee simple to, or a valid leasehold interest in, all its material real property, and good title to, or a valid leasehold interest in, all its other material property, and none of such property is subject to any Lien except as permitted by Section 7.3.

4.9. Intellectual Property. The Borrower and each of its Subsidiaries owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted. No material claim has been asserted and is pending by any Person challenging or questioning the use of any Intellectual Property or the validity or effectiveness of any Intellectual Property, nor does the Borrower know of any valid basis for any such claim. The use of Intellectual Property by the Borrower and its Subsidiaries does not infringe on the rights of any Person in any material respect.

4.10. Taxes. The Borrower and each of its Subsidiaries has filed or caused to be filed all Federal, state and other material tax returns that are required to be filed and has paid all taxes shown to be due and payable on said returns or on any assessments made against it or any of its property and all other taxes, fees or other charges imposed on it or any of its property by any Governmental Authority to the extent due and payable (other than any the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or its Subsidiaries, as the case may be); no material tax Lien has been filed, and, to the knowledge of the Borrower, no claim is being asserted, with respect to any such tax, fee or other charge, except to the extent that the validity thereof is being contested in good faith pursuant to appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or its Subsidiaries, as the case may be.

4.11. Federal Regulations. No part of the proceeds of any Loans will be used for "buying" or "carrying" any "margin stock" within the respective meanings of each of the quoted terms under Regulation U as now and from time to time hereafter in effect or for any purpose that violates the provisions of the Regulations of the Board. If requested by any Lender or the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form G-3 or FR Form U-1, as applicable, referred to in Regulation U.

4.12. Labor Matters. Except as set forth on Schedule 4.6 and as, in the aggregate, could not reasonably be expected to have a Material Adverse Effect: (a) there are no strikes or other labor disputes against the Borrower or any of its Subsidiaries pending or, to the knowledge of the Borrower, threatened; (b) hours worked by and payment made to employees of the Borrower and its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable Requirement of Law dealing with such matters; and (c) all payments due from the Borrower or any of its Subsidiaries on account of employee health and welfare insurance have been paid or accrued as a liability on the books of the Borrower or the relevant Subsidiary.

4.13. ERISA. Neither a Reportable Event nor an "accumulated funding deficiency" (within the meaning of Section 412 of the Code or Section 302 of ERISA) has occurred during the five-year period prior to the date on which this representation is made or deemed made with respect to any Plan, and each Plan has complied in all material respects with the applicable provisions of ERISA and the Code. No termination of a Single Employer Plan has occurred, and no Lien against the Borrower or any Commonly Controlled Entity and in favor of the PBGC or a Plan has arisen, during such five-year period. The present value of all accrued benefits under each Single Employer Plan (based on those assumptions used to fund such Plans) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Plan allocable to such accrued benefits by a material amount. Neither the Borrower nor any Commonly Controlled

Entity has had a complete or partial withdrawal from any Multiemployer Plan that has resulted or could reasonably be expected to result in a material liability under ERISA, and neither the Borrower nor any Commonly Controlled Entity would become subject to any material liability under ERISA if the Borrower or any such Commonly Controlled Entity were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date on which this representation is made or deemed made. No such Multiemployer Plan is in Reorganization or Insolvent.

4.14. Investment Company Act; Other Regulations. No Loan Party is an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended. No Loan Party is subject to regulation under any Requirement of Law (other than Regulation X of the Board) that limits its ability to incur Indebtedness.

4.15. Subsidiaries. Except as disclosed to the Administrative Agent by the Borrower in writing from time to time, (a) Schedule 4.15 sets forth the name and jurisdiction of incorporation of each Subsidiary and, as to each such Subsidiary, the percentage of each class of Capital Stock owned by any Loan Party and (b) there are no outstanding subscriptions, options, warrants, calls, rights or other agreements or commitments (other than stock options granted to employees, independent contractors or directors and directors' qualifying shares) of any nature relating to any Capital Stock of the Borrower or any Subsidiary, except as created by the Loan Documents or as set forth on Schedule 4.15.

4.16. Use of Proceeds. The proceeds of the Term Loans shall be used as set forth in Section 6.11, and the proceeds of the Revolving Loans and the Swingline Loans, and the Letters of Credit, shall be used for general corporate purposes.

4.17. Environmental Matters. Except as, in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

(a) the facilities and properties owned, leased or operated by the Borrower or any of its Subsidiaries (the "Properties") do not contain, and have not previously contained, any Materials of Environmental Concern in amounts or concentrations or under circumstances that constitute or constituted a violation by Borrower or its Subsidiaries of, or could give rise to liability of Borrower or its Subsidiaries under, any Environmental Law;

(b) neither the Borrower nor any of its Subsidiaries has received any notice of, or is otherwise aware of, any violation, alleged violation, non-compliance, liability or potential liability regarding environmental matters or compliance with Environmental Laws with regard to any of the Properties or the business presently or formerly operated by the Borrower or any of its Subsidiaries (the "Business"), nor does the Borrower have knowledge or reason to believe that any such notice will be received or is being threatened;

(c) Materials of Environmental Concern have not been transported or disposed of by or on behalf of the Borrower or its Subsidiaries from the Properties or otherwise in connection with the Business, in violation of, or in a manner or to a location that could give rise to liability under, any Environmental Law, nor have any Materials of Environmental Concern been generated, treated, stored, or disposed of, or have otherwise come to be located at, on or under any of the Properties in violation of, or in a manner that could give rise to liability under, any applicable Environmental Law;

(d) no judicial proceeding or governmental or administrative action is pending or, to the knowledge of the Borrower, threatened, under any Environmental Law to which the Borrower or any Subsidiary is or will be named as a party with respect to the Properties or the Business, nor

are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements outstanding under any Environmental Law with respect to the Properties or the Business;

(e) there has been no release or threat of release of Materials of Environmental Concern at, to, on, under or from the Properties or arising from or related to the operations of the Borrower or any Subsidiary in connection with the Properties or otherwise in connection with the Business, in violation of or in amounts or in a manner that could give rise to liability of Borrower or its Subsidiaries under Environmental Laws;

(f) the Borrower, its Subsidiaries, the Business, the Properties and all operations at the Properties are in compliance and have in the last five years been in compliance with all applicable Environmental Laws, and there is no contamination at, under or about the Properties or violation of any Environmental Law with respect to the Properties or the Business; and

(g) neither the Borrower nor any of its Subsidiaries has, by contract or by operation of law, assumed any liability of any other Person or agreed to indemnify any other person for liability under Environmental Laws.

4.18. Accuracy of Information, etc. (a) No statement or information contained in this Agreement, any other Loan Document or any other document, certificate or statement furnished by or on behalf of any Loan Party to the Administrative Agent or the Lenders, or any of them, for use in connection with the transactions contemplated by this Agreement or the other Loan Documents, contained as of the date such statement, information, document or certificate was so furnished, any untrue statement of a material fact or omitted to state a material fact necessary to make the statements contained herein or therein not misleading. The projections and pro forma financial information contained in the materials referenced above are based upon good faith estimates and assumptions believed by management of the Borrower to be reasonable at the time made, it being recognized by the Lenders that such financial information as it relates to future events is not to be viewed as fact and that actual results during the period or periods covered by such financial information may differ from the projected results set forth therein by a material amount. There is no fact known to any Loan Party that could reasonably be expected to have a Material Adverse Effect that has not been expressly disclosed herein, in the other Loan Documents or in any other documents, certificates and statements furnished to the Administrative Agent and the Lenders for use in connection with the transactions contemplated hereby and by the other Loan Documents.

(b) The Borrower's Annual Report on Form 10-K for the year ended December 31, 2002 and the Borrower's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003 (collectively the "Borrower's SEC Reports") as of their respective filing dates complied in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder applicable to the Borrower's SEC Reports. None of the Borrower's SEC Reports at the time of filing contained any untrue statements of material fact or omitted a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. Forward looking statements and other statements contained in the Borrower's SEC Reports are subject to the cautionary language and risk factors contained in the Borrower's SEC Reports.

4.19. Security Documents. (a) The Guarantee and Collateral Agreement is effective to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral described in Section 3 thereof and proceeds of such Collateral. In the case of (i) the Pledged Equity Interests described in the Guarantee and Collateral

Agreement, when stock certificates representing such certificated Pledged Equity Interests are delivered to the Administrative Agent or when financing statements in appropriate form are filed in the offices specified on Schedule 4.19(a) and (ii) the other Collateral described in the Guarantee and Collateral Agreement, when financing statements and other filings specified on Schedule 4.19(a) (or otherwise notified to the Administrative Agent) in appropriate form are filed in the offices specified on Schedule 4.19(a) (or otherwise notified to the Administrative Agent), the Guarantee and Collateral Agreement shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Loan Parties in such Collateral (other than Vehicles (as defined in the Guarantee and Collateral Agreement), Deposit Accounts (as defined in the Guarantee and Collateral Agreement), and leasehold estates in real property) and the proceeds thereof, as security for the Obligations (as defined in the Guarantee and Collateral Agreement), in each case prior and superior in right to any other Person (except, in the case of Collateral other than Pledged Equity Interests, Liens permitted by Section 7.3).

(b) Each of the Mortgages is effective to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable Lien on the Mortgaged Properties described therein and proceeds thereof and constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Loan Parties in such Mortgaged Properties and the proceeds thereof, as security for the Obligations (as defined in the relevant Mortgage), in each case prior and superior in right to any other Person except Liens permitted by Section 7.3.

4.20. Solvency. Each Loan Party is on the Closing Date (after giving effect to the transactions contemplated by this Agreement), and will continue to be, Solvent.

4.21. Senior Indebtedness. The Obligations constitute "Senior Indebtedness" of the Borrower under and as defined in each Senior Subordinated Note Indenture. The obligations of each Subsidiary Guarantor under the Guarantee and Collateral Agreement constitute "Guarantor Senior Indebtedness" of such Subsidiary Guarantor under and as defined in each Senior Subordinated Note Indenture.

4.22. Regulation H. No Mortgage encumbers improved real property that is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968.

4.23. Insurance. Each of the Borrower and its Subsidiaries is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which it is engaged; and none of the Borrower or any of its Subsidiaries (i) has received notice from any insurer or agent of such insurer that substantial capital improvements or other material expenditures will have to be made in order to continue such insurance or (ii) has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers at a cost that could not reasonably be expected to have a Material Adverse Effect.

4.24. Lease Payments. Each of the Borrower and its Subsidiaries has paid all payments required to be made by it within any specified grace periods under leases of real property where any of the Collateral is or may be located from time to time (other than any the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or such Subsidiary, as the case may be), except as could not reasonably be expected to have a Material Adverse Effect; no landlord Lien has been filed, and, to the knowledge of the Borrower, no claim is being asserted, with respect to any such payments, in each case that could, when taken together with any other such liens or

claims, reasonably be expected to have a Material Adverse Effect. Neither the Borrower nor any Subsidiary owns any real property in fee simple.

SECTION 5. CONDITIONS PRECEDENT

5.1. Conditions to Effectiveness. The effectiveness of this Agreement is subject to the satisfaction, prior to or concurrently with the making of the Term Loans on the Closing Date, of the following conditions precedent:

(a) Loan Documents. The Administrative Agent shall have received (i) this Agreement, executed and delivered by a duly authorized officer of the Borrower, (ii) the Guarantee and Collateral Agreement, executed and delivered by a duly authorized officer of the Borrower and each Subsidiary Guarantor, (iii) each Note requested by any Lender, (iv) the Subordinated Intercompany Note and (v) the Intellectual Property Security Agreement.

(b) Closing Certificate. The Administrative Agent shall have received, with a counterpart for each Lender, a certificate of the Borrower and each Subsidiary Guarantor, dated the Closing Date, substantially in the form of Exhibit C, with appropriate insertions and attachments.

(c) Approvals. All governmental and third party approvals necessary or, in the discretion of the Administrative Agent, advisable in connection with the continuing operations of the Borrower and its Subsidiaries and the transactions contemplated hereby shall have been obtained and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority which would restrain, prevent or otherwise impose adverse conditions on the financing contemplated hereby.

(d) Termination of Existing Credit Facilities. The Administrative Agent shall have received evidence satisfactory to the Administrative Agent that all amounts under the Existing Credit Agreement shall be paid in full on the Closing Date (except that the Existing Letters of Credit shall remain in effect and shall become Letters of Credit hereunder) and arrangements satisfactory to the Administrative Agent shall have been made for the termination of Liens and security interests granted in connection therewith.

(e) Fees. The Lenders, the Arrangers and each Agent shall have received all fees required to be paid, and all expenses for which invoices have been presented (including, without limitation, the reasonable fees, disbursements and other charges of counsel to the Agents), on or before the Closing Date. All such amounts will be paid with proceeds of Loans made on the Closing Date and will be reflected in the funding instructions given by the Borrower to the Administrative Agent on or before the Closing Date.

(f) Lien Searches. The Administrative Agent shall have received the results of a recent lien search in each of the jurisdictions or offices (including, without limitation, in the United States Patent and Trademark Office and the United States Copyright Office) requested by the Administrative Agent in which UCC financing statements or other filings or recordations should be made (or would have been made under the UCC as in effect immediately prior to July 1, 2001) to evidence or perfect (with the priority required under the Loan Documents) security interests in the Collateral, and such search shall reveal no Liens on any of the assets of the Borrower or its Subsidiaries except for Liens permitted by Section 7.3.

(g) Other Certifications. The Administrative Agent shall have received the following:

(i) a copy of the charter of the Borrower and each Subsidiary Guarantor and each amendment thereto, certified (as of a date reasonably near the Closing Date) as being a true and correct copy thereof by the Secretary of State or other applicable Governmental Authority of the jurisdiction in which each such Loan Party is organized;

(ii) a copy of a certificate of the Secretary of State or other applicable Governmental Authority of the jurisdiction in which each such Loan Party is organized, dated reasonably near the Closing Date, listing the charter of such Loan Party and each amendment thereto on file in such office and certifying that (A) such amendments are the only amendments to such Person's charter on file in such office, (B) such Person has paid all franchise taxes to the date of such certificate and (C) such Person is duly organized and in good standing under the laws of such jurisdiction;

(iii) a telephonic confirmation from the Secretary of State or other applicable Governmental Authority of each jurisdiction in which each such Person is organized certifying that the Borrower and each Subsidiary Guarantor is duly organized and in good standing under the laws of such jurisdiction on the Closing Date, together with a written confirmatory report in respect thereof prepared by, or on behalf of, a filing service acceptable to the Administrative Agent; and

(iv) a copy of a certificate of the Secretary of State or other applicable Governmental Authority of each jurisdiction reasonably requested by the Administrative Agent, dated reasonably near the Closing Date, stating that the Borrower and each of its Subsidiaries is duly qualified and in good standing as a foreign corporation or entity in each such jurisdiction and has filed all annual reports required to be filed to the date of such certificate, provided that the failure to be so duly qualified in any particular jurisdiction shall not constitute a failure of this condition precedent unless such failure, when taken together with any other such failure in any other applicable jurisdiction, could reasonably be expected to have a Material Adverse Effect.

(h) Legal Opinions. The Administrative Agent shall have received the executed legal opinion of Winstead Sechrest & Minick P.C., counsel to the Borrower and its Subsidiaries, substantially in the form of Exhibit F.

(i) Pledged Equity Interests; Stock Power; Pledged Notes. The Administrative Agent shall have received (i) all originals of the certificates representing the shares of Capital Stock pledged pursuant to the Guarantee and Collateral Agreement, together with an undated stock power or other power of transfer for each such certificate executed in blank by a duly authorized officer of the pledgor thereof and (ii) all originals of each promissory note, if any, pledged to the Administrative Agent pursuant to the Guarantee and Collateral Agreement endorsed (without recourse) in blank (or accompanied by an executed transfer form in blank satisfactory to the Administrative Agent) by the pledgor thereof.

(j) Filings, Registrations and Recordings. Each document (including, without limitation, any UCC financing statement) required by the Security Documents or under law or reasonably requested by the Administrative Agent to be filed, registered or recorded in order to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a perfected Lien on, and security interest in, the Collateral described therein, prior and superior in right to any

other Person (other than Liens permitted by Section 7.3), shall have been duly prepared for filing, registration or recordation, as applicable, and delivered to the Administrative Agent and shall be in form and substance reasonably satisfactory to the Administrative Agent.

(k) Insurance. The Administrative Agent shall have received insurance certificates satisfying the requirements of Section 5.3 of the Guarantee and Collateral Agreement.

(l) Miscellaneous. The Administrative Agent shall have received such other documents, agreements, certificates and information as it shall reasonably request.

5.2. Conditions to Each Extension of Credit. The agreement of each Lender to make any extension of credit requested to be made by it on any date (including its initial extension of credit) is subject to the satisfaction of the following conditions precedent:

(a) Representations and Warranties. Each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct in all material respects on and as of such date as if made on and as of such date (unless such representations expressly relate to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date).

(b) No Default. No Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the extensions of credit requested to be made on such date.

Each borrowing by and issuance of a Letter of Credit on behalf of the Borrower hereunder shall constitute a representation and warranty by the Borrower as of the date of such extension of credit that the conditions contained in this Section 5.2 have been satisfied.

SECTION 6. AFFIRMATIVE COVENANTS

The Borrower hereby agrees that, so long as any Commitment remains in effect, any Letter of Credit remains outstanding or any Loan or other amount is owing to any Lender or the Administrative Agent hereunder, the Borrower shall and shall cause each of its Subsidiaries to:

6.1. Financial Statements. Furnish to the Administrative Agent with sufficient copies for each Lender (and the Administrative Agent shall promptly provide to each Lender, by posting to Intralinks or otherwise):

(a) as soon as available, but in any event within 90 days after the end of each fiscal year of the Borrower, a copy of the audited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such year and the related audited consolidated statements of income and of cash flows for such year, setting forth in each case in comparative form the figures for the previous year, reported on without a "going concern" or like qualification or exception, or qualification arising out of the scope of the audit, by Grant Thornton LLP or other independent certified public accountants of nationally recognized standing; and

(b) as soon as available, but in any event not later than 45 days after the end of each of the first three quarterly periods of each fiscal year of the Borrower, the unaudited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such quarter and the related unaudited consolidated statements of income and of cash flows for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in

comparative form the figures for the previous year, certified by a Responsible Officer as being fairly stated in all material respects (subject to normal year-end audit adjustments and the absence of notes thereto).

All such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein and with prior periods (except as approved by such accountants or officer, as the case may be, and disclosed therein).

6.2. Certificates; Other Information. Furnish to the Administrative Agent with sufficient copies for each Lender (or, in the case of clause (g), to the relevant Lender):

(a) concurrently with the delivery of the financial statements referred to in Section 6.1(a), a certificate of the independent certified public accountants reporting on such financial statements stating that in making the examination necessary therefor no knowledge was obtained of any Default or Event of Default, except as specified in such certificate;

(b) concurrently with the delivery of any financial statements pursuant to Section 6.1, (i) a certificate of a Responsible Officer stating that such Responsible Officer has obtained no knowledge of any Default or Event of Default except as specified in such certificate and (ii) (x) a Compliance Certificate containing all information and calculations necessary for determining compliance by the Borrower and its Subsidiaries with the provisions of this Agreement referred to therein as of the last day of the fiscal quarter or fiscal year of the Borrower, and (y) to the extent not previously disclosed to the Administrative Agent, a report describing each new Subsidiary of any Loan Party, any change in the name or jurisdiction of organization of any Loan Party and any new fee owned real property or material Intellectual Property acquired by any Loan Party since the date of the most recent report delivered pursuant to this clause (y);

(c) as soon as available, and in any event no later than 45 days after the end of each fiscal year of the Borrower, a detailed consolidated budget for the following fiscal year (including a projected consolidated balance sheet of the Borrower and its Subsidiaries as of the end of the following fiscal year, the related consolidated statements of projected cash flow, projected changes in financial position and projected income, resulting applicable financial covenant ratios and a description of the underlying assumptions applicable thereto), and, as soon as available, significant revisions, if any, of such budget and projections with respect to such fiscal year (collectively, the "Projections"), which Projections shall in each case be accompanied by a certificate of a Responsible Officer stating that such Projections are based on reasonable estimates, information and assumptions and that such Responsible Officer has no reason to believe that such Projections are incorrect or misleading in any material respect;

(d) within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Borrower, a narrative discussion and analysis of the financial condition and results of operations of the Borrower and its Subsidiaries for such fiscal quarter and for the period from the beginning of the then current fiscal year to the end of such fiscal quarter, as compared to the portion of the Projections covering such periods and to the comparable periods of the previous year; provided that delivery of the Report on Form 10-Q filed with the SEC with respect to such fiscal quarter shall be deemed to satisfy the foregoing requirement;

(e) no later than five Business Days prior to the effectiveness thereof, copies of substantially final drafts of any proposed amendment, supplement, waiver or other modification

with respect to the Senior Subordinated Note Indenture if the effectiveness thereof requires the approval of any percentage of the holders of Indebtedness thereunder;

(f) within five Business Days after the same are sent, copies of all financial statements and reports that the Borrower sends to the holders of any class of its debt securities or public equity securities and, within five Business Days after the same are filed, copies of all financial statements and reports that the Borrower may make to, or file with, the SEC; and

(g) promptly, such additional financial and other information as any Lender may from time to time reasonably request.

6.3. Payment of Obligations. Pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its material obligations of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with respect thereto have been provided on the books of the Borrower or its Subsidiaries, as the case may be.

6.4. Maintenance of Existence; Compliance. (a) (i) Preserve, renew and keep in full force and effect its corporate (or other) existence and (ii) take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business, except, in each case, as otherwise permitted by Section 7.4 and except, in the case of clause (ii) above, to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and (b) comply with all Contractual Obligations and Requirements of Law except to the extent that failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

6.5. Maintenance of Property; Insurance. Keep all property useful and necessary in its business in good working order and condition, ordinary wear and tear excepted and maintain with financially sound and reputable insurance companies insurance on all its property in at least such amounts and against at least such risks (but including in any event public liability, product liability and business interruption expense coverage) as are usually insured against in the same general area by companies engaged in the same or a similar business.

6.6. Inspection of Property; Books and Records; Discussions. (a) Keep proper books of records and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities and (b) subject to the provisions of Section 10.14, permit representatives of any Lender, upon reasonable prior notice, to visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time and as often as may reasonably be desired and to discuss the business, operations, properties and financial and other condition of the Borrower and its Subsidiaries with officers and employees of the Borrower and its Subsidiaries and with its independent certified public accountants.

6.7. Notices. Promptly give notice to the Administrative Agent with sufficient copies for each Lender (and the Administrative Agent shall promptly provide such notice to each Lender, by posting to Intralinks or otherwise) of:

(a) the occurrence of any Default or Event of Default;

(b) any (i) default or event of default under any Contractual Obligation of the Borrower or any of its Subsidiaries or (ii) litigation, investigation or proceeding that may exist at any time between the Borrower or any of its Subsidiaries and any Governmental Authority, that

in either case, if not cured or if reasonably expected to be adversely determined, as the case may be, could reasonably be expected to have a Material Adverse Effect;

(c) any litigation or proceeding affecting the Borrower or any of its Subsidiaries in which (x) the amount claimed is (i) $20,000,000 or more and (ii) not covered by insurance or (y) injunctive or similar relief is sought which could reasonably be expected to be granted and which, if granted, could reasonably be expected to have a Material Adverse Effect;

(d) the following events, as soon as possible and in any event within 30 days after the Borrower knows or has reason to know thereof: (i) the occurrence of any Reportable Event with respect to any Plan, a failure to make any required contribution to a Plan, the creation of any Lien in favor of the PBGC or a Plan or any withdrawal from, or the termination, Reorganization or Insolvency of, any Multiemployer Plan or (ii) the institution of proceedings or the taking of any other action by the PBGC or the Borrower or any Commonly Controlled Entity or any Multiemployer Plan with respect to the withdrawal from, or the termination, Reorganization or Insolvency of, any Single Employer Plan or Multiemployer Plan; and

(e) any development or event that has had or could reasonably be expected to have a Material Adverse Effect.

Each notice pursuant to this Section 6.7 shall be accompanied by a statement of a Responsible Officer setting forth details of the occurrence referred to therein and stating what action the Borrower or the relevant Subsidiary proposes to take with respect thereto.

6.8. Environmental Laws. Except as could not reasonably be expected to have a Material Adverse Effect:

(a) comply with, and contractually require compliance by all tenants and subtenants, if any, with, all applicable Environmental Laws, and obtain and comply with and maintain, and contractually require that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws; and

(b) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws and promptly comply with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws.

6.9. Additional Collateral, etc. (a) With respect to any property acquired after the Closing Date by the Borrower or any of its Subsidiaries (other than (w) any vehicles and any immaterial inventory and equipment, (x) any property described in paragraph (b), (c) or (d) below, (y) any property subject to a Lien expressly permitted by Section 7.3(g) or (j) and (z) property acquired by any Specified Subsidiary) as to which the Administrative Agent, for the benefit of the Secured Parties, does not have a perfected Lien, promptly (i) execute and deliver to the Administrative Agent such amendments to the Guarantee and Collateral Agreement or such other documents as the Administrative Agent deems necessary or advisable to grant to the Administrative Agent, for the benefit of the Secured Parties, a security interest in such property and (ii) take all actions necessary or advisable to grant to the Administrative Agent, for the benefit of the Secured Parties, a perfected first priority security interest in such property, including the filing of Uniform Commercial Code financing statements in such jurisdictions as may be required by the Guarantee and Collateral Agreement or by law or as may be requested by the Administrative Agent.

(b) With respect to any fee interest in any real property having a value (together with improvements thereof) of at least $750,000 acquired after the Closing Date by the Borrower or any of its Subsidiaries (other than (x) any such real property subject to a Lien expressly permitted by Section 7.3(g) or (j) and (z) real property acquired by any Specified Subsidiary), promptly (i) execute and deliver a first priority Mortgage, in favor of the Administrative Agent, for the benefit of the Secured Parties, covering such real property, (ii) if requested by the Administrative Agent, provide the Lenders with (x) title and extended coverage insurance covering such real property in an amount at least equal to the purchase price of such real property (or such other amount as shall be reasonably specified by the Administrative Agent) as well as a current ALTA survey thereof, together with a surveyor's certificate and (y) any consents or estoppels reasonably deemed necessary or advisable by the Administrative Agent in connection with such Mortgage, each of the foregoing in form and substance reasonably satisfactory to the Administrative Agent and (iii) if requested by the Administrative Agent, deliver to the Administrative Agent legal opinions relating to the matters described above, which opinions shall be in form and substance, and from counsel, reasonably satisfactory to the Administrative Agent.

(c) With respect to any new Subsidiary (other than an Excluded Foreign Subsidiary) created or acquired after the Closing Date by the Borrower or any of its Subsidiaries (which, for the purposes of this paragraph (c), shall include any existing Subsidiary that ceases to be an Excluded Foreign Subsidiary but shall exclude Legacy Trust and the Insurance Subsidiary), promptly (i) execute and deliver to the Administrative Agent such amendments to the Guarantee and Collateral Agreement as the Administrative Agent deems necessary or advisable to grant to the Administrative Agent, for the benefit of the Secured Parties, a perfected first priority security interest in the Capital Stock of such new Subsidiary that is owned by the Borrower or any of its Subsidiaries (except Capital Stock constituting Investments permitted under Section 7.8(g) or (j)), (ii) deliver to the Administrative Agent the certificates representing such Capital Stock, together with undated stock (or other transfer) powers, in blank, executed and delivered by a duly authorized officer of the Borrower or such Subsidiary, as the case may be, and (iii) cause such new Subsidiary (A) to become a party to the Guarantee and Collateral Agreement, (B) to take such actions necessary or advisable to grant to the Administrative Agent for the benefit of the Secured Parties a perfected first priority security interest in the Collateral described in the Guarantee and Collateral Agreement with respect to such new Subsidiary, including the filing of Uniform Commercial Code financing statements in such jurisdictions as may be required by the Guarantee and Collateral Agreement or by law or as may be requested by the Administrative Agent and (C) to deliver to the Administrative Agent a certificate of such Subsidiary, substantially in the form of Exhibit C, with appropriate insertions and attachments.

(d) With respect to any new Excluded Foreign Subsidiary created or acquired after the Closing Date by the Borrower or any of its Subsidiaries, promptly (i) execute and deliver to the Administrative Agent such amendments to the Guarantee and Collateral Agreement as the Administrative Agent deems necessary or advisable to grant to the Administrative Agent, for the benefit of the Secured Parties, a perfected first priority security interest in the Capital Stock of such new Subsidiary that is owned by the Borrower or any of its Subsidiaries (provided that in no event shall more than 65% of the total outstanding voting Capital Stock of any such new Subsidiary be required to be so pledged), and (ii) deliver to the Administrative Agent the certificates representing such Capital Stock, together with undated stock (or other transfer) powers, in blank, executed and delivered by a duly authorized officer of the Borrower or such Subsidiary, as the case may be, and take such other action as may be necessary or, in the opinion of the Administrative Agent, desirable to perfect the Administrative Agent's security interest therein.

6.10. Permitted Acquisitions and Permitted Foreign Acquisitions. (a) Deliver to the Lenders, within ten Business Days following the closing date of any Permitted Acquisition or Permitted Foreign Acquisition involving a Purchase Price less than $35,000,000 (other than any such acquisition

that, together with any related acquisition, involves less than thirty stores), each of the following: (i) a description of the property, assets and/or equity interest being purchased, in reasonable detail; and (ii) a copy of the purchase agreement pursuant to which such acquisition was consummated or a term sheet or other description setting forth the essential terms and the basic structure of such acquisition.

(b) Deliver to the Lenders, not less than ten Business Days prior to the closing date of any Permitted Acquisition or Permitted Foreign Acquisition involving a Purchase Price greater than or equal to $35,000,000, each of the following: (A) a description of the property, assets and/or equity interest being purchased, in reasonable detail; (B) a copy of the purchase agreement pursuant to which such acquisition was or is to be consummated or a term sheet or other description setting forth the essential terms and the basic structure of such acquisition; (C) projected statements of income for the entity that is being acquired (or the assets, if an acquisition of assets) for at least a two-year period following such acquisition (including a summary of assumptions or pro forma adjustments for such projections); (D) to the extent made available to the Borrower, historical financial statements for the entity that is being acquired (or the assets, if an acquisition of assets) (including balance sheets and statements of income, retained earnings and cash flows for at least a two-year period prior to such acquisition); and (E) confirmation, supported by detailed calculations, that the Borrower and its Subsidiaries would have been in compliance with all the covenants in Section 7.1 for the fiscal quarter ending immediately prior to the consummation of such acquisition, with such compliance determined on a pro forma basis as if such acquisition had been consummated on the first day of the Reference Period ending on the last day of such fiscal quarter.

6.11. Use of Proceeds. Apply the proceeds of the Term Loans advanced on the Closing Date to repay in full all outstanding obligations of RAC East under the Existing Credit Agreement, and, on each subsequent Borrowing Date of Term Loans, apply the proceeds of such Term Loans (i) to the repurchase of the Borrower's Capital Stock pursuant to the equity tender offer dated April 28, 2003, (ii) to the repurchase of the Borrower's Capital Stock from the Sponsor pursuant to an agreement dated as of April 25, 2003, (iii) to open market repurchases of the Borrower's Capital Stock otherwise permitted by this Agreement and (iv) for general corporate purposes.

6.12. Further Assurances. From time to time execute and deliver, or cause to be executed and delivered, such additional instruments, certificates or documents, and take all such actions, as the Administrative Agent may reasonably request, for the purposes of implementing or effectuating the provisions of this Agreement and the other Loan Documents, or of more fully perfecting or renewing the rights of the Administrative Agent and the Secured Parties with respect to the Collateral (or with respect to any additions thereto or replacements or proceeds or products thereof or with respect to any other property or assets hereafter acquired by the Borrower or any Subsidiary which may be deemed to be part of the Collateral) pursuant hereto or thereto. Upon the exercise by the Administrative Agent or any Secured Party of any power, right, privilege or remedy pursuant to this Agreement or the other Loan Documents which requires any consent, approval, recording, qualification or authorization of any Governmental Authority, the Borrower will execute and deliver, or will cause the execution and delivery of, all applications, certifications, instruments and other documents and papers that the Administrative Agent or such Lender may be required to obtain from the Borrower or any of its Subsidiaries for such governmental consent, approval, recording, qualification or authorization.

SECTION 7. NEGATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect, any Letter of Credit remains outstanding or any Loan or other amount is owing to any Lender or the Administrative Agent hereunder, the Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

7.1. Financial Condition Covenants.

(a) Consolidated Leverage Ratio. Permit the Consolidated Leverage Ratio as at the last day of any period of four consecutive fiscal quarters of the Borrower ending on or after June 30, 2003 to exceed 2.75 to 1.00.

(b) Consolidated Interest Coverage Ratio. Permit the Consolidated Interest Coverage Ratio for any period of four consecutive fiscal quarters of the Borrower ending with any fiscal quarter during any period set forth below to be less than the ratio set forth below opposite such period:

Period	Consolidated Interest Coverage Ratio
Fiscal year 2003	3.50 to 1.00
Fiscal year 2004 and thereafter	4.00 to 1.00

(c) Consolidated Fixed Charge Coverage Ratio. Permit the Consolidated Fixed Charge Coverage Ratio for any period of four consecutive fiscal quarters of the Borrower ending with any fiscal quarter set forth below to be less than the ratio set forth below opposite such period:

Period	Consolidated Fixed Charge Coverage Ratio
On or prior to June 30, 2008	1.50 to 1.00
September 30, 2008	1.25 to 1.00
December 31, 2008 and thereafter	1.00 to 1.00

7.2. Indebtedness. Create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except:

(a) Indebtedness of any Loan Party pursuant to any Loan Document;

(b) (i) Indebtedness of the Borrower to any Subsidiary and of any Wholly Owned Subsidiary Guarantor to the Borrower or any other Subsidiary; provided, that such Indebtedness owing by any Loan Party shall be subordinated to the obligations of such Loan Party under the Loan Documents as set forth in the Subordinated Intercompany Note and (ii) Indebtedness of the Borrower and any Subsidiary to the Insurance Subsidiary in an aggregate amount not to exceed $35,000,000 at any time outstanding that cannot be subordinated to the obligations of such Loan Party under the Loan Documents for regulatory reasons or would cause the carrying value for regulatory valuation purposes to be decreased;

(c) Guarantee Obligations incurred in the ordinary course of business by the Borrower or any of its Subsidiaries of obligations of any Wholly Owned Subsidiary Guarantor;

(d) Indebtedness (other than the Indebtedness referred to in Section 7.2(b), (e), (f) and (h)) outstanding on the Closing Date and listed on Schedule 7.2(d) and any refinancings,

refundings, renewals or extensions thereof (without increasing, or shortening the maturity of, the principal amount thereof);

(e) Indebtedness (including, without limitation, Capital Lease Obligations) secured by Liens permitted by Section 7.3(g) in an aggregate principal amount not to exceed $15,000,000 at any one time outstanding;

(f) (i) Indebtedness of the Borrower (and, with respect to not more than $89,455,000 of the amount referred to in clause (x) below, RAC East) in respect of the Senior Subordinated Notes in an aggregate principal amount not to exceed (x) during the period from and including the Closing Date to but excluding August 16, 2003, $389,455,000 and (y) thereafter, $300,000,000 and any refinancings thereof (without increasing, or shorting the maturity of, the principal amount thereof) with other unsecured subordinated notes of the Borrower that have terms (other than the interest rate) no less favorable to the Borrower and its Subsidiaries (taken as a whole) and, in the judgment of the Administrative Agent, to the Lenders (taken as a whole) than the notes being so refinanced and an interest rate thereon not exceeding the then applicable market interest rate, (ii) Guarantee Obligations of any Subsidiary Guarantor in respect of such Indebtedness and Guarantee Obligations of the Borrower in respect of Indebtedness of RAC East specified in clause (x) above, provided that such Guarantee Obligations are subordinated to the same extent as the obligations of the Borrower in respect of the Senior Subordinated Notes or any notes issued pursuant to a refinancing permitted pursuant to clause (i) above and (iii) additional unsecured subordinated notes of the Borrower not permitted pursuant to clause (i) above that have terms (other than the interest rate) no less favorable to the Borrower and its Subsidiaries (taken as a whole) and, in the judgment of the Administrative Agent, to the Lenders (taken as a whole) than the Senior Subordinated Notes and an interest rate thereon not exceeding the then applicable market interest rate provided that all Net Cash Proceeds of such unsecured subordinated notes are applied to the prepayment of the Term Loans except that, notwithstanding the foregoing, $175,000,000 of such Net Cash Proceeds that constitute Qualified Net Cash Debt Proceeds may be applied to Permitted Acquisitions or Permitted Foreign Acquisitions;

(g) Assumed Indebtedness incurred pursuant to Permitted Acquisitions or Permitted Foreign Acquisitions consummated after the Closing Date in an aggregate amount not to exceed $100,000,000 at any time outstanding;

(h) Guarantee Obligations of the Borrower or any Subsidiary in respect of Indebtedness of franchisees not to exceed $75,000,000 at any one time outstanding; and

(i) additional Indebtedness of the Borrower or any of its Subsidiaries in an aggregate principal amount (for the Borrower and all Subsidiaries) not to exceed $35,000,000 at any one time outstanding.

7.3. Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, whether now owned or hereafter acquired, except for:

(a) Liens for taxes not yet due or that are being contested in good faith by appropriate proceedings, provided that adequate reserves with respect thereto are maintained on the books of the Borrower or its Subsidiaries, as the case may be, in conformity with GAAP;

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's, landlords' or other like Liens arising in the ordinary course of business that are not overdue for a period of more than 30 days or that are being contested in good faith by appropriate proceedings and for

which adequate reserves with respect thereto are maintained on the books of the Borrower or its Subsidiaries, as the case may be, in conformity with GAAP;

(c) pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation;

(d) deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(e) easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business that, in the aggregate, are not substantial in amount and that do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(f) Liens in existence on the Closing Date listed on Schedule 7.3(f), securing Indebtedness permitted by Section 7.2(d), provided that no such Lien is spread to cover any additional property after the Closing Date (other than "products" and "proceeds" thereof, as each such term is defined in the Uniform Commercial Code of the State of New York) and that the amount of Indebtedness secured thereby is not increased;

(g) Liens securing Indebtedness of the Borrower or any of its Subsidiaries incurred pursuant to Section 7.2(e) to finance the acquisition of fixed or capital assets, provided that (i) such Liens shall be created substantially simultaneously with the acquisition of such fixed or capital assets, (ii) such Liens do not at any time encumber any property other than the property financed by such Indebtedness (including the "products" and "proceeds" thereof, as each such term is defined in the Uniform Commercial Code of the State of New York) and (iii) the amount of Indebtedness secured thereby is not increased;

(h) Liens created pursuant to the Security Documents;

(i) any interest or title of a lessor under any lease entered into by the Borrower or any other Subsidiary in the ordinary course of its business and covering only the assets so leased;

(j) Liens on the property or assets of an Acquired Business or Acquired Foreign Business occurring or arising after the Closing Date and securing Assumed Indebtedness in an amount not to exceed $50,000,000, provided that such Liens (i) were not incurred in contemplation of the Permitted Acquisition or the Permitted Foreign Acquisition consummated in conjunction with the assumption of such Assumed Indebtedness and (ii) do not encumber any property other than the property acquired pursuant to such acquisition;

(k) Liens of securities intermediaries and depository banks on the accounts held by them to secure the payment of fees and expenses payable to them in respect of the maintenance of such accounts; and

(l) Liens not otherwise permitted by this Section so long as neither (i) the aggregate outstanding principal amount of the obligations secured thereby nor (ii) the aggregate fair market value (determined as of the date such Lien is incurred) of the assets subject thereto exceeds (as to the Borrower and all Subsidiaries) $25,000,000 at any one time.

7.4. Fundamental Changes. Enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of, all or substantially all of its property or business, except that:

(a) any Subsidiary of the Borrower may be merged or consolidated with or into the Borrower (provided that the Borrower shall be the continuing or surviving corporation) or with or into any Wholly Owned Subsidiary Guarantor (provided that the Wholly Owned Subsidiary Guarantor shall be the continuing or surviving corporation);

(b) any Subsidiary of the Borrower may Dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the Borrower or any Wholly Owned Subsidiary Guarantor; and

(c) any Permitted Acquisition and any Permitted Foreign Acquisition may be structured as a merger with or into the Borrower (provided that the Borrower shall be the continuing or surviving corporation) or with or into any Wholly Owned Subsidiary Guarantor (provided that such Wholly Owned Subsidiary Guarantor shall be the continuing or surviving corporation).

7.5. Disposition of Property. Dispose of any of its property, whether now owned or hereafter acquired, or, in the case of any Subsidiary of the Borrower, issue or sell any shares of such Subsidiary's Capital Stock to any Person, except:

(a) the Disposition of obsolete or worn out property in the ordinary course of business;

(b) the sale of inventory in the ordinary course of business;

(c) Dispositions (i) by the Borrower of any of its assets to any Wholly Owned Subsidiary Guarantor and (ii) by any Subsidiary of the Borrower of any of its assets (upon voluntary liquidation or otherwise) to the Borrower or any Wholly Owned Subsidiary Guarantor;

(d) the sale or issuance of any Subsidiary's Capital Stock to the Borrower or any Wholly Owned Subsidiary Guarantor;

(e) the Disposition of other property having a fair market value not to exceed $50,000,000 for any fiscal year of the Borrower; provided, that the requirements of Section 2.11(c) are complied with in connection therewith; and

(f) Dispositions referred to in Sections 7.8(f), (g) and (h);

(g) Dispositions to or by Legacy Trust or the Insurance Subsidiary of Capital Stock of the Borrower;

(h) Dispositions to or by Legacy Trust or the Insurance Subsidiary of Indebtedness described in Section 7.2(b) to the Borrower or any Wholly Owned Subsidiary Guarantor;

(i) Dispositions by the Borrower to Legacy Trust of cash in an amount not to exceed (when taken together with the amount of Restricted Payments made pursuant to Section 7.6(e)) the amount necessary to pay operating costs and expenses of Legacy Trust incurred in the ordinary course of business (not to exceed $150,000 per fiscal year of the Borrower) and to make

payments to Third Party Beneficiaries (as defined in the Trust Agreement) pursuant to and in accordance with the Trust Agreement as in effect on the date hereof and Dispositions by Legacy Trust of such cash to such Third Party Beneficiaries; and

(j) Dispositions by the Insurance Subsidiary effected solely for the purpose of liquidating assets in order to permit the Insurance Subsidiary to pay expenses and to make payments on insurance claims of the Borrower and/or any of its Subsidiaries with the proceeds of such Dispositions.

7.6. Restricted Payments. Declare or pay any dividend (other than dividends payable solely in (i) common stock of the Person making such dividend or (ii) the same class of Capital Stock of the Person making such dividend on which such dividend is being declared or paid, other than, in any such case, Disqualified Stock) on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Capital Stock of the Borrower or any Subsidiary, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of the Borrower or any Subsidiary (collectively, "Restricted Payments"), except that:

(a) any Subsidiary may make Restricted Payments to the Borrower or any Wholly Owned Subsidiary Guarantor;

(b) so long as no Default or Event of Default shall have occurred and be continuing, the Borrower may purchase the Borrower's common stock or common stock options, provided, (i) that the aggregate amount of payments under this paragraph (b) after the Closing Date shall not exceed $1,000,000 (excluding any such purchases permitted pursuant to the following clause (ii)) and (ii) the Borrower may consummate such purchases pursuant to the equity tender offer dated April 28, 2003, pursuant to a purchase agreement with the Sponsor dated April 25, 2003 or pursuant to open market bids, provided that the purchases permitted by this clause (ii) shall not exceed $212,000,000 (the "Repurchase Amount") in the aggregate and shall be consummated on or prior to August 5, 2003;

(c) so long as no Default or Event of Default shall have occurred and be continuing or would result therefrom, the Borrower may declare and pay dividends on the Preferred Stock on and after August 5, 2003;

(d) (1) so long as (i) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (ii) after giving effect thereto, the Consolidated Leverage Ratio is less than 2.50 to 1.00, (x) the Borrower may pay dividends on its Capital Stock or repurchase the Borrower's Capital Stock or the Insurance Subsidiary may repurchase the Borrower's Capital Stock (collectively, "Stock Payments") so long as the aggregate amount so expended pursuant to this clause (x), when added to the aggregate amount expended to repurchase Senior Subordinated Notes pursuant to clause (x) of Section 7.9(a), does not exceed the sum of (A) $75,000,000 and (B) following August 5, 2003, any portion of the Repurchase Amount which was not used to purchase the Borrower's common stock or common stock options pursuant to clause (ii) of Section 7.6(b) on or prior to August 5, 2003 and (y) in addition, the Borrower may make Stock Payments so long as (I) such payments are made after the basket set forth in clause (x) above has been fully utilized and (II) the aggregate amount so expended pursuant to this clause (y), when added to the aggregate amount expended to repurchase, repay or prepay Senior Subordinated Notes pursuant to clause (y) of Section 7.9(a), does not exceed 25% of the Consolidated Net Income Amount, and (2) so long as (i) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (ii) after giving effect

thereto, the Consolidated Leverage Ratio is less than 1.25 to 1.00, the Borrower may make Stock Payments (in addition to the Stock Payments permitted in clause 1 above) so long as the aggregate amount expended pursuant to this clause (2), when added to the aggregate amount expended to repurchase Senior Subordinated Notes pursuant to clause (2) of Section 7.9(a), does not exceed $55,000,000;

(e) the Borrower may repurchase shares of its common stock from Legacy Trust in an amount not to exceed (when taken together with the amount of cash Dispositions made pursuant to Section 7.5(i)) the amount necessary to pay operating costs and expenses of Legacy Trust incurred in the ordinary course of business (not to exceed $150,000 per fiscal year of the Borrower) and to make payments to Third Party Beneficiaries (as defined in the Trust Agreement) pursuant to and in accordance with the Trust Agreement as in effect on the date hereof;

(f) the Borrower may repurchase shares of its common stock from the Insurance Subsidiary in an amount not to exceed (when taken together with the amount of Dispositions made pursuant to Section 7.5(j)) the amount necessary to (i) pay operating costs and expenses of the Insurance Subsidiary incurred in the ordinary course of business (not to exceed $250,000 per fiscal year of the Borrower) and (ii) permit the Insurance Subsidiary to make payments on insurance claims of the Borrower and/or any of its Subsidiaries with the proceeds of such repurchase; and

(g) the Insurance Subsidiary may purchase shares of the common stock of the Borrower from the Borrower or any Subsidiary.

7.7. Capital Expenditures(a) . (a) Make or commit to make any Capital Expenditure (Maintenance), except (i) Capital Expenditures (Maintenance) of the Borrower and its Subsidiaries not exceeding $60,000,000 in the aggregate during fiscal year 2003, $65,000,000 in the aggregate during fiscal year 2004, $70,000,000 in the aggregate during fiscal year 2005 and $75,000,000 in the aggregate during fiscal year 2006 and each fiscal year thereafter; provided, that (A) up to $15,000,000 of any such amount, if not so expended in the fiscal year for which it is permitted, may be carried over for expenditure in the next succeeding fiscal year and (B) Capital Expenditures (Maintenance) made pursuant to this clause (i) during any fiscal year shall be deemed made, first, in respect of the amount initially permitted for such fiscal year as provided above and, second, in respect of amounts carried over from the prior fiscal year pursuant to subclause (A) above and (ii) Capital Expenditures (Maintenance) made with the proceeds of any Reinvestment Deferred Amount.

(b) Make or commit to make any Capital Expenditure (Expansion), except (i) Capital Expenditures (Expansion) of the Borrower and its Subsidiaries not exceeding in the aggregate for any fiscal year $30,000,000; provided, that (A) up to $15,000,000 of such amount, if not so expended in the fiscal year for which it is permitted, may be carried over for expenditure in the next succeeding fiscal year and (B) Capital Expenditures (Expansion) made pursuant to this clause (i) during any fiscal year shall be deemed made, first, in respect of the $30,000,000 initially permitted for such fiscal year as provided above and, second, in respect of amounts carried over from the prior fiscal year pursuant to subclause (A) above and (ii) Capital Expenditures (Expansion) made with the proceeds of any Reinvestment Deferred Amount.

7.8. Investments. Make any advance, loan, extension of credit (by way of guaranty or otherwise) or capital contribution to, or purchase any Capital Stock, bonds, notes, debentures or other debt securities of, or any assets constituting a business unit of, or make any other investment in, any other Person (all of the foregoing, "Investments"), except:

(a) extensions of trade credit in the ordinary course of business;

(b) investments in Cash Equivalents;

(c) Guarantee Obligations permitted by Section 7.2;

(d) loans and advances to employees of the Borrower or any Subsidiary of the Borrower in the ordinary course of business (including for travel, entertainment and relocation expenses) in an aggregate amount for the Borrower and its Subsidiaries not to exceed $5,000,000 at any one time outstanding;

(e) intercompany Investments by the Borrower or any of its Subsidiaries in the Borrower or any Person that, prior to and after giving effect to such Investment and any related transactions, is a Wholly Owned Subsidiary Guarantor;

(f) Investments made on or after the Closing Date in the Insurance Subsidiary to the extent required to meet regulatory capital guidelines, policies or rules in an amount not to exceed $25,000,000 in the aggregate;

(g) Investments in the Insurance Subsidiary or Legacy Trust consisting of the contribution of common stock of the Borrower and Investments by the Insurance Subsidiary or Legacy Trust in the common stock of the Borrower;

(h) in addition to Investments otherwise expressly permitted by this Section, Investments by the Borrower or any of its Subsidiaries in an aggregate amount (valued at cost) not to exceed $10,000,000 (net of the amount of any Net Cash Proceeds received by the Borrower and its Subsidiaries in respect of a Disposition of any such Investment; provided, that such amount shall be calculated from the Closing Date and not exceed the original amount of such Investment) during the term of this Agreement;

(i) additional Investments constituting Permitted Acquisitions or Permitted Foreign Acquisitions;

(j) Investments by the Insurance Subsidiary or Legacy Trust in indebtedness of the Borrower and the Wholly Owned Subsidiary Guarantors described in Section 7.2(b);

(k) Investments in Legacy Trust described in Section 7.5(i); and

(l) Investments in the Insurance Subsidiary in amounts not to exceed, in any fiscal year of the Borrower, the lesser of (x) $75,000,000 and (y) the amount that will appear as an expense for self-insurance costs on the Borrower's consolidated income statement.

7.9. Payments and Modifications of Certain Debt Instruments and Preferred Stock(a) . (a) Make or offer to make any payment, prepayment, repurchase or redemption of or otherwise defease or segregate funds with respect to the Senior Subordinated Notes, other than interest payments expressly required by the terms thereof and other than pursuant to prepayments or repayments thereof with the proceeds of other Senior Subordinated Notes, provided, that, (1) so long as (i) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (ii) after giving effect thereto, the Consolidated Leverage Ratio is less than 2.50 to 1.00, (x) the Borrower may repurchase, repay or prepay Senior Subordinated Notes so long as the aggregate amount so expended pursuant to this clause (x), when added to the aggregate amount expended to make Stock Payments pursuant to clause (x)

of Section 7.6(d), does not exceed $75,000,000 and (y) in addition, the Borrower may repurchase, repay or prepay Senior Subordinated Notes so long as (I) such repurchase, repayment or prepayment is made after the basket set forth in clause (x) above has been fully utilized and (II) the aggregate amount so expended pursuant to this clause (y), when added to the aggregate amount expended to make Stock Payments pursuant to clause (y) of Section 7.6(d), does not exceed 25% of the Consolidated Net Income Amount, (2) so long as (i) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (ii) after giving effect thereto, the Consolidated Leverage Ratio is less than 1.25 to 1.00, the Borrower may repurchase, repay or prepay Senior Subordinated Notes (in addition to the repurchases, repayments or prepayments permitted in clause 1 above) so long as the aggregate amount so expended pursuant to this clause (2), when added to the aggregate amount expended to make Stock Payments pursuant to clause (2) of Section 7.6(d), does not exceed $55,000,000 and (3) RAC East may repurchase, repay or prepay up to $85,000,000 in aggregate principal amount of its Senior Subordinated Notes prior to August 16, 2003 in accordance with the terms thereof, (b) amend, modify, waive or otherwise change, or consent or agree to any amendment, modification, waiver or other change to, any of the terms of the Senior Subordinated Notes or the Senior Subordinated Note Indenture (other than any such amendment, modification, waiver or other change that (i) (x) would extend the maturity or reduce the amount of any payment of principal thereof or reduce the rate or extend any date for payment of interest thereon or (y) does not materially adversely affect the interests of the Lenders and (ii) does not involve the payment of a consent fee, other than a consent fee not to exceed 2.0% of the principal amount of Senior Subordinated Notes held by consenting holders in connection with consents solicited in conjunction with the prepayment of such Senior Subordinated Notes) (it being understood that amendments designed to permit an additional issuance of Senior Subordinated Notes incurred in accordance with Section 7.2(f) shall not be restricted by this clause (b)), (c) amend, modify, waive or otherwise change, or consent or agree to any amendment, modification, waiver or other change to, any of the terms of the Preferred Stock if the effect thereof is to bring forward the scheduled redemption date or increase the amount of any scheduled redemption payment or increase the rate or bring forward any date for payment of dividends thereon or (d) designate any Indebtedness (other than obligations of the Loan Parties pursuant to the Loan Documents) as "Designated Senior Indebtedness" (howsoever defined) for the purposes of the Senior Subordinated Note Indenture.

7.10. Transactions with Affiliates. Enter into any transaction, including any purchase, sale, lease or exchange of property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate (other than the Borrower or any Wholly Owned Subsidiary Guarantor) unless such transaction is (a) otherwise permitted under this Agreement, (b) in the ordinary course of business of the Borrower or such Subsidiary, as the case may be, and (c) upon fair and reasonable terms no less favorable to the Borrower or such Subsidiary, as the case may be, than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate, provided that the foregoing limitation shall not apply to (i) Investments, Dispositions or Restricted Payments involving the Insurance Subsidiary or Legacy Trust to the extent expressly permitted by this Agreement or (ii) Restricted Payments made to the Sponsor that are permitted by Section 7.6 hereof.

7.11. Sales/Leaseback Transactions. Enter into any Sale/Leaseback Transaction.

7.12. Changes in Fiscal Periods. Permit the fiscal year of the Borrower to end on a day other than December 31 or change the Borrower's method of determining fiscal quarters.

7.13. Negative Pledge Clauses. Enter into or suffer to exist or become effective any agreement that prohibits or limits the ability of the Borrower or any of its Subsidiaries (other than the Insurance Subsidiary and Legacy Trust) to create, incur, assume or suffer to exist any Lien upon any of its property or revenues, whether now owned or hereafter acquired, other than (a) this Agreement and the other Loan Documents, (b) any agreement governing any purchase money Liens or Capital Lease

Obligations otherwise permitted hereby (in which case, any prohibition or limitation shall only be effective against the assets financed thereby) and (c) any agreement acquired pursuant to a Permitted Acquisition or a Permitted Foreign Acquisition that restricts assignment of such acquired agreement, provided that such restrictions on assignment were not entered into in contemplation of or in connection with such Permitted Acquisition or Permitted Foreign Acquisition.

7.14. Clauses Restricting Subsidiary Distributions. Enter into or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Subsidiary of the Borrower to (a) make Restricted Payments in respect of any Capital Stock of such Subsidiary held by, or pay any Indebtedness owed to, the Borrower or any other Subsidiary of the Borrower, (b) make loans or advances to, or other Investments in, the Borrower or any other Subsidiary of the Borrower or (c) transfer any of its assets to the Borrower or any other Subsidiary of the Borrower, except for such encumbrances or restrictions existing under or by reason of (i) any restrictions existing under the Loan Documents, (ii) restrictions in effect on the Closing Date and listed on Schedule 7.14, (iii) in the case of clause (c) above, customary non-assignment clauses in leases and other contracts entered into in the ordinary course of business, (iv) any restrictions with respect to a Subsidiary imposed pursuant to an agreement that has been entered into in connection with the Disposition of all or substantially all of the Capital Stock or assets of such Subsidiary, (v) restrictions with respect to a Subsidiary acquired pursuant to a Permitted Acquisition (provided that such restrictions were not entered into in contemplation of or in connection with such Permitted Acquisition) and restrictions with respect to a Foreign Subsidiary arising under applicable law and (vi) consensual arrangements with insurance regulators with respect to the Insurance Subsidiary .

7.15. Lines of Business(a) . (a) In the case of the Borrower and its Subsidiaries (other than the Insurance Subsidiary and Legacy Trust), enter into any business, either directly or through any Subsidiary, except for those businesses in which the Borrower and its Subsidiaries are engaged on the Closing Date or that are reasonably related or incidental thereto.

(b) In the case of the Insurance Subsidiary, enter into any business, except for providing insurance services to the Borrower and its Subsidiaries and activities reasonably related thereto.

(c) In the case of Legacy Trust, enter into any activity not expressly contemplated by the terms of the Trust Agreement as in effect on the date hereof.

SECTION 8. EVENTS OF DEFAULT

If any of the following events shall occur and be continuing:

(a) the Borrower shall fail to pay any principal of any Loan or Reimbursement Obligation when due in accordance with the terms hereof; or the Borrower shall fail to pay any interest on any Loan or Reimbursement Obligation, or any Loan Party shall fail to pay any other amount payable hereunder or under any other Loan Document, within five days after any such interest or other amount becomes due in accordance with the terms hereof; or

(b) any representation or warranty made or deemed made by any Loan Party herein or in any other Loan Document or that is contained in any certificate, document or financial or other statement furnished by it at any time under or in connection with this Agreement or any such other Loan Document shall prove to have been inaccurate in any material respect on or as of the date made or deemed made; or

(c) any Loan Party shall default in the observance or performance of any agreement contained in clause (i) or (ii) of Section 6.4(a) (with respect to the Borrower only), Section 6.7(a) or Section 7 of this Agreement or Section 5.8(b) of the Guarantee and Collateral Agreement; or

(d) any Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document (other than as provided in paragraphs (a) through (c) of this Section), and such default shall continue unremedied for a period of 30 days after notice to the Borrower from the Administrative Agent or the Required Lenders; or

(e) the Borrower or any of its Subsidiaries shall (i) default in making any payment of any principal of any Indebtedness (including any Guarantee Obligation, but excluding the Loans) on the scheduled or original due date with respect thereto; or (ii) default in making any payment of any interest on any such Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created; or (iii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or beneficiary of such Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or (in the case of any such Indebtedness constituting a Guarantee Obligation) to become payable; provided, that a default, event or condition described in clause (i), (ii) or (iii) of this paragraph (e) shall not at any time constitute an Event of Default unless, at such time, one or more defaults, events or conditions of the type described in clauses (i), (ii) and (iii) of this paragraph (e) shall have occurred and be continuing with respect to Indebtedness the outstanding principal amount of which exceeds in the aggregate $20,000,000; or

(f) (i) the Borrower or any of its Subsidiaries shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or the Borrower or any of its Subsidiaries shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Borrower or any of its Subsidiaries any case, proceeding or other action of a nature referred to in clause (i) above that (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against the Borrower or any of its Subsidiaries any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets that results in the entry of an order for any such relief that shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) the Borrower or any of its Subsidiaries shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) the Borrower or any of its Subsidiaries shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(g) (i) any Person shall engage in any non-exempt "prohibited transaction" (as defined in Section 406 and 408 of ERISA or Section 4975 of the Code) involving any Plan, (ii) any "accumulated funding deficiency" (as defined in Section 302 of ERISA), whether or not

waived, shall exist with respect to any Plan or any Lien in favor of the PBGC or a Plan shall arise on the assets of the Borrower or any Commonly Controlled Entity, (iii) a Reportable Event shall occur with respect to, or proceedings shall commence under Title IV of ERISA to have a trustee appointed, or a trustee shall be appointed under Title IV of ERISA, to administer or to terminate, any Single Employer Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is, in the reasonable opinion of the Required Lenders, likely to result in the termination of such Plan for purposes of Title IV of ERISA, (iv) any Single Employer Plan shall terminate in a "distress termination" or an "involuntary termination", as such terms are defined in Title IV of ERISA, (v) the Borrower or any Commonly Controlled Entity shall, or in the reasonable opinion of the Required Lenders is likely to, incur any liability in connection with a withdrawal from, or the Insolvency or Reorganization of, a Multiemployer Plan or (vi) any other event or condition shall occur or exist with respect to a Plan; and in each case in clauses (i) through (vi) above, such event or condition, together with all other such events or conditions, if any, could, in the sole judgment of the Required Lenders, reasonably be expected to have a Material Adverse Effect; or

(h) one or more judgments or decrees shall be entered against the Borrower or any of its Subsidiaries involving in the aggregate a liability (not paid or fully covered by insurance as to which the relevant insurance company has acknowledged coverage) of $20,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged, satisfied, stayed or bonded pending appeal within 30 days from the entry thereof; or

(i) any of the Security Documents shall cease, for any reason, to be in full force and effect, or any Loan Party or any Affiliate of any Loan Party shall so assert, or any Lien created by any of the Security Documents shall cease to be enforceable and of the same effect and priority purported to be created thereby; or

(j) the guarantee contained in Section 2 of the Guarantee and Collateral Agreement shall cease, for any reason (other than, with respect to the guarantee of a Subsidiary, (i) as a result of a merger of such Subsidiary into the Borrower in accordance with the terms of this Agreement or (ii) as a result of a release pursuant to Section 8.15(b) of the Guarantee and Collateral Agreement), to be in full force and effect or any Loan Party or any Affiliate of any Loan Party shall so assert; or

(k) (i) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), excluding the Permitted Investors, shall at any time become, or obtain rights (whether by means of warrants, options or otherwise) to become, the "beneficial owner" (as defined in Rules 13(d) 3 and 13(d) 5 under the Exchange Act), directly or indirectly, of a percentage equal to 35% or more of the Voting Stock of the Borrower; (ii) the board of directors of the Borrower shall cease to consist of a majority of Continuing Directors; (iii) a Specified Change of Control shall occur or (iv) the Borrower shall cease to own, directly or indirectly, 100% of the Voting Stock of RAC East or Rent-A-Center West, Inc.; or

(l) the Senior Subordinated Notes or the guarantees thereof shall cease, for any reason, to be validly subordinated to the Obligations or the obligations of the Subsidiary Guarantors under the Guarantee and Collateral Agreement, as the case may be, as provided in the Senior Subordinated Note Indenture, or any Loan Party, any Affiliate of any Loan Party, the trustee in respect of the Senior Subordinated Notes or the holders of at least 25% in aggregate principal amount of the Senior Subordinated Notes shall so assert; or

(m) the Trust Agreement shall be amended, modified or supplemented without the prior written consent of the Required Lenders, other than any such amendment, modification or supplement that the Borrower is permitted to make in accordance with Section 8.3 of the Trust Agreement as in effect on the date hereof and that does not otherwise violate obligations of the Borrower and its Subsidiaries under this Agreement;

then, and in any such event, (A) if such event is an Event of Default specified in clause (i) or (ii) of paragraph (f) above with respect to the Borrower, automatically the Revolving Commitments and Term Loan Commitments (and the Lenders' obligations to make Tranche A Loans to the Borrower) shall immediately terminate and the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents (including all amounts of LC Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented the documents required thereunder) shall immediately become due and payable, and (B) if such event is any other Event of Default, either or both of the following actions may be taken: (i) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower declare the Revolving Commitments and Term Loan Commitments (and the Lenders' obligations to make Tranche A Loans to the Borrower) to be terminated forthwith, whereupon the Revolving Commitments and Term Loan Commitments (and the Lenders' obligations to make Tranche A Loans to the Borrower) shall immediately terminate; and (ii) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower, declare the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents (including all amounts of LC Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented the documents required thereunder) to be due and payable forthwith, whereupon the same shall immediately become due and payable. Upon the occurrence and during the continuation of an Event of Default, the Administrative Agent and the Lenders shall be entitled to exercise any and all remedies available under the Security Documents, including, without limitation, the Guarantee and Collateral Agreement and the Mortgages, or otherwise available under applicable law or otherwise. With respect to all Letters of Credit with respect to which presentment for honor shall not have occurred at the time of an acceleration pursuant to this paragraph, the Borrower shall at such time deposit in a cash collateral account opened by the Administrative Agent an amount equal to the aggregate then undrawn and unexpired amount of such Letters of Credit, and the Borrower hereby grants to the Administrative Agent, for the ratable benefit of the Secured Parties, a continuing security interest in all amounts at any time on deposit in such cash collateral account to secure the undrawn and unexpired amount of such Letters of Credit and all other Obligations. Amounts held in such cash collateral account shall be applied by the Administrative Agent to the payment of drafts drawn under such Letters of Credit, and the unused portion thereof after all such Letters of Credit shall have expired or been fully drawn upon, if any, shall be applied to repay other obligations of the Loan Parties hereunder and under the other Loan Documents. After all such Letters of Credit shall have expired or been fully drawn upon, all Reimbursement Obligations shall have been satisfied and all other obligations of the Loan Parties hereunder and under the other Loan Documents shall have been paid in full, the balance, if any, in such cash collateral account shall be returned to the Borrower (or such other Person as may be lawfully entitled thereto). Except as expressly provided above in this Section, presentment, demand, protest and all other notices of any kind (other than notices expressly required pursuant to this Agreement and any other Loan Document) are hereby expressly waived by the Borrower.

SECTION 9. THE AGENTS

9.1. Appointment. Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Loan Documents, and each such Lender irrevocably authorizes the Administrative Agent, in such capacity, to take such

action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agent.

9.2. Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys in-fact selected by it with reasonable care.

9.3. Exculpatory Provisions. Neither any Agent nor any of their respective officers, directors, employees, agents, attorneys-in-fact or affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Loan Document (except to the extent that any of the foregoing are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Loan Party or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Agents under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of any Loan Party party thereto to perform its obligations hereunder or thereunder. The Agents shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of any Loan Party.

9.4. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any instrument, writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Borrower), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Required Lenders (or, if so specified by this Agreement, all Lenders) as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the Required Lenders (or, if so specified by this Agreement, all Lenders), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans.

9.5. Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the

Administrative Agent has received notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Lenders. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders); provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

9.6. Non-Reliance on Agents and Other Lenders. Each Lender expressly acknowledges that neither the Agents nor any of their respective officers, directors, employees, agents, attorneys-in-fact or affiliates have made any representations or warranties to it and that no act by any Agent hereafter taken, including any review of the affairs of a Loan Party or any affiliate of a Loan Party, shall be deemed to constitute any representation or warranty by any Agent to any Lender. Each Lender represents to the Agents that it has, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates and made its own decision to make its extensions of credit hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Loan Party or any affiliate of a Loan Party that may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or affiliates.

9.7. Indemnification. The Lenders agree to indemnify each Agent in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Aggregate Exposure Percentages in effect on the date on which indemnification is sought under this Section (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Aggregate Exposure Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of the Loans and all other amounts payable hereunder.

9.8. Agent in Its Individual Capacity. Each Agent and its affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Loan Party as though such Agent was not an Agent. With respect to its Loans made or renewed by it and with respect to any Letter of Credit issued or participated in by it, each Agent shall have the same rights and powers under this Agreement and the other Loan Documents as any Lender and may exercise the same as though it were not an Agent, and the terms "Lender" and "Lenders" shall include each Agent in its individual capacity.

9.9. Successor Administrative Agent. The Administrative Agent may resign as Administrative Agent upon 10 days' notice to the Lenders and the Borrower. If the Administrative Agent shall resign as Administrative Agent under this Agreement and the other Loan Documents, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall (unless an Event of Default under Section 8(a) or Section 8(f) with respect to the Borrower shall have occurred and be continuing) be subject to approval by the Borrower (which approval shall not be unreasonably withheld or delayed), whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term "Administrative Agent" shall mean such successor agent effective upon such appointment and approval, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Loans. If no successor agent has accepted appointment as Administrative Agent by the date that is 10 days following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Lenders shall assume and perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. After any retiring Administrative Agent's resignation as Administrative Agent, the provisions of this Section 9 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement and the other Loan Documents.

9.10. Authorization to Release Guarantees and Liens. Notwithstanding anything to the contrary contained herein or in any other Loan Document, the Administrative Agent is hereby irrevocably authorized by each of the Lenders (without requirement of notice to or vote or consent of any Lender, except as expressly required by Section 10.1, or any affiliate of any Lender that is a party to any Specified Hedge Agreement) to take any action requested by the Borrower having the effect of releasing any Collateral or guarantee obligations to the extent necessary to permit consummation of any transaction not prohibited by any Loan Document or that has been consented to in accordance with Section 10.1 and the Administrative Agent shall do so if so requested.

9.11. Documentation Agent, Syndication Agents and Managing Agents. Neither the Documentation Agent, the Syndication Agents nor the Managing Agents shall have any duties or responsibilities hereunder in their respective capacities as such.

SECTION 10. MISCELLANEOUS

10.1. Amendments and Waivers. Neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 10.1. The Required Lenders and each Loan Party party to the relevant Loan Document may, or, with the written consent of the Required Lenders, the Administrative Agent and each Loan Party party to the relevant Loan Document may, from time to time, (a) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights of the Lenders or of the Loan Parties hereunder or thereunder or (b) waive, on such terms and conditions as the Required Lenders or the Administrative Agent, as the case may be, may specify in such

instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall (i) forgive, reduce, extend or waive the principal amount or extend or waive the final scheduled date of maturity of any Loan or Reimbursement Obligation, extend or waive the scheduled date of any amortization payment in respect of any Term Loan, reduce the stated rate of any interest or fee payable hereunder or extend or waive the scheduled date of any payment thereof, increase the amount or extend the expiration date of any Lender's Commitment, amend, modify or waive any provision of Section 10.6 that would have the effect of further restricting assignments thereunder or modify Section 2.17(a), (b) or (c), in each case without the written consent of each Lender directly affected thereby; (ii) amend, modify or waive any provision of this Section 10.1 or reduce any percentage specified in the definition of Required Lenders or Required Prepayment Lenders, consent to the assignment or transfer by any Loan Party of any of its rights and obligations under this Agreement and the other Loan Documents, release all or substantially all of the Collateral or release any Subsidiary Guarantor which accounts for at least 20% of Consolidated EBITDA or 20% of the consolidated revenue of the Borrower and its Subsidiaries from its obligations under the Guarantee and Collateral Agreement, in each case without the written consent of all Lenders; (iii) reduce the percentage specified in the definition of Majority Facility Lenders with respect to any Facility without the written consent of all Lenders under such Facility; (iv) amend, modify or waive any provision of Section 9 without the written consent of the Administrative Agent; (v) amend, modify or waive any provision of Section 2.3 or 2.6 without the written consent of the Swingline Lender; or (vi) amend, modify or waive any provision of Section 3 without the written consent of the Issuing Lender. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Loan Parties, the Lenders, the Administrative Agent and all future holders of the Loans. In the case of any waiver, the Loan Parties, the Lenders and the Administrative Agent shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

10.2. Notices. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered, or three Business Days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received, addressed as follows in the case of the Borrower and the Administrative Agent, and as set forth in a Lender Addendum or Assignment and Acceptance (as applicable) in the case of the Lenders, or to such other address as may be hereafter notified by the respective parties hereto:

The Borrower:	Rent-A-Center, Inc. 5700 Tennyson Parkway Third Floor Plano, Texas 75024 Attention: Robert D. Davis Telecopy: (972) 943-0113 Telephone: (972) 801-1200
with a copy to:	Winstead Sechrest & Minick P.C. 1201 Elm Street 5400 Renaissance Tower Dallas, Texas 75270 Attention: Thomas W. Hughes Telecopy: (214) 745-5390 Telephone: (214) 745-5201

The Administrative Agent:	Lehman Commercial Paper Inc. 745 Seventh Avenue New York, New York 10019 Attention: Francis Chang Telecopy: (646) 758-3864 Telephone: (212) 526-5390
with a copy to:	Latham & Watkins LLP 885 Third Avenue New York, New York 10022 Attention: Michele O. Penzer Telecopy: (212) 751-4864 Telephone: (212) 906-1245
The Issuing Lender:	JPMorgan Chase Bank 2200 Ross Avenue, 3rd Floor Dallas, Texas 75201 Attention: Brian McDougal Telecopy: (214) 965-2044 Telephone: (214) 965-3849
with a copy to:	JPMorgan Chase Bank Loan and Agency Services 1111 Fanin, Floor 10 Houston, Texas 77002 Attention: Christie Tran Telecopy: (713) 750-2892 Telephone: (713) 750-2352

provided that any notice, request or demand to or upon the Administrative Agent or the Lenders shall not be effective until received.

10.3. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

10.4. Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans and other extensions of credit hereunder.

10.5. Payment of Expenses and Taxes. The Borrower agrees (a) to pay or reimburse the Administrative Agent and each Arranger for all its out-of-pocket costs and expenses incurred in connection with the syndication of the Facilities, the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the other Loan Documents and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby, including the reasonable fees and disbursements of counsel

to the Administrative Agent and filing and recording fees and expenses and the charges of IntraLinks, in each case from time to time on a quarterly basis or such other periodic basis as the Administrative Agent shall deem appropriate, (b) to pay or reimburse each Lender and the Administrative Agent (in the case of each Lender, after the occurrence and during the continuance of an Event of Default) for all its costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Loan Documents and any such other documents, including the fees and disbursements of counsel (including the allocated fees and expenses of in-house counsel (but not both outside and in-house counsel)) to each Lender and of counsel to the Administrative Agent, (c) to pay, indemnify, and hold each Lender and each Agent harmless from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying, stamp, excise and other taxes, if any, that may be payable or determined to be payable in connection with the execution and delivery of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the other Loan Documents and any such other documents, and (d) to pay, indemnify, and hold each Lender and the Administrative Agent and their respective officers, directors, trustees, employees, affiliates, agents, controlling persons and investment advisors who manage a Lender (each, an "Indemnitee") harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Loan Documents and any such other documents, including any of the foregoing relating to the use of proceeds of the Loans or the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of the Borrower or any of its Subsidiaries or any of the Properties or the use by unauthorized persons of information or other materials sent through electronic, telecommunications or other information transmission systems that are intercepted by such persons without the consent of the Indemnitee and the reasonable fees and expenses of legal counsel in connection with claims, actions or proceedings by any Indemnitee against any Loan Party under any Loan Document (all the foregoing in this clause (d), collectively, the "Indemnified Liabilities"), provided, that the Borrower shall have no obligation hereunder to any Indemnitee with respect to Indemnified Liabilities to the extent such Indemnified Liabilities arise from the gross negligence or willful misconduct of such Indemnitee. Without limiting the foregoing, and to the extent permitted by applicable law, the Borrower agrees not to assert and to cause its Subsidiaries not to assert, and hereby waives and agrees to cause its Subsidiaries to so waive, all rights for contribution or any other rights of recovery with respect to all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, under or related to Environmental Laws, that any of them might have by statute or otherwise against any Indemnitee. All amounts due under this Section 10.5 shall be payable not later than 10 Business Days after written demand therefor. Statements payable by the Borrower pursuant to this Section 10.5 shall be submitted to Robert D. Davis (Telephone No. 972-801-1204) (Telecopy No. 972-943-0113), at the address of the Borrower set forth in Section 10.2, or to such other Person or address as may be hereafter designated by the Borrower in a written notice to the Administrative Agent. The agreements in this Section 10.5 shall survive repayment of the Loans and all other amounts payable hereunder.

10.6. Successors and Assigns; Participations and Assignments. (a) This Agreement shall be binding upon and inure to the benefit of the Borrower, the Lenders, the Agents, all future holders of the Loans and their respective successors and assigns, except that the Borrower may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of each Lender.

(b) Any Lender may, without the consent of the Borrower, in accordance with applicable law, at any time sell to one or more banks, financial institutions or other entities (each, a "Participant") participating interests in any Loan owing to such Lender, any Commitment of such Lender or any other interest of such Lender hereunder and under the other Loan Documents. In the event of any

such sale by a Lender of a participating interest to a Participant, such Lender's obligations under this Agreement to the other parties to this Agreement shall remain unchanged, such Lender shall remain solely responsible for the performance thereof, such Lender shall remain the holder of any such Loan for all purposes under this Agreement and the other Loan Documents, and the Borrower and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and the other Loan Documents. In no event shall any Participant under any such participation have any right to approve any amendment or waiver of any provision of any Loan Document, or any consent to any departure by any Loan Party therefrom, except to the extent that such amendment, waiver or consent would reduce the principal of, or interest on, the Loans or any fees payable hereunder, or postpone the date of the final maturity of the Loans, in each case to the extent subject to such participation. The Borrower agrees that if amounts outstanding under this Agreement and the Loans are due or unpaid, or shall have been declared or shall have become due and payable upon the occurrence of an Event of Default, each Participant shall, to the maximum extent permitted by applicable law, be deemed to have the right of setoff in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement, provided that, in purchasing such participating interest, such Participant shall be deemed to have agreed to share with the Lenders the proceeds thereof as provided in Section 10.7(a) as fully as if it were a Lender hereunder. The Borrower also agrees that each Participant shall be entitled to the benefits of Sections 2.18, 2.19 and 2.20 with respect to its participation in the Commitments and the Loans outstanding and other amounts due hereunder from time to time as if it was a Lender; provided that, in the case of Section 2.19, such Participant shall have complied with the requirements of said Section and provided, further, that no Participant shall be entitled to receive any greater amount pursuant to any such Section than the transferor Lender would have been entitled to receive in respect of the amount of the participation transferred by such transferor Lender to such Participant had no such transfer occurred.

(c) Any Lender (an "Assignor") may, in accordance with applicable law, at any time and from time to time assign to any Lender, any affiliate thereof or an Approved Fund or, with the consent of the Borrower and the Administrative Agent (which, in each case, shall not be unreasonably withheld or delayed), to an additional bank, financial institution or other entity (an "Assignee") all or any part of its rights and obligations under this Agreement pursuant to an Assignment and Acceptance, executed by (i) such Assignee, (ii) such Assignor, (iii) the Administrative Agent, (iv) with respect to assignments of rights and obligations under the Revolving Credit Facility, the Swingline Lender, (v) with respect to assignments of rights and obligations under the Revolving Credit Facility or the Tranche A LC Facility, the Issuing Lender and (v) the Borrower (which consent of the Borrower shall not be unreasonably delayed or withheld), and delivered to the Administrative Agent for its acceptance and recording in the Register; provided that no such assignment to an Assignee (other than any Lender, any affiliate thereof or an Approved Fund) shall be in an aggregate principal amount of less than $1,000,000, in each case other than in the case of an assignment of all of a Lender's interests under this Agreement, unless otherwise agreed by the Borrower and the Administrative Agent. Any such assignment need not be ratable as among the Facilities. Upon such execution, delivery, acceptance and recording, from and after the effective date determined pursuant to such Assignment and Acceptance, (x) the Assignee thereunder shall be a party hereto and, to the extent provided in such Assignment and Acceptance, have the rights and obligations of a Lender hereunder with a Commitment and Loans as set forth therein, and (y) the Assignor thereunder shall, to the extent provided in such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of an Assignor's rights and obligations under this Agreement, such Assignor shall cease to be a party hereto, provided that such Assignor shall continue to be entitled to the benefits of the indemnity provisions hereunder for the period prior to the assignment). Notwithstanding any provision of this Section 10.6, (i) the consent of the Borrower shall not be required for any assignment of funded Term Loans or for any assignment that occurs when an Event of Default shall have occurred and be continuing

and (ii) the consent of the Borrower and the Administrative Agent shall not be required for any assignment to a Lender, an Affiliate of a Lender or an Approved Fund.

(d) The Administrative Agent shall, on behalf of the Borrower, maintain at its address referred to in Section 10.2 a copy of each Assignment and Acceptance delivered to it and a register (the "Register") for the recordation of the names and addresses of the Lenders and the Revolving Commitment of, the principal amount of the Loans and Reimbursement Obligations of the Borrower owing to each Lender from time to time. The entries in the Register shall be conclusive, in the absence of manifest error, and the Borrower, each other Loan Party, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register as the owner of the Loans and any Notes evidencing the Loans recorded therein for all purposes of this Agreement. Any assignment of any Loan, whether or not evidenced by a Note, shall be effective only upon appropriate entries with respect thereto being made in the Register (and each Note shall expressly so provide).

(e) Upon its receipt of an Assignment and Acceptance executed by an Assignor, an Assignee and any other Person whose consent is required by Section 10.6(c), together with payment to the Administrative Agent of a registration and processing fee of $3,500 (with only one such fee payable in connection with simultaneous assignments to or by two or more Approved Funds), the Administrative Agent shall (i) promptly accept such Assignment and Acceptance and (ii) record the information contained therein in the Register on the effective date determined pursuant thereto; provided, however, that no such fee shall be payable in the case of an assignment by a Lender to an affiliate of such Lender or an Approved Fund with respect to such Lender; and provided, further, that, in the case of contemporaneous assignments by a Lender to more than one fund managed by the same investment advisor (which funds are not then Lenders hereunder), only a single such fee shall be payable for all such contemporaneous assignments.

(f) For avoidance of doubt, the parties to this Agreement acknowledge that the provisions of this Section 10.6 concerning assignments relate only to absolute assignments and that such provisions do not prohibit assignments creating security interests, including any pledge or assignment by a Lender of any Loan or Note to any Federal Reserve Bank in accordance with applicable law. In the case of any Lender that is a fund that invests in bank loans, such Lender may, without the consent of the Borrower or the Administrative Agent, assign or pledge all or ay portion of its rights under this Agreement, including the Loans and Notes or any other instrument evidencing its rights as a Lender under this Agreement, to any holder of, to any trustee for or any other representative of holders of, obligations owed or securities issued, by such fund, as security for such obligations or securities; provided that any foreclosure or similar action by such trustee or representative shall be subject to the provisions of this Section 10.6 regarding assignments.

(g) The Borrower, upon receipt of written notice from the relevant Lender, agrees to issue Notes to any Lender requiring Notes to facilitate transactions of the type described in paragraph (f) above.

10.7. Adjustments; Setoff. (a) Except to the extent that this Agreement expressly provides for payments to be allocated to a particular Lender or to the Lenders under a particular Facility, if any Lender (a "Benefitted Lender") shall at any time receive any payment of all or part of the Obligations owing to it, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by setoff, pursuant to events or proceedings of the nature referred to in Section 8(f), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of the Obligations owing to such other Lender, such Benefitted Lender shall purchase for cash from the other Lenders a participating interest in such portion of the Obligations owing to each such other Lender, or shall provide such other Lenders with the benefits of any such collateral, as shall be necessary to cause

such Benefitted Lender to share the excess payment or benefits of such collateral ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefitted Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) In addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by the Borrower hereunder (whether at the stated maturity, by acceleration or otherwise), to set off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrower. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such setoff and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.8. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Administrative Agent.

10.9. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.10. Integration. This Agreement and the other Loan Documents represent the agreement of the Borrower, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

10.11. GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

10.12. Submission To Jurisdiction; Waivers. The Borrower hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York, the courts of the United States for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to it at its address set forth in Section 10.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

10.13. Acknowledgements. The Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;

(b) neither the Administrative Agent nor any Lender has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Administrative Agent and Lenders, on one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrower and the Lenders.

10.14. Confidentiality. Each of the Administrative Agent and each Lender agrees to keep confidential all non-public information provided to it by any Loan Party pursuant to this Agreement that is designated by such Loan Party as confidential; provided that nothing herein shall prevent the Administrative Agent or any Lender from disclosing any such information (a) to the Administrative Agent, any other Lender or any affiliate or Approved Fund of any Lender, (b) to any participant or assignee or prospective participant or assignee that agrees to comply with the provisions of this Section, (c) to its employees, directors, trustees, agents, attorneys, accountants, investment advisors and other professional advisors or those of any of its affiliates, (d) upon the request or demand of any Governmental Authority, (e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, (f) if requested or required to do so in connection with any litigation or similar proceeding, provided that in the case of any such request or requirement, the Administrative Agent or Lender (as applicable) so requested or required to make such disclosure shall as soon as practicable notify the Borrower thereof, (g) that has been publicly disclosed, (h) to the National Association of Insurance Commissioners or any similar organization or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender, or (i) in connection with the exercise of any remedy hereunder or under any other Loan Document.

10.15. Delivery of Lender Addenda. Each initial Lender shall become a party to this Agreement by delivering to the Administrative Agent a Lender Addendum duly executed by such Lender, the Borrower and the Administrative Agent.

10.16. WAIVERS OF JURY TRIAL. THE BORROWER, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

RENT-A-CENTER, INC.

By: /S/ MARK E. SPEESE

Name: Mark E. Speese
Title: Chairman of the Board and Chief Executive Officer

LEHMAN COMMERCIAL PAPER INC.,
as Administrative Agent

By: /s/ FRANCES CHANG

Name: Frances Chang
Title: Authorized Signatory

PRICING GRID FOR REVOLVING LOANS,
SWINGLINE LOANS, TRANCHE A LOANS
AND REVOLVING COMMITMENT FEES

Consolidated Leverage Ratio	Applicable Margin for Eurodollar Loans	Applicable Margin for ABR Loans	Commitment Fee Rate
>or=2.0 to 1.0	2.50	1.50	0.50%
<2.0 to 1.0 and >or=1.5 to 1.0	2.25	1.25	0.50%
<1.5 to 1.0 and >or=1.0 to 1.0	2.00	1.00	0.50%
<1.0 to 1.0 and >or=0.75 to 1.0	1.75	0.75	0.375%
<0.75 to 1.0	1.50	0.50	0.375%

PRICING GRID FOR TERM LOANS

Consolidated Leverage Ratio	Applicable Margin for Eurodollar Loans	Applicable Margin for ABR Loans
>or=2.0 to 1.0	2.50	1.50
<2.0 to 1.0	2.25	1.25

Changes in the Applicable Margin or in the Commitment Fee Rate resulting from changes in the Consolidated Leverage Ratio shall become effective on the date (the "Adjustment Date") on which financial statements are delivered to the Lenders pursuant to Section 6.1 (but in any event not later than the 45th day after the end of each of the first three quarterly periods of each fiscal year or the 90th day after the end of each fiscal year, as the case may be) and shall remain in effect until the next change to be effected pursuant to this paragraph. If any financial statements referred to above are not delivered within the time periods specified above, then, until such financial statements are delivered, the Consolidated Leverage Ratio as at the end of the fiscal period that would have been covered thereby shall for the purposes of this definition be deemed to be greater than 2.0 to 1.0. In addition, at all times while an Event of Default shall have occurred and be continuing, the Consolidated Leverage Ratio shall for the purposes of this definition be deemed to be greater than 2.0 to 1.0. Each determination of the Consolidated Leverage Ratio pursuant to this definition shall be made with respect to the period of four consecutive fiscal quarters of the Borrower ending at the end of the period covered by the relevant financial statements.

EXECUTION COPY

EXHIBIT 10.6

GUARANTEE AND COLLATERAL AGREEMENT

made by

Rent-A-Center, Inc.

and certain of its Subsidiaries

in favor of

LEHMAN COMMERCIAL PAPER INC.,
as Administrative Agent

Dated as of May 28, 2003

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GUARANTEE AND COLLATERAL AGREEMENT

GUARANTEE AND COLLATERAL AGREEMENT, dated as of May 28, 2003, made by each of the signatories hereto (together with any other entity that may become a party hereto as provided herein, the "Grantors"), in favor of LEHMAN COMMERCIAL PAPER INC., as Administrative Agent (in such capacity, the "Administrative Agent") for (i) the banks and other financial institutions or entities (the "Lenders") from time to time parties to the Credit Agreement, dated as of May 28, 2003 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among RENT-A-CENTER, INC., a Delaware corporation (the "Borrower"), Lenders, MORGAN STANLEY SENIOR FUNDING INC., as documentation agent (in such capacity, the "Documentation Agent"), JPMORGAN CHASE BANK and BEAR, STEARNS & CO. INC., each as syndication agent (in such capacity, the "Syndication Agents"), WACHOVIA BANK, NATIONAL ASSOCIATION, UBS WARBURG LLC, UNITED OVERSEAS BANK AND CREDIT LYONNAIS, each as managing agent (in such capacity, the "Managing Agents") and the Administrative Agent, and (ii) the other Secured Parties (as hereinafter defined).

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, the Lenders have severally agreed to make extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, the Borrower is a member of an affiliated group of companies that includes each other Grantor;

WHEREAS, the proceeds of the extensions of credit under the Credit Agreement will be used in part to enable the Borrower to make valuable transfers to one or more of the other Grantors in connection with the operation of their respective businesses;

WHEREAS, the Borrower and the other Grantors are engaged in related businesses, and each Grantor will derive substantial direct and indirect benefit from the making of the extensions of credit under the Credit Agreement; and

WHEREAS, it is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to the Borrower under the Credit Agreement that the Grantors shall have executed and delivered this Agreement to the Administrative Agent for the ratable benefit of the Secured Parties;

NOW, THEREFORE, in consideration of the premises and to induce the Administrative Agent and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective extensions of credit to the Borrower thereunder, each Grantor hereby agrees with the Administrative Agent, for the ratable benefit of the Secured Parties, as follows:

SECTION 1. DEFINED TERMS

1.1. Definitions. (a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement, and the following terms which are defined in the Uniform Commercial Code in effect in the State of New York on the date hereof are used herein as so defined: Accounts, Account Debtor, Authenticate, Certificated Security, Chattel Paper, Commodity Account, Commodity Contract, Commodity Intermediary,

Documents, Electronic Chattel Paper, Entitlement Order, Equipment, Farm Products, Financial Asset, Fixtures, Goods, Instruments, Inventory, Letter of Credit Rights, Money, Payment Intangibles, Securities Account, Securities Intermediary, Security, Security Entitlement, Supporting Obligations, Tangible Chattel Paper and Uncertificated Security.

(b) The following terms shall have the following meanings:

"After-Acquired Intellectual Property": as defined in Section 5.11(k).

"Agreement": this Guarantee and Collateral Agreement, as the same may be amended, supplemented, replaced or otherwise modified from time to time.

"Borrower Obligations": all Obligations (as defined in the Credit Agreement) of the Borrower.

"Collateral": as defined in Section 3.

"Collateral Account": (i) any collateral account established by the Administrative Agent as provided in Section 6.1 or 6.4 or (ii) any cash collateral account established as provided in Section 8 of the Credit Agreement.

"Contracts": the contracts and agreements listed in Schedule 9, as the same may be amended, supplemented or otherwise modified from time to time, including, without limitation, (i) all rights of any Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (ii) all rights of any Grantor to damages arising thereunder and (iii) all rights of any Grantor to perform and to exercise all remedies thereunder.

"Copyright Licenses": any written agreement naming any Grantor as licensor or licensee (including, without limitation, those listed in Schedule 6), granting any right under any Copyright, including, without limitation, the grant of rights to manufacture, distribute, exploit and sell materials derived from any Copyright, other than licenses to use products of third parties accepted in ordinary course in connection with purchases of software and similar items the absence of which would not have a Material Adverse Effect on the Grantors taken as a whole.

"Copyrights": (i) all domestic and foreign copyrights, whether or not the underlying works of authorship have been published, including but not limited to copyrights in software and databases, all Mask Works (as defined in 17 U.S.C. 901 of the U.S. Copyright Act) and all works of authorship and other intellectual property rights therein, all copyrights of works based on, incorporated in, derived from or relating to works covered by such copyrights, all right, title and interest to make and exploit all derivative works based on or adopted from works covered by such copyrights, and all copyright registrations and copyright applications, and any renewals or extensions thereof, including, without limitation, each registration and application identified in Schedule 6, (ii) the rights to print, publish and distribute any of the foregoing, (iii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iv) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all Copyright Licenses entered into in connection therewith, payments arising out of any other sale, lease, license or other disposition thereof and damages and payments for past, present or future infringements thereof), and (v) all other rights of any kind whatsoever accruing thereunder or pertaining thereto.

"Deposit Account": (i) all "deposit accounts" as defined in Article 9 of the UCC and (ii) all other accounts maintained with any financial institution (other than Securities Accounts or Commodity Accounts), together, in each case, with all funds held therein and all certificates or instruments representing any of the foregoing.

"Excluded Assets": any lease, license, contract, property right or agreement (other than any Contract) to which any Grantor is a party or any of its rights or interests thereunder if and only for so long as the grant of a security interest hereunder shall constitute or result in a breach, termination or default under any such lease, license, contract, property right or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC of any relevant jurisdiction or any other applicable law or principles of equity); provided, however, that such security interest shall attach immediately to any portion of such lease, license, contract, property rights or agreement that does not result in any of the consequences specified above.

"Excluded Foreign Subsidiary Voting Stock": the voting Capital Stock of any Excluded Foreign Subsidiary.

"General Intangibles": all "general intangibles" as such term is defined in Section 9-102(a)(42) of the Uniform Commercial Code in effect in the State of New York on the date hereof and, in any event, including, without limitation, with respect to any Grantor, all rights of such Grantor to receive any tax refunds, all Hedge Agreements and all contracts, agreements, instruments and indentures and all licenses, permits, concessions, franchises and authorizations issued by Governmental Authorities in any form, and portions thereof, to which such Grantor is a party or under which such Grantor has any right, title or interest or to which such Grantor or any property of such Grantor is subject, as the same may from time to time be amended, supplemented, replaced or otherwise modified, including, without limitation, (i) all rights of such Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (ii) all rights of such Grantor to receive proceeds of any insurance, indemnity, warranty or guaranty with respect thereto, (iii) all rights of such Grantor to damages arising thereunder, and (iv) all rights of such Grantor to terminate and to perform, compel performance and to exercise all remedies thereunder.

"Guarantor Obligations": with respect to any Guarantor, all obligations and liabilities of such Guarantor which may arise under or in connection with this Agreement (including, without limitation, Section 2) or any other Loan Document to which such Guarantor is a party, in each case whether on account of guarantee obligations, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to any Secured Party that are required to be paid by such Guarantor pursuant to the terms of this Agreement or any other Loan Document).

"Guarantors": the collective reference to each Grantor other than the Borrower.

"Intellectual Property": the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including, without limitation, the Copyrights, the Copyright Licenses, the Patents, the Patent Licenses, the Trademarks, the Trademark Licenses, the Trade Secrets and the Trade Secret Licenses, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"Intellectual Property Collateral": all Intellectual Property of the Loan Parties, now owned or hereafter acquired, upon which a Lien is purported to be created by the Intellectual Property Security Agreement or this Agreement.

"Intellectual Property Security Agreement": all Intellectual Property Security Agreements to be executed and delivered by the Loan Parties, each substantially in the form of Exhibit B-1 to this Agreement, as the same may be amended, supplemented, replaced or otherwise modified from time to time in accordance with this Agreement.

"Insurance" shall mean all insurance policies covering any or all of the Collateral (regardless of whether the Administrative Agent is the loss payee thereof).

"Intercompany Note": any promissory note evidencing loans made by any Grantor to the Borrower or any of its Subsidiaries, including, without limitation, the Subordinated Intercompany Note.

"Investment Property": the collective reference to (i) all "investment property" as such term is defined in Section 9-102(a)(49) of the Uniform Commercial Code in effect in the State of New York on the date hereof including, without limitation, all Certificated Securities and Uncertificated Securities, all Security Entitlements, all Securities Accounts, all Commodity Contracts and all Commodity Accounts (other than any Excluded Foreign Subsidiary Voting Stock excluded from the definition of "Pledged Equity Interests"), (ii) security entitlements, in the case of any United States Treasury book-entry securities, as defined in 31 C.F.R. section 357.2, or, in the case of any United States federal agency book-entry securities, as defined in the corresponding United States federal regulations governing such book-entry securities, and (iii) whether or not constituting "investment property" as so defined, all Pledged Notes, all Pledged Equity Interests, all Pledged Security Entitlements and all Pledged Commodity Contracts.

"Issuers": the collective reference to each issuer of a Pledged Security.

"New York UCC": the Uniform Commercial Code as from time to time in effect in the State of New York.

"Obligations": (i) in the case of the Borrower, the Borrower Obligations, and (ii) in the case of each Guarantor, its Guarantor Obligations.

"Patent License": all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to manufacture, use or sell any invention covered in whole or in part by a Patent, including, without limitation, any of the foregoing referred to in Schedule 6.

"Patents": (i) all domestic and foreign patents, patent applications and patentable inventions, including, without limitation, each issued patent and patent application identified in Schedule 6, all certificates of invention or similar property rights, (ii) all inventions and improvements described and claimed therein, (iii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iv) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all Patent Licenses entered into in connection therewith, payments arising out of any other sale, lease, license or other disposition thereof and damages and payments for past, present or future infringement thereof), and (v) all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all

improvements thereon and all other rights of any kind whatsoever accruing thereunder or pertaining thereto.

"Permitted Liens" the collective reference to (i) in the case of Collateral other than Pledged Equity Interests, Liens permitted by Section 7.3 of the Credit Agreement and (ii) in the case of Collateral consisting of Pledged Equity Interests, non-consensual Liens permitted by Section 7.3 of the Credit Agreement to the extent arising by operation of law and Liens permitted by Section 7.3(h) of the Credit Agreement.

"Pledged Alternative Equity Interests" shall mean all interests of any Grantor in participation or other interests in any equity or profits of any business entity and the certificates, if any, representing such interests and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such interests and any other warrant, right or option to acquire any of the foregoing; provided, however, that Pledged Alternative Equity Interests shall not include any Pledged Stock, Pledged Partnership Interests, Pledged LLC Interests and Pledged Trust Interests.

"Pledged Commodity Contracts": all commodity contracts listed on Schedule 2 (as such Schedule may be amended from time to time) and all other commodity contracts to which any Grantor is party from time to time.

"Pledged Debt Securities": all debt securities now owned or hereafter acquired by any Grantor, including, without limitation, the debt securities listed on Schedule 2, (as such Schedule may be amended from time to time) together with any other certificates, options, rights or security entitlements of any nature whatsoever in respect of the debt securities of any Person that may be issued or granted to, or held by, any Grantor while this Agreement is in effect.

"Pledged Equity Interests" shall mean all Pledged Stock, Pledged LLC Interests, Pledged Partnership Interests, Pledged Trust Interests and Pledged Alternative Equity Interests.

"Pledged LLC Interests" shall mean all interests of any Grantor now owned or hereafter acquired in any limited liability company including, without limitation, all limited liability company interests listed on Schedule 2 hereto under the heading "Pledged LLC Interests" (as such schedule may be amended from time to time) and the certificates, if any, representing such limited liability company interests and any interest of such Grantor on the books and records of such limited liability company and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such limited liability company interests and any other warrant, right or option to acquire any of the foregoing.

"Pledged Notes": all promissory notes now owned or hereafter acquired by any Grantor (other than promissory notes issued in connection with extensions of trade credit by any Grantor in the ordinary course of business) including, without limitation, those listed on Schedule 2 (as such Schedule may be amended from time to time) and all Intercompany Notes at any time issued to any Grantor.

"Pledged Partnership Interests" shall mean all interests of any Grantor now owned or hereafter acquired in any general partnership, limited partnership, limited liability partnership or other partnership including, without limitation, all partnership interests listed on Schedule 2 hereto under the heading "Pledged Partnership Interests" (as such schedule may be amended from

time to time) and the certificates, if any, representing such partnership interests and any interest of such Grantor on the books and records of such partnership and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such partnership interests and any other warrant, right or option to acquire any of the foregoing.

"Pledged Securities": the collective reference to the Pledged Debt Securities, the Pledged Notes and the Pledged Equity Interests.

"Pledged Security Entitlements": all security entitlements with respect to the financial assets listed on Schedule 2 (as such Schedule may be amended from time to time) and all other security entitlements of any Grantor.

"Pledged Stock" shall mean all shares of capital stock now owned or hereafter acquired by such Grantor, including, without limitation, all shares of capital stock described on Schedule 2 hereto under the heading "Pledged Stock" (as such schedule may be amended from time to time), and the certificates, if any, representing such shares and any interest of such Grantor in the entries on the books of the issuer of such shares and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such shares and any other warrant, right or option to acquire any of the foregoing; provided, however, that in no event shall (i) more than 65% of the total outstanding Excluded Foreign Subsidiary Voting Stock be required to be pledged hereunder and (ii) the capital stock of the Insurance Subsidiary be required to be pledged hereunder.

"Pledged Trust Interests" shall mean all interests of any Grantor now owned or hereafter acquired in a Delaware business trust or other trust including, without limitation, all trust interests listed on Schedule 2 hereto under the heading "Pledged Trust Interests" (as such schedule may be amended from time to time) and the certificates, if any, representing such trust interests and any interest of such Grantor on the books and records of such trust or on the books and records of any securities intermediary pertaining to such interest and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such trust interests and any other warrant, right or option to acquire any of the foregoing; provided, however, that in no event shall the interests of any Grantor in Legacy Trust be required to be pledged hereunder.

"Proceeds": all "proceeds" as such term is defined in Section 9-102(a)(64) of the New York UCC on the date hereof and, in any event, shall include, without limitation, all dividends or other income from the Pledged Securities, collections thereon or distributions or payments with respect thereto.

"Receivable": all Accounts and any other any right to payment for goods or other property sold, leased, licensed or otherwise disposed of or for services rendered, whether or not such right is evidenced by an Instrument or Chattel Paper or classified as a Payment Intangible and whether or not it has been earned by performance. References herein to Receivables shall include any Supporting Obligation or collateral securing such Receivable.

"Securities Act": the Securities Act of 1933, as amended.

"Specified Collateral": all Collateral other than Collateral referred to in Section 3(xv) and the Proceeds and products thereof.

"Trademark License": any agreement, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark, including, without limitation, any of the foregoing referred to in Schedule 6.

"Trademarks": (i) all domestic and foreign trademarks, service marks, trade names, corporate names, company names, business names, trade dress, trade styles, logos, or other indicia of origin or source identification, Internet domain names, trademark and service mark registrations, and applications for trademark or service mark registrations and any renewals thereof, including, without limitation, each registration and application identified in Schedule 6, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all Trademark Licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (iv) all other rights of any kind whatsoever accruing thereunder or pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each of the above.

"Trade Secret License": any agreement, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trade Secret.

"Trade Secrets": (i) all trade secrets and all confidential and proprietary information, including know-how, manufacturing and production processes and techniques, inventions, research and development information, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments arising out of the sale, lease, license, assignment or other disposition thereof, and damages and payments for past, present or future infringements thereof), and (iv) all other rights of any kind whatsoever of any Grantor accruing thereunder or pertaining thereto.

1.2. Other Definitional Provisions. (a) The words "hereof", "herein", "hereto" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section and Schedule references are to this Agreement unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(c) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's Collateral or the relevant part thereof.

(d) The expressions "payment in full," "paid in full" and any other similar terms or phrases when used herein with respect to the Borrower Obligations or the Guarantor Obligations shall mean the unconditional, final and irrevocable payment in full, in immediately available funds, of all of the Borrower Obligations or the Guarantor Obligations, as the case may be.

SECTION 2. GUARANTEE

2.1. Guarantee.

(a) Each of the Guarantors hereby, jointly and severally, unconditionally and irrevocably, guarantees to the Administrative Agent, for the ratable benefit of the Secured Parties and their respective successors, indorsees, transferees and assigns, the prompt and complete payment and performance by the Borrower when due (whether at the stated maturity, by acceleration or otherwise) of the Borrower Obligations.

(b) If and to the extent required in order for the Obligations of any Guarantor to be enforceable under applicable federal, state and other laws relating to the insolvency of debtors, the maximum liability of such Guarantor hereunder shall be limited to the greatest amount which can lawfully be guaranteed by such Guarantor under such laws, after giving effect to any rights of contribution, reimbursement and subrogation arising under Section 2.2.

(c) Each Guarantor agrees that Borrower Obligations may at any time and from time to time be incurred or permitted in an amount exceeding the maximum liability of such Guarantor under Section 2.1(b) without impairing the guarantee contained in this Section 2 or affecting the rights and remedies of any Secured Party hereunder.

(d) The guarantee contained in this Section 2 shall remain in full force and effect until payment in full of the Obligations, notwithstanding that from time to time during the term of the Credit Agreement the Borrower may be free from any Borrower Obligations.

(e) No payment made by the Borrower, any of the Guarantors, any other guarantor or any other Person or received or collected by any Secured Party from the Borrower, any of the Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Borrower Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder which shall, notwithstanding any such payment (other than any payment made by such Guarantor in respect of the Borrower Obligations or any payment received or collected from such Guarantor in respect of the Borrower Obligations), remain liable for the Borrower Obligations up to the maximum liability of such Guarantor hereunder until the Borrower Obligations (other than Obligations in respect of any Hedge Agreement) are paid in full, no Letter of Credit shall be outstanding and the Commitments are terminated or have expired.

2.2. Rights of Reimbursement, Contribution and Subrogation. In case any payment is made on account of the Obligations by any Grantor or is received or collected on account of the Obligations from any Grantor or its property:

(a) If such payment is made by the Borrower or from its property, then, if and to the extent such payment is made on account of Obligations arising from or relating to a Loan made to the Borrower or a Letter of Credit issued for account of the Borrower, the Borrower shall not be entitled (A) to demand or enforce reimbursement or contribution in respect of such payment from any other Grantor or (B) to be subrogated to any claim, interest, right or remedy of any Secured Party against any other Person, including any other Grantor or its property; and

(b) If such payment is made by a Guarantor or from its property, such Guarantor shall be entitled, subject to and upon payment in full of the Obligations, (A) to demand and enforce

reimbursement for the full amount of such payment from the Borrower and (B) to demand and enforce contribution in respect of such payment from each other Guarantor which has not paid its fair share of such payment, as necessary to ensure that (after giving effect to any enforcement of reimbursement rights provided hereby) each Guarantor pays its fair share of the unreimbursed portion of such payment. For this purpose, the fair share of each Guarantor as to any unreimbursed payment shall be determined based on an equitable apportionment of such unreimbursed payment among all Guarantors based on the relative value of their assets and any other equitable considerations deemed appropriate by a court of competent jurisdiction.

(c) If and whenever (after payment in full of the Obligations) any right of reimbursement or contribution becomes enforceable by any Grantor against any other Grantor under Sections 2.2(a) and 2.2(b), such Grantor shall be entitled, subject to and upon payment in full of the Obligations, to be subrogated (equally and ratably with all other Grantors entitled to reimbursement or contribution from any other Grantor as set forth in this Section 2.2) to any security interest that may then be held by the Administrative Agent upon any Collateral granted to it in this Agreement. Such right of subrogation shall be enforceable solely against the Grantors, and not against the Secured Parties, and neither the Administrative Agent nor any other Secured Party shall have any duty whatsoever to warrant, ensure or protect any such right of subrogation or to obtain, perfect, maintain, hold, enforce or retain any Collateral for any purpose related to any such right of subrogation. If subrogation is demanded by any Grantor, then (after payment in full of the Obligations) the Administrative Agent shall deliver to the Grantors making such demand, or to a representative of such Grantors or of the Grantors generally, an instrument satisfactory to the Administrative Agent transferring, on a quitclaim basis without any recourse, representation, warranty or obligation whatsoever, whatever security interest the Administrative Agent then may hold in whatever Collateral may then exist that was not previously released or disposed of by the Administrative Agent.

(d) All rights and claims arising under this Section 2.2 or based upon or relating to any other right of reimbursement, indemnification, contribution or subrogation that may at any time arise or exist in favor of any Grantor as to any payment on account of the Obligations made by it or received or collected from its property shall be fully subordinated in all respects to the prior payment in full of all of the Obligations. Until payment in full of the Obligations, no Grantor shall demand or receive any collateral security, payment or distribution whatsoever (whether in cash, property or securities or otherwise) on account of any such right or claim. If any such payment or distribution is made or becomes available to any Grantor in any bankruptcy case or receivership, insolvency or liquidation proceeding, such payment or distribution shall be delivered by the person making such payment or distribution directly to the Administrative Agent, for application to the payment of the Obligations. If any such payment or distribution is received by any Grantor, it shall be held by such Grantor in trust, as trustee of an express trust for the benefit of the Secured Parties, and shall forthwith be transferred and delivered by such Grantor to the Administrative Agent, in the exact form received and, if necessary, duly endorsed.

(e) The obligations of the Grantors under the Loan Documents, including their liability for the Obligations and the enforceability of the security interests granted thereby, are not contingent upon the validity, legality, enforceability, collectibility or sufficiency of any right of reimbursement, contribution or subrogation arising under this Section 2.2. The invalidity, insufficiency, unenforceability or uncollectibility of any such right shall not in any respect diminish, affect or impair any such obligation or any other claim, interest, right or remedy at any time held by any Secured Party against any Grantor or its property. The Secured Parties make no representations or warranties in respect of any such right and shall have no duty to assure, protect, enforce or ensure any such right or otherwise relating to any such right.

(f) Each Grantor reserves any and all other rights of reimbursement, contribution or subrogation at any time available to it as against any other Grantor, but (i) the exercise and enforcement of such rights shall be subject to Section 2.2(d) and (ii) neither the Administrative Agent nor any other Secured Party shall ever have any duty or liability whatsoever in respect of any such right, except as provided in Section 2.2(c).

2.3. Amendments, etc. with respect to the Borrower Obligations. Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, any demand for payment of any of the Borrower Obligations made by any Secured Party may be rescinded by such Secured Party and any of the Borrower Obligations continued, and the Borrower Obligations, or the liability of any other Person upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, increased, extended, amended, modified, accelerated, compromised, waived, surrendered or released by any Secured Party, and the Credit Agreement and the other Loan Documents and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as the Administrative Agent (or the Required Lenders under the Credit Agreement or all Lenders, as the case may be) may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by any Secured Party for the payment of the Borrower Obligations may be sold, exchanged, waived, surrendered or released. No Secured Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Borrower Obligations or for the guarantee contained in this Section 2 or any property subject thereto.

2.4. Guarantee Absolute and Unconditional. Each Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Borrower Obligations and notice of or proof of reliance by any Secured Party upon the guarantee contained in this Section 2 or acceptance of the guarantee contained in this Section 2; the Borrower Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the guarantee contained in this Section 2; and all dealings between the Borrower and any of the Guarantors, on the one hand, and the Secured Parties, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon the guarantee contained in this Section 2. Each Guarantor waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Borrower or any of the Guarantors with respect to the Borrower Obligations. Each Guarantor understands and agrees that the guarantee contained in this Section 2 shall be construed as a continuing, absolute and unconditional guarantee of payment and performance without regard to (a) the validity or enforceability of the Credit Agreement or any other Loan Document, any of the Borrower Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by any Secured Party, (b) any defense, set-off or counterclaim (other than a defense of payment or performance hereunder) which may at any time be available to or be asserted by the Borrower or any other Person against any Secured Party, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Borrower or such Guarantor) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrower for the Borrower Obligations, or of such Guarantor for its Guarantor Obligations, in bankruptcy or in any other instance. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Guarantor, any Secured Party may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as it may have against the Borrower, any other Guarantor or any other Person or against any collateral security or guarantee for the Borrower Obligations or any right of offset with respect thereto, and any failure by any Secured Party to make any such demand, to pursue such other rights or remedies or to collect any payments from the Borrower, any other Guarantor or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Borrower, any other Guarantor or any other Person

or any such collateral security, guarantee or right of offset, shall not relieve any Guarantor of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of any Secured Party against any Guarantor. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

2.5. Reinstatement. The guarantee contained in this Section 2 shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Borrower Obligations is rescinded or must otherwise be restored or returned by any Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

2.6. Payments. Each Guarantor hereby guarantees that payments hereunder will be paid to the Administrative Agent without set-off or counterclaim in Dollars in immediately available funds at the office of the Administrative Agent located at the Payment Office specified in the Credit Agreement.

SECTION 3. GRANT OF SECURITY INTEREST; CONTINUING LIABILITY UNDER COLLATERAL

(a) Each Grantor hereby assigns and transfers to the Administrative Agent, and hereby grants to the Administrative Agent, for the ratable benefit of the Secured Parties, a security interest in, all of the personal property of such Grantor, including, without limitation, the following property, in each case, wherever located and now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations:

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Contracts;

(iv) all Deposit Accounts;

(v) all Documents;

(vi) all Equipment;

(vii) all General Intangibles;

(viii) all Instruments;

(ix) Insurance

(x) all Intellectual Property;

(xi) all Inventory;

(xii) all Investment Property;

(xiii) all Letter of Credit Rights;

(xiv) all Money;

(xv) all Goods not otherwise described above;

(xvi) any Collateral Account;

(xvii) all books, records, ledger cards, files, correspondence, customer lists, blueprints, technical specifications, manuals, computer software, computer printouts, tapes, disks and other electronic storage media and related data processing software and similar items that at any time evidence or contain information relating to any of the Collateral or are otherwise necessary or helpful in the collection thereof or realization thereupon;

(xviii) the commercial tort claims set forth on Schedule 10; and

(xix) to the extent not otherwise included, all other property of the Grantor and all Proceeds and products accessions, rents and profits of any and all of the foregoing and all collateral security, Supporting Obligations and guarantees given by any Person with respect to any of the foregoing.

Notwithstanding anything to the contrary in this Agreement, none of the Excluded Assets shall constitute Collateral.

(b) Notwithstanding anything herein to the contrary, (i) each Grantor shall remain liable for all obligations under the Collateral and nothing contained herein is intended or shall be a delegation of duties to the Administrative Agent or any Secured Party, (ii) each Grantor shall remain liable under and each of the agreements included in the Collateral, including, without limitation, any Receivables, any Contracts and any agreements relating to Pledged Partnership Interests or Pledged LLC Interests, to perform all of the obligations undertaken by it thereunder all in accordance with and pursuant to the terms and provisions thereof and neither the Administrative Agent nor any Secured Party shall have any obligation or liability under any of such agreements by reason of or arising out of this Agreement or any other document related thereto nor shall the Administrative Agent nor any Secured Party have any obligation to make any inquiry as to the nature or sufficiency of any payment received by it or have any obligation to take any action to collect or enforce any rights under any agreement included in the Collateral, including, without limitation, any agreements relating to any Receivables, any Contracts, Pledged Partnership Interests or Pledged LLC Interests and (iii) the exercise by the Administrative Agent of any of its rights hereunder shall not release any Grantor from any of its duties or obligations under the contracts and agreements included in the Collateral.

SECTION 4. REPRESENTATIONS AND WARRANTIES

To induce the Agents and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective extensions of credit to the Borrower thereunder, each Grantor hereby represents and warrants to the Secured Parties that:

4.1. Representations in Credit Agreement. In the case of each Guarantor, the representations and warranties set forth in Section 4 of the Credit Agreement as they relate to such Guarantor or to the Loan Documents to which such Guarantor is a party, each of which is hereby

incorporated herein by reference, are true and correct in all material respects, except for representations and warranties expressly stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date, and the Secured Parties shall be entitled to rely on each of them as if they were fully set forth herein, provided that each reference in each such representation and warranty to the Borrower's knowledge shall, for the purposes of this Section 4.l, be deemed to be a reference to such Guarantor's knowledge.

4.2. Title; No Other Liens. Such Grantor owns each item of the Collateral free and clear of any and all Liens or claims, including, without limitation, liens arising as a result of such Grantor becoming bound (as a result of merger or otherwise) as Grantor under a security agreement entered into by another Person, except for Permitted Liens. No financing statement, mortgage or other public notice with respect to all or any part of the Collateral is on file or of record in any public office, except such as have been filed in favor of the Administrative Agent, for the ratable benefit of the Secured Parties pursuant to this Agreement or as are permitted by the Credit Agreement and financing statements for which duly authorized termination statements have been delivered to the Administrative Agent on or prior to the Closing Date.

4.3. Perfected First Priority Liens. (a) The security interests granted pursuant to this Agreement (i) upon completion of the filings and other actions specified on Schedule 3 (all of which, in the case of all filings and other documents referred to on such Schedule, have been delivered to the Administrative Agent in duly completed and duly executed form, as applicable, and may be filed by the Administrative Agent at any time) and payment of all filing fees, will constitute valid fully perfected security interests in all of the Specified Collateral (other than Collateral consisting of Deposit Accounts, Commercial Tort Claims and the Proceeds thereof, leasehold interests in real property and immaterial foreign Copyrights, immaterial foreign Trademarks and immaterial foreign Patents, except to the extent such immaterial foreign Copyrights, immaterial foreign Trademarks and immaterial foreign Patents can be perfected by UCC filings) in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, as collateral security for such Grantor's Obligations, enforceable in accordance with the terms hereof and (ii) are prior to all other Liens on the Collateral except for Permitted Liens. Without limiting the foregoing, each Grantor has taken all actions necessary or desirable, including without limitation those specified in Section 5.2 to: (i) establish the Administrative Agent's "control" (within the meanings of Sections 8-106 and 9-106 of the UCC) over any portion of the Investment Property constituting Certificated Securities and Uncertificated Securities (each as defined in the UCC), (ii) establish the Administrative Agent's "control" (within the meaning of Section 9-107 of the UCC) over all Letter of Credit Rights, (iii) establish the Administrative Agent's control (within the meaning of Section 9-105 of the UCC) over all Electronic Chattel Paper and (v) establish the Administrative Agent's "control" within the meaning of Section 16 of the Uniform Electronic Transaction Act as in effect in the applicable jurisdiction (the "UETA") over all "transferable records" (as defined in UETA).

4.4. Name; Jurisdiction of Organization, Etc. On the date hereof, such Grantor's exact legal name (as indicated on the public record of such Grantor's jurisdiction of formation or organization), jurisdiction of organization, organizational i.d. number, if any, and the location of such Grantor's chief executive office or sole place of business are specified on Schedule 4. Each Grantor is organized solely under the law of the jurisdiction so specified and has not filed any certificates of domestication, transfer or continuance in any other jurisdiction. Except as specified on Schedule 4, such Grantor has not changed its name, jurisdiction of organization, chief executive office or sole place of business or its corporate structure in any way (e.g. by merger, consolidation, change in corporate form or otherwise) within the past five years and has not within the last five years become bound (whether as a result of merger or otherwise) as Grantor under a security agreement entered into by another Person, which has not heretofore been terminated, provided that no representation is made to changes in locations of any Grantor prior to the acquisition of such Grantor by any other Grantor.

4.5. Acquisition of Equity Interests or Assets. Within the five years preceding execution of this Agreement, none of the Grantors has acquired the equity interests of another Person or the assets of another Person with a value in excess of $15,000,000 except as otherwise disclosed on Schedule 7.

4.6. Inventory and Equipment.(a) (a) On the date hereof, the Inventory and the Equipment (other than mobile goods) are kept at the locations (including addresses) listed on Schedule 5.

(b) None of the Inventory or Equipment is in the possession of an issuer of a negotiable document (as defined in Section 7-104 of the UCC) therefor or is otherwise in the possession of any bailee or warehouseman.

4.7. Farm Products. None of the Collateral constitutes, or is the Proceeds of, Farm Products.

4.8. Investment Property. (a) Schedule 2 hereto (as such schedule may be amended from time to time) sets forth under the headings "Pledged Stock, "Pledged LLC Interests," "Pledged Partnership Interests" and "Pledged Trust Interests," respectively, all of the Pledged Stock, Pledged LLC Interests, Pledged Partnership Interests and Pledged Trust Interests owned by any Grantor and such Pledged Equity Interests constitute the percentage of issued and outstanding shares of stock, percentage of membership interests, percentage of partnership interests or percentage of beneficial interest of the respective issuers thereof indicated on such Schedule. Schedule 2 hereto (as such schedule may be amended from time to time) sets forth under the heading "Pledged Debt Securities" or "Pledged Notes" all of the Pledged Debt Securities and Pledged Notes owned by any Grantor and all of such Pledged Debt Securities and Pledged Notes has been duly authorized, authenticated or issued, and delivered and is the legal, valid and binding obligation of the issuers thereof enforceable in accordance with their terms and is not in default and constitutes all of the issued and outstanding inter-company indebtedness evidenced by an instrument or certificated security of the respective issuers thereof owing to such Grantor. No Grantor has consented to, and no Grantor is otherwise aware of, any Person (other than the Administrative Agent pursuant hereto) having "control" (within the meanings of Sections 8-106, 9-106 and 9-104 of the UCC) over, or any other interest in, any such Securities Account, Commodity Account or Deposit Account or any securities, commodities or other property credited thereto other than the securities intermediary or depository bank in respect thereof which may have a lien on any such account being held by it to secure only the payment of fees and expenses owed to it in respect of the maintenance of such account.

(b) The shares of Pledged Equity Interests pledged by such Grantor hereunder constitute all of the issued and outstanding shares of all classes of the Capital Stock of each Issuer owned by such Grantor or, in the case of Excluded Foreign Subsidiary Voting Stock, if less, 65% of the outstanding Excluded Foreign Subsidiary Voting Stock of each relevant Issuer.

(c) All the shares of the Pledged Equity Interests have been duly and validly issued and are fully paid and nonassessable.

(d) The terms of any uncertificated Pledged LLC Interests and Pledged Partnership Interests do not provide that they are securities governed by Article 8 of the Uniform Commercial Code in effect in any jurisdiction.

(e) The terms of any certificated Pledged LLC Interests and Pledged Partnership Interests do not provide that they are securities governed by Article 8 of the Uniform Commercial Code in effect in any jurisdiction.

(f) Such Grantor is the record and beneficial owner of, and has good and marketable title to, the Investment Property and Deposit Accounts pledged by it hereunder, free of any and all Liens or options in favor of, or claims of, any other Person, except Permitted Liens, and there are no outstanding warrants, options or other rights to purchase, or shareholder, voting trust or similar agreements outstanding with respect to, or property that is convertible into, or that requires the issuance or sale of, any Pledged Equity Interests except as described on Schedule 4.15 to the Credit Agreement.

(g) Each Issuer which is an Affiliate of the Borrower that is not a Grantor hereunder has executed and delivered to the Administrative Agent an Acknowledgment and Agreement, in substantially the form of Exhibit A, to the pledge of the Pledged Securities pursuant to this Agreement.

4.9. Receivables. (a) No amount payable to such Grantor under or in connection with any Receivable is evidenced by any Instrument or Tangible Chattel Paper which has not been delivered to the Administrative Agent or constitutes Electronic Chattel Paper that has not been subjected to the control (within the meaning of Section 9-105 of the UCC) of the Administrative Agent.

(b) The amounts represented by such Grantor to the Lenders from time to time as owing to such Grantor in respect of the Receivables will at such times be accurate, except for immaterial errors.

4.10. Contracts. (a) Schedule 9 sets forth all Contracts of any Grantor on the date hereof.

(b) No Contract prohibits assignment or requires or purports to require, consent of any party (other than such Grantor) to any Contract in connection with the execution, delivery and performance of this Agreement including, without limitation, the exercise of remedies by the Administrative Agent with respect to such Contract.

(c) Each Contract is in full force and effect and constitutes a valid and legally enforceable obligation of the parties thereto, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law).

(d) Neither such Grantor nor (to the best of such Grantor's knowledge) any of the other parties to the Contracts is in default in the performance or observance of any of the terms thereof in any manner that, in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(e) The right, title and interest of such Grantor in, to and under the Contracts are not subject to any defenses, offsets, counterclaims or claims that, in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(f) Such Grantor has delivered to the Administrative Agent a complete and correct copy of each Contract, including all amendments, supplements and other modifications thereto.

(g) No amount payable to such Grantor under or in connection with any Contract is evidenced by any Instrument or Tangible Chattel Paper which has not been delivered to the Administrative Agent or constitutes Electronic Chattel Paper that is not under the Control of the Administrative Agent.

(h) None of the parties to any Contract is a Governmental Authority.

4.11. Intellectual Property. (a) Schedule 6 lists all Intellectual Property (other than Trade Secrets) owned by such Grantor in its own name on the date hereof. Except as set forth in Schedule 6, such Grantor is the exclusive owner of the entire and unencumbered right, title and interest in and to such Intellectual Property and is otherwise entitled to use all such Intellectual Property, without limitation, subject only to the license terms of the licensing or franchise agreements referred to in paragraph (c) below.

(b) On the date hereof, all material Intellectual Property is valid, subsisting, unexpired and enforceable, has not been abandoned and does not materially infringe the intellectual property rights of any other Person in any material respect.

(c) Except as set forth in Schedule 6, on the date hereof (i) none of the Intellectual Property is the subject of any licensing or franchise agreement pursuant to which such Grantor is the licensor or franchisor, and (ii) there are no other obligations, orders or judgments which affect the use of any material Intellectual Property.

(d) The rights of such Grantor in or to the Intellectual Property do not conflict with or infringe upon the rights of any third party, and no claim has been asserted that the use of such Intellectual Property does or may infringe upon the rights of any third party, in either case, which conflict or infringement could reasonably be expected to have a Material Adverse Effect. There is currently no infringement or unauthorized use of any item of Intellectual Property that could reasonably be expected to have a Material Adverse Effect.

(e) No holding, decision or judgment has been rendered by any Governmental Authority which would limit, cancel or question the validity or enforceability of, or such Grantor's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect. With respect to any item of Intellectual Property the invalidity or unenforceability of which could reasonably be expected to have a Material Adverse Effect, such Grantor is not aware of any uses of any item of Intellectual Property that could reasonably be expected to lead to such item becoming invalid or unenforceable, including, without limitation, unauthorized uses by third parties and uses which were not supported by the goodwill of the business connected with Trademarks and Trademark Licenses.

(f) No action or proceeding is pending, or, to the knowledge of such Grantor, threatened, on the date hereof (i) seeking to limit, cancel or question the validity of any material Intellectual Property or such Grantor's ownership interest therein, (ii) alleging that any services provided by, processes used by, or products manufactured or sold by such Grantor infringe any patent, trademark, copyright, or any other right of any third party, (iii) alleging that any material Intellectual Property is being licensed, sublicensed or used in violation of any patent, trademark, copyright or any other right of any third party, or (iv) which, if adversely determined, would have a material adverse effect on the value of any Collateral taken as a whole. To the knowledge of such Grantor, no Person is engaging in any activity that infringes upon the Intellectual Property or upon the rights of such Grantor therein which could reasonably be expected to have a Material Adverse Effect. Except as set forth in Schedule 6 hereto, such Grantor has not granted any license, release, covenant not to sue, non-assertion assurance, or other right to any person with respect to any material part of the Intellectual Property. The consummation of the transactions contemplated by this Agreement will not result in the termination or impairment of any of the Intellectual Property.

(g) With respect to each Copyright License, Trademark License and Patent License: (i) such license is valid and binding and in full force and effect and represents the entire agreement between the respective licensor and licensee with respect to the subject matter of such license; (ii) such license will not cease to be valid and binding and in full force and effect on terms identical to those

currently in effect as a result of the rights and interests granted herein, nor will the grant of such rights and interests constitute a breach or default under such license or otherwise give the licensor or licensee a right to terminate such license; (iii) such Grantor has not received any notice of termination or cancellation under such license; (iv) such Grantor has not received any notice of a breach or default under such license, which breach or default has not been cured; (v) such Grantor has not granted to any other third party any rights, adverse or otherwise, under such license; and (vi) such Grantor is not in breach or default in any material respect, and no event has occurred that, with notice and/or lapse of time, would constitute such a breach or default or permit termination, modification or acceleration under such license.

(h) Except as set forth in Schedule 6, such Grantor has performed all acts and has paid all required fees and taxes to maintain each and every item of material Intellectual Property in full force and effect and to protect and maintain its interest therein. Such Grantor has used proper statutory notice in connection with its use of each material Patent, Trademark and Copyright included in the Intellectual Property.

(i) To the knowledge of such Grantor, none of the material Trade Secrets of such Grantor has been used, divulged, disclosed or appropriated to the detriment of such Grantor for the benefit of any other Person; no employee, independent contractor or agent of such Grantor has misappropriated any trade secrets of any other Person in the course of the performance of his or her duties as an employee, independent contractor or agent of such Grantor; and no employee, independent contractor or agent of such Grantor is in default or breach of any term of any employment agreement, non-disclosure agreement, assignment of inventions agreement or similar agreement or contract relating in any way to the protection, ownership, development, use or transfer of such Grantor's material Intellectual Property.

(j) Such Grantor has made all filings and recordations necessary to adequately protect its interest in its material Intellectual Property including, without limitation, recordation of its interests in the Patents and Trademarks with the United States Patent and Trademark Office and in corresponding national and international patent offices, and recordation of any of its interests in the Copyrights with the United States Copyright Office and in corresponding national and international copyright offices.

(k) Such Grantor is not subject to any settlement, consent, judgment, injunction, order, decree, covenant not to sue, non-assertion assurance or release that would impair the validity or enforceability of, or such Grantor's rights in, any material Intellectual Property.

4.12. Letter of Credit Rights. No Grantor is a beneficiary or assignee under any letter of credit other than the letters of credit described on Schedule 8 (as such schedule may be amended from time to time) hereto. Each Grantor has caused all issuers and nominated persons under letters of credit in which the Grantor is the beneficiary or assignee to consent to the assignment provisions of such letter of credit to the Administrative Agent and has agreed that upon the occurrence of an Event of Default it will cause all payments thereunder to be made to the Collateral Account.

4.13. Commercial Tort Claims. No Grantor has any commercial tort claims in excess of $25,000 individually or $250,000 in the aggregate other than described in Schedule 10.

SECTION 5. COVENANTS

Each Grantor covenants and agrees with the Secured Parties that, from and after the date of this Agreement until the Obligations (other than Obligations in respect of any Hedge Agreement) shall have been paid in full, no Letter of Credit shall be outstanding and the Commitments shall have terminated or expired:

5.1. Covenants in Credit Agreement. Each Guarantor shall take, or shall refrain from taking, as the case may be, each action that is necessary to be taken or not taken, as the case may be, so that no Default or Event of Default is caused by the failure to take such action or to refrain from taking such action by such Guarantor or any of its Subsidiaries.

5.2. Delivery and Control of Instruments, Chattel Paper, Negotiable Documents and Investment Property. (a) If any of the Collateral with a value in excess of $25,000 individually is or shall become evidenced or represented by any Instrument, Certificated Security, Negotiable Document or Tangible Chattel Paper, such Instrument (other than checks received in the ordinary course of business), Certificated Security, Negotiable Documents or Tangible Chattel Paper shall be immediately delivered to the Administrative Agent, duly endorsed in a manner satisfactory to the Administrative Agent, to be held as Collateral pursuant to this Agreement.

(b) If any of the Collateral with a value in excess of $25,000 individually or $200,000 in the aggregate is or shall become "Electronic Chattel Paper" such Grantor shall ensure that (i) a single authoritative copy exists which is unique, identifiable, unalterable (except as provided in clauses (iii), (iv) and (v) of this paragraph), (ii) such authoritative copy identifies the Administrative Agent as the assignee and is communicated to and maintained by the Administrative Agent or its designee, (iii) copies or revisions that add or change the assignee of the authoritative copy can only be made with the participation of the Administrative Agent, (iv) each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy and not the authoritative copy and (v) any revision of the authoritative copy is readily identifiable as an authorized or unauthorized revision.

(c) If any of the Collateral is or shall become evidenced or represented by an Uncertificated Security, such Grantor shall cause the Issuer thereof either (i) to register the Administrative Agent as the registered owner of such Uncertificated Security, upon original issue or registration of transfer or (ii) to agree in writing with such Grantor and the Administrative Agent that such Issuer will comply with instructions with respect to such Uncertificated Security originated by the Administrative Agent without further consent of such Grantor, such agreement to be in substantially the form of Exhibit C.

(d) In addition to and not in lieu of the foregoing, if any Issuer of any Investment Property is organized under the law of, or has its chief executive office in, a jurisdiction outside of the United States, each Grantor shall take such additional actions, including, without limitation, causing the issuer to register the pledge on its books and records, as may be necessary or as may be reasonably requested by the Administrative Agent, under the laws of such jurisdiction to insure the validity, perfection and priority of the security interest of the Administrative Agent.

5.3. Maintenance of Insurance. (a) Such Grantor will maintain, with financially sound and reputable insurance companies, insurance on all its property (including, without limitation, all Inventory, Equipment and Vehicles) in at least such amounts and against at least such risks as are usually insured against in the same general area by companies engaged in the same or a similar business, and furnish to the Administrative Agent with copies for each Secured Party, upon written request, full information as to the insurance carried. All insurance shall (i) provide that no cancellation, material reduction in amount or material change in coverage thereof shall be effective until at least 30 days after receipt by the Administrative Agent of written notice thereof and (ii) be reasonably satisfactory in all other respects to the Administrative Agent. The Administrative Agent shall be named as additional insured on all such liability insurance policies of such Grantor and the Administrative Agent shall be named as loss payee on all property and casualty insurance policies of such Grantor.

(b) The Borrower shall deliver annually to the Administrative Agent and the Lenders a certificate of a reputable insurance broker with respect to such insurance as promptly as practicable upon receipt thereof from such insurance broker and such supplemental reports with respect thereto as the Administrative Agent may from time to time reasonably request.

5.4. Payment of Obligations. Such Grantor will pay and discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all material taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of income or profits therefrom, as well as all material claims of any kind (including, without limitation, claims for labor, materials and supplies) against or with respect to the Collateral, except that no such charge need be paid if the amount or validity thereof is currently being contested in good faith by appropriate proceedings, reserves in conformity with GAAP with respect thereto have been provided on the books of such Grantor and such proceedings could not reasonably be expected to result in the sale, forfeiture or loss of any material portion of the Collateral or any material interest therein.

5.5. Maintenance of Perfected Security Interest; Further Documentation. (a) Such Grantor shall maintain the security interest created by this Agreement as a perfected security interest having at least the priority described in Section 4.3 and shall defend such security interest against the claims and demands of all Persons whomsoever.

(b) Such Grantor will furnish to the Administrative Agent from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the assets and property of such Grantor as the Administrative Agent may reasonably request, all in reasonable detail.

(c) At any time and from time to time, upon the written request of the Administrative Agent, and at the sole expense of such Grantor, such Grantor will promptly and duly authorize, execute and deliver, and have recorded, such further instruments and documents and take such further actions as the Administrative Agent may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code (or other similar laws) in effect in any jurisdiction with respect to the security interests created hereby.

5.6. Changes in Locations, Name, Jurisdiction of Incorporation, Etc. (a) Such Grantor will not, except upon 15 days' prior written notice to the Administrative Agent and delivery to the Administrative Agent of duly authorized and, where required, executed copies of all additional financing statements and other documents reasonably requested by the Administrative Agent to maintain the validity, perfection and priority of the security interests provided for herein:

(i) without limiting the prohibitions on mergers involving the Grantors contained in the Credit Agreement, change its legal name, jurisdiction of organization or the location of its chief executive office or sole place of business from that referred to in Section 4.4; or

(ii) change its legal name, identity or structure to such an extent that any financing statement filed by the Administrative Agent in connection with this Agreement would become seriously misleading.

(b) Schedule 5 sets forth all locations where Inventory or Equipment is located on the date hereof other than Inventory or Equipment in transit or out on lease.

(c) Such Grantor shall promptly, and in any event, within 30 days thereof, notify the Administrative Agent of new locations which individually or in the aggregate contain material amounts of Inventory or Equipment not previously set forth on Schedule 5, at which Inventory or Equipment will be located (other than Inventory or Equipment in transit or out on lease).

5.7. Notices. Such Grantor will advise the Administrative Agent promptly, in reasonable detail, of:

(a) any Lien (other than any Permitted Lien) on any material portion of the Collateral which would adversely affect the ability of the Administrative Agent to exercise any of its remedies hereunder; and

(b) the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the security interests created hereby taken as a whole.

5.8. Investment Property. (a) If such Grantor shall become entitled to receive or shall receive any stock or other ownership certificate (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), option or rights in respect of the Capital Stock or other Pledged Equity Interest of any Issuer, whether in addition to, in substitution of, as a conversion of, or in exchange for, any shares of or other ownership interests in the Pledged Securities, or otherwise in respect thereof, such Grantor shall accept the same as the agent of the Secured Parties, hold the same in trust for the Secured Parties and deliver the same forthwith to the Administrative Agent in the exact form received, duly endorsed by such Grantor to the Administrative Agent, if required, together with an undated stock power covering such certificate duly executed in blank by such Grantor and with, if the Administrative Agent so requests, signature guaranteed, to be held by the Administrative Agent, subject to the terms hereof, as additional collateral security for the Obligations. Any sums paid upon or in respect of the Pledged Securities upon the liquidation or dissolution of any Issuer shall be paid over to the Administrative Agent to be held by it hereunder as additional collateral security for the Obligations, and in case any distribution of capital shall be made on or in respect of the Pledged Securities or any property shall be distributed upon or with respect to the Pledged Securities pursuant to the recapitalization or reclassification of the capital of any Issuer or pursuant to the reorganization thereof, the property so distributed shall, unless otherwise subject to a perfected security interest in favor of the Administrative Agent, be delivered to the Administrative Agent to be held by it hereunder as additional collateral security for the Obligations. If any sums of money or property so paid or distributed in respect of the Pledged Securities shall be received by such Grantor, such Grantor shall, until such money or property is paid or delivered to the Administrative Agent, hold such money or property in trust for the Secured Parties, segregated from other funds of such Grantor, as additional collateral security for the Obligations.

(b) Without the prior written consent of the Administrative Agent, such Grantor will not (i) vote to enable, or take any other action to permit, any Issuer to issue any stock, partnership interests, limited liability company interests or other equity securities of any nature or to issue any other securities convertible into or granting the right to purchase or exchange for any stock, partnership interests, limited liability company interests or other equity securities of any nature of any Issuer, (ii) sell, assign, transfer, exchange, or otherwise dispose of, or grant any option with respect to, any of the Investment Property or Proceeds thereof or any interest therein (except, in each case, pursuant to a transaction expressly permitted by the Credit Agreement), (iii) create, incur or permit to exist any Lien or option in favor of, or any claim of any Person with respect to, any of the Investment Property or Proceeds thereof, or any interest therein, except for the security interests created by this Agreement, (iv) enter into

any agreement or undertaking restricting the right or ability of such Grantor or the Administrative Agent to sell, assign or transfer any of the Investment Property or Proceeds thereof or any interest therein or (v) without (a) the prior written notice to the Administrative Agent and (b) such Grantor taking all steps necessary or advisable to establish the Administrative Agent's "control" thereof, cause or permit any Issuer of any Pledged Partnership Interests or Pledged LLC Interests which are not securities (for purposes of the UCC) on the date hereof to elect or otherwise take any action to cause such Pledged Partnership Interests or Pledged LLC Interests to be treated as securities for purposes of the UCC.

(c) In the case of each Grantor which is an Issuer, such Issuer agrees that (i) it will be bound by the terms of this Agreement relating to the Pledged Securities issued by it and will comply with such terms insofar as such terms are applicable to it, (ii) it will notify the Administrative Agent promptly in writing of the occurrence of any of the events described in Section 5.8(a) with respect to the Pledged Securities issued by it and (iii) the terms of Sections 6.3(c) and 6.7 shall apply to it, mutatis mutandis, with respect to all actions that may be required of it pursuant to Section 6.3(c) or 6.7 with respect to the Pledged Securities issued by it. In addition, each Grantor which is either an Issuer or an owner of any Pledged Security hereby consents to the grant by each other Grantor of the security interest hereunder in favor of the Administrative Agent and to the transfer of any Pledged Security to the Administrative Agent or its nominee upon the occurrence or during the continuation of an Event of Default and to the substitution of the Administrative Agent or its nominee as a partner, member or shareholder of the Issuer of the related Pledged Security. The Administrative Agent agrees to notify any Grantor before transferring the Pledged Securities pledged by such Grantor into the name of the Administrative Agent pursuant to this section.

5.9. Receivables. (a) Other than in the ordinary course of business consistent with its past practice, such Grantor will not (i) grant any extension of the time of payment of any Receivable, (ii) compromise or settle any Receivable for less than the full amount thereof, (iii) release, wholly or partially, any Person liable for the payment of any Receivable, (iv) allow any credit or discount whatsoever on any Receivable or (v) amend, supplement or modify any Receivable in any manner that could materially adversely affect the value thereof.

(b) Such Grantor will deliver to the Administrative Agent a copy of each material demand, notice or document received by it that questions or calls into doubt the validity or enforceability of outstanding Receivables constituting a material portion of the Collateral.

5.10. Contracts. (a) If requested by the Administrative Agent in its sole discretion, such Grantor will cause each counterparty to a Contract to which such Grantor is a party to consent to the collateral assignment thereof of Grantor's rights, if any, to the Administrative Agent for the benefit of the Secured Parties.

(b) Such Grantor will perform and comply in all material respects with all its obligations under the Contracts.

(c) Such Grantor will not amend, modify, terminate, waive or fail to enforce any provision of any Contract in any manner which could reasonably be expected to materially adversely affect the value of such Contract as Collateral or otherwise have a Material Adverse Effect.

(d) Such Grantor will exercise promptly and diligently each and every material right which it may have under each Contract (other than any right of termination).

(e) Such Grantor will deliver to the Administrative Agent a copy of each material demand, notice or document received by it relating in any way to any Contract.

5.11. Intellectual Property. (a) Such Grantor (either itself or through licensees) will (i) continue to use each material Trademark on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order to maintain such Trademark in full force free from any claim of abandonment for non-use, (ii) maintain as in the past the quality of products and services offered under such Trademark and take all necessary steps to ensure that all licensed users of such Trademark maintain as in the past such quality, (iii) use such Trademark with the appropriate notice of registration and all other notices and legends required by applicable Requirements of Law, (iv) not adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless the Administrative Agent, for the ratable benefit of the Secured Parties, shall obtain a perfected security interest in such mark pursuant to this Agreement and the Intellectual Property Security Agreement, and (v) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark may become invalidated or impaired in any way.

(b) Such Grantor (either itself or through licensees) will not do any act, or omit to do any act, whereby any material Patent may become forfeited, abandoned or dedicated to the public.

(c) Such Grantor (either itself or through licensees) (i) will employ each material Copyright and (ii) will not (and will not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any material portion of the Copyrights may become invalidated or otherwise impaired. Such Grantor will not (either itself or through licensees) do any act whereby any material portion of the Copyrights may fall into the public domain.

(d) Such Grantor (either itself or through licensees) will not do any act that knowingly uses any material Intellectual Property to infringe the intellectual property rights of any other Person.

(e) Except with respect to any Patent, Trademark or Copyright the invalidity of which would not have a Material Adverse Effect, such Grantor (either itself or through licensees) will use proper statutory notice in connection with the use of each Patent, Trademark and Copyright included in the Intellectual Property.

(f) Such Grantor will notify the Administrative Agent as promptly as practicable if it knows, or has reason to know, that any application or registration relating to any material Intellectual Property may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court or tribunal in any country) regarding such Grantor's ownership of, or the validity of, any material Intellectual Property or such Grantor's right to register the same or to own and maintain the same.

(g) As promptly as practicable upon such Grantor's acquisition or creation of any copyrightable work, invention, trademark or other similar property that is material to the business of Grantor, apply for registration thereof with the United States Copyright Office, the United States Patent and Trademark Office and any other appropriate office. Whenever such Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for the registration of any Intellectual Property with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, such Grantor shall report such filing to the Administrative Agent within five Business Days after the last day of the fiscal quarter in which such filing occurs. Upon request of the Administrative Agent, such Grantor shall execute and deliver, and have recorded, any and all agreements, instruments, documents, and papers as the Administrative Agent may request to evidence the Secured Parties' security interest in any

Copyright, Patent, Trademark or other Intellectual Property and the goodwill and general intangibles of such Grantor relating thereto or represented thereby.

(h) Except as provided in Section 5.11(i), such Grantor will take all reasonable and necessary steps, including, without limitation, in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of material Intellectual Property, including, without limitation, the payment of required fees and taxes, the filing of responses to office actions issued by the United States Patent and Trademark Office and the United States Copyright Office, the filing of applications for renewal or extension, the filing of affidavits of use and affidavits of incontestability, the filing of divisional, continuation, continuation-in-part, reissue, and renewal applications or extensions, the payment of maintenance fees, and the participation in interference, reexamination, opposition, cancellation, infringement and misappropriation proceedings.

(i) Such Grantor (either itself or through licensees) will not, without the prior written consent of the Administrative Agent, discontinue use of or otherwise abandon any Intellectual Property, or abandon any application or any right to file an application for letters patent, trademark, or copyright, unless such Grantor shall have previously determined that such use or the pursuit or maintenance of such Intellectual Property is no longer desirable in the conduct of such Grantor's business and that the loss thereof could not reasonably be expected to have a Material Adverse Effect.

(j) In the event that any material Intellectual Property is infringed, misappropriated or diluted by a third party, such Grantor shall (i) take such actions as such Grantor shall reasonably deem appropriate under the circumstances to protect such Intellectual Property and (ii) if such Intellectual Property is of material economic value, take such actions as are reasonably appropriate under the circumstances, including, as appropriate, sue for infringement, misappropriation or dilution, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation or dilution and promptly notify the Administrative Agent after it takes any action to sue for infringement, misappropriation or dilution, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation or dilution, or promptly notify the Administrative Agent of any decision not to pursue or take any such action.

(k) Such Grantor agrees that, should it obtain an ownership interest in any item of intellectual property which is not now a part of the Intellectual Property Collateral (the "After-Acquired Intellectual Property"), (i) the provisions of Section 3 shall automatically apply thereto, (ii) any such After-Acquired Intellectual Property, and in the case of trademarks, the goodwill of the business connected therewith or symbolized thereby, shall automatically become part of the Intellectual Property Collateral, (iii) it shall give prompt (and, in any event within five Business Days after the last day of the fiscal quarter in which such Grantor acquires such ownership interest) written notice thereof to the Administrative Agent in accordance herewith, and (iv) it shall provide the Administrative Agent promptly (and, in any event within five Business Days after the last day of the fiscal quarter in which such Grantor acquires such ownership interest) with an amended Schedule 6 hereto and take the actions specified in Section 5.11(m).

(l) Such Grantor agrees to execute an Intellectual Property Security Agreement with respect to its Intellectual Property in substantially the form of Exhibit B-1 in order to record the security interest granted herein to the Administrative Agent for the ratable benefit of the Secured Parties with the United States Patent and Trademark Office, the United States Copyright Office, and any other applicable Governmental Authority.

(m) Such Grantor agrees to execute an After-Acquired Intellectual Property Security Agreement with respect to its After-Acquired Intellectual Property in substantially the form of Exhibit B-2 in order to record the security interest granted herein to the Administrative Agent for the ratable benefit of the Secured Parties with the United States Patent and Trademark Office, the United States Copyright Office, and any other applicable Governmental Authority.

(n) Such Grantor shall take all steps reasonably necessary to protect the secrecy of all material Trade Secrets, including, without limitation, entering into confidentiality agreements with employees and labeling and restricting access to secret information and documents.

SECTION 6. REMEDIAL PROVISIONS

6.1. Certain Matters Relating to Receivables. (a) The Administrative Agent shall have the right to make test verifications of the Receivables in any manner and through any medium that it reasonably considers advisable, and each Grantor shall furnish all such assistance and information as the Administrative Agent may require in connection with such test verifications. After an Event of Default has occurred and is continuing, at any time and from time to time, upon the Administrative Agent's request and at the expense of the relevant Grantor, such Grantor shall cause independent public accountants or others satisfactory to the Administrative Agent to furnish to the Administrative Agent reports showing reconciliations, aging and test verifications of, and trial balances for, the Receivables.

(b) The Administrative Agent hereby authorizes each Grantor to collect such Grantor's Receivables, and each Grantor hereby agrees to continue to collect all amounts due or to become due to such Grantor under the Receivables and any Supporting Obligation and diligently exercise each material right it may have under any Receivable and any Supporting Obligation, in each case, at its own expense; provided, however, that the Administrative Agent may curtail or terminate said authority at any time after the occurrence and during the continuance of an Event of Default. If required by the Administrative Agent at any time after the occurrence and during the continuance of an Event of Default, any payments of Receivables, when collected by any Grantor, (i) shall be forthwith (and, in any event, within two Business Days) deposited by such Grantor in the exact form received, duly endorsed by such Grantor to the Administrative Agent if required, in a Collateral Account maintained under the sole dominion and control of the Administrative Agent, subject to withdrawal by the Administrative Agent for the account of the Secured Parties only as provided in Section 6.5, and (ii) until so turned over, shall be held by such Grantor in trust for the Secured Parties, segregated from other funds of such Grantor. Each such deposit of Proceeds of Receivables shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

6.2. Communications with Obligors; Grantors Remain Liable. (a) The Administrative Agent in its own name or in the name of others may at any time during reasonable business hours after the occurrence and during the continuance of an Event of Default communicate with obligors under the Receivables and parties to the Contracts to verify with them to the Administrative Agent's satisfaction the existence, amount and terms of any Receivables or Contracts.

(b) If an Event of Default shall have occurred and be continuing, the Administrative Agent may at any time notify, or require any Grantor to so notify, the Account Debtor or counterparty on any Receivable or Contract of the security interest of the Administrative Agent therein. In addition, after the occurrence and during the continuance of an Event of Default, the Administrative Agent may upon written notice to the applicable Grantor, notify, or require any Grantor to notify, the Account Debtor or counterparty to make all payments under the Receivables and/or Contracts directly to the Administrative Agent.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Receivables and Contracts to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. No Secured Party shall have any obligation or liability under any Receivable (or any agreement giving rise thereto) or Contract by reason of or arising out of this Agreement or the receipt by any Secured Party of any payment relating thereto, nor shall any Secured Party be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Receivable (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

6.3. Pledged Securities. (a) Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have given notice to the relevant Grantor of the Administrative Agent's intent to exercise its corresponding rights pursuant to Section 6.3(b), each Grantor shall be permitted to receive all cash dividends paid in respect of the Pledged Equity Interests and all payments made in respect of the Pledged Notes, in each case paid in the normal course of business of the relevant Issuer and consistent with past practice, to the extent permitted in the Credit Agreement, and to exercise all voting and corporate rights with respect to the Pledged Securities not inconsistent with the purposes of this Agreement; provided, however, that no vote shall be cast or corporate or other ownership right exercised or other action taken which, in the Administrative Agent's reasonable judgment, would materially impair the Collateral or which would be inconsistent with or result in any violation of any provision of the Credit Agreement, this Agreement or any other Loan Document.

(b) If an Event of Default shall occur and be continuing and the Administrative Agent shall give notice of its intent to invoke the provisions of this Section 6.3(b) to the relevant Grantor(s): (i) all rights of each Grantor to exercise or refrain from exercising the voting and other consensual rights which it would otherwise be entitled to exercise pursuant hereto shall cease and all such rights shall thereupon become vested in the Administrative Agent who shall thereupon have the sole right, but shall be under no obligation, to exercise or refrain from exercising such voting and other consensual rights and (ii) the Administrative Agent shall have the right to transfer all or any portion of the Investment Property to its name or the name of its nominee or agent. In addition, the Administrative Agent shall have the right at any time to exchange any certificates or instruments representing any Investment Property for certificates or instruments of smaller or larger denominations. In order to permit the Administrative Agent to exercise the voting and other consensual rights which it may be entitled to exercise pursuant hereto and to receive all dividends and other distributions which it may be entitled to receive hereunder each Grantor shall promptly execute and deliver (or cause to be executed and delivered) to the Administrative Agent all proxies, dividend payment orders and other instruments as the Administrative Agent may from time to time reasonably request and each Grantor acknowledges that the Administrative Agent may utilize the power of attorney set forth herein.

(c) Each Grantor hereby authorizes and instructs each Issuer of any Pledged Securities pledged by such Grantor hereunder to (i) comply with any instruction received by it from the Administrative Agent in writing that (x) states that an Event of Default has occurred and is continuing and (y) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from such Grantor, and each Grantor agrees that each Issuer shall be fully protected in so complying, and (ii) unless otherwise expressly permitted hereby, pay any dividends or other payments with respect to the Pledged Securities directly to the Administrative Agent.

6.4. Proceeds to be Turned Over To Administrative Agent. In addition to the rights of the Secured Parties specified in Section 6.1 with respect to payments of Receivables, if an Event of

Default shall occur and be continuing, all Proceeds received by any Grantor consisting of cash, Cash Equivalents, checks and other near-cash items shall be held by such Grantor in trust for the Secured Parties, segregated from other funds of such Grantor, and shall, forthwith upon receipt by such Grantor, be turned over to the Administrative Agent in the exact form received by such Grantor (duly endorsed by such Grantor to the Administrative Agent, if required). All Proceeds received by the Administrative Agent hereunder shall be held by the Administrative Agent in a Collateral Account maintained under its sole dominion and control. All Proceeds while held by the Administrative Agent in a Collateral Account (or by such Grantor in trust for the Secured Parties) shall continue to be held as collateral security for all the Obligations and shall not constitute payment thereof until applied as provided in Section 6.5.

6.5. Application of Proceeds. At such intervals as may be agreed upon by the Borrower and the Administrative Agent, or, if an Event of Default shall have occurred and be continuing, at any time at the Administrative Agent's election, the Administrative Agent may, notwithstanding the provisions of Section 2.11 of the Credit Agreement, apply all or any part of the net Proceeds (after deducting fees and expenses as provided in Section 6.6) constituting Collateral realized through the exercise by the Administrative Agent of its remedies hereunder, whether or not held in any Collateral Account, and any proceeds of the guarantee set forth in Section 2, in payment of the Obligations in the following order:

First, to the Administrative Agent, to pay incurred and unpaid fees and expenses of the Secured Parties under the Loan Documents permitted under Section 10.5 of the Credit Agreement or Section 8.4 hereof;

Second, to the Administrative Agent, for application by it towards payment of amounts then due and owing and remaining unpaid in respect of the Obligations, pro rata among the Secured Parties according to the amounts of the Obligations then due and owing and remaining unpaid to the Secured Parties;

Third, to the Administrative Agent, for application by it towards prepayment of the Obligations, pro rata among the Lenders according to the amounts of the Obligations then held by the Lenders; and

Fourth, any balance of such Proceeds remaining after the Obligations shall have been paid in full, no Letters of Credit shall be outstanding and the Commitments shall have terminated or expired shall be paid over to the Borrower or to whomsoever may be lawfully entitled to receive the same.

6.6. Code and Other Remedies. (a) If an Event of Default shall occur and be continuing, the Administrative Agent, on behalf of the Secured Parties, may exercise, in addition to all other rights and remedies granted to them in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the New York UCC (whether or not the New York UCC applies to the affected Collateral) or its rights under any other applicable law or in equity. Without limiting the generality of the foregoing, the Administrative Agent, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon any Grantor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, license, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of any Secured Party or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem

best, for cash or on credit or for future delivery without assumption of any credit risk. Each Secured Party shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in any Grantor, which right or equity is hereby waived and released. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by applicable law) all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. Each Grantor agrees that, to the extent notice of sale shall be required by law, at least ten (10) days notice to such Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Administrative Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Administrative Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. The Administrative Agent may sell the Collateral without giving any warranties as to the Collateral. The Administrative Agent may specifically disclaim or modify any warranties of title or the like. This procedure will not be considered to adversely effect the commercial reasonableness of any sale of the Collateral. Each Grantor agrees that it would not be commercially unreasonable for the Administrative Agent to dispose of the Collateral or any portion thereof by using Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets. Each Grantor hereby waives any claims against the Administrative Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if the Administrative Agent accepts the first offer received and does not offer such Collateral to more than one offeree. Each Grantor further agrees, at the Administrative Agent's request, to assemble the Collateral and make it available to the Administrative Agent at places which the Administrative Agent shall reasonably select, whether at such Grantor's premises or elsewhere. The Administrative Agent shall have the right to enter onto the property where any Collateral is located and take possession thereof with or without judicial process.

(b) The Administrative Agent shall apply the net proceeds of any action taken by it pursuant to this Section 6.6, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Parties hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Obligations and only after such application and after the payment by the Administrative Agent of any other amount required by any provision of law, including, without limitation, Section 9-615(a) of the New York UCC, need the Administrative Agent account for the surplus, if any, to any Grantor. If the Administrative Agent sells any of the Collateral upon credit, the Grantor will be credited only with payments actually made by the purchaser and received by the Administrative Agent and applied to indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, the Administrative Agent may resell the Collateral and the Grantor shall be credited with proceeds of the sale. To the extent permitted by applicable law, each Grantor waives all claims, damages and demands it may acquire against any Secured Party arising out of the exercise by them of any rights hereunder.

(c) In the event of any Disposition of any of the Intellectual Property and if an Event of Default shall have occurred and be continuing, the goodwill of the business connected with and symbolized by any Trademarks subject to such Disposition shall be included, and the applicable Grantor shall supply the Administrative Agent or its designee with such Grantor's know-how and expertise, and with documents and things embodying the same, relating to the manufacture, distribution, advertising and sale of products or the provision of services relating to any Intellectual Property subject to such Disposition, and such Grantor's customer lists and other records and documents relating to such

Intellectual Property and to the manufacture, distribution, advertising and sale of such products and services.

6.7. Registration Rights. (a) If the Administrative Agent shall determine to exercise its right to sell any or all of the Pledged Equity Interests or the Pledged Debt Securities pursuant to Section 6.6, and if in the opinion of the Administrative Agent it is necessary or advisable to have the Pledged Equity Interests or the Pledged Debt Securities, or that portion thereof to be sold, registered under the provisions of the Securities Act, the relevant Grantor will cause the Issuer thereof to (i) execute and deliver, and cause the directors and officers of such Issuer to execute and deliver, all such instruments and documents, and do or cause to be done all such other acts as may be, in the opinion of the Administrative Agent, necessary or advisable to register the Pledged Equity Interests or the Pledged Debt Securities, or that portion thereof to be sold, under the provisions of the Securities Act, (ii) use its best efforts to cause the registration statement relating thereto to become effective and to remain effective for a period of one year from the date of the first public offering of the Pledged Equity Interests or the Pledged Debt Securities, or that portion thereof to be sold, provided, that the Administrative Agent shall furnish to the relevant Grantor such information regarding the Administrative Agent as shall be required in connection with such registration and requested by such Grantor in writing, and (iii) make all amendments thereto and/or to the related prospectus which, in the opinion of the Administrative Agent, are necessary or advisable, all in conformity with the requirements of the Securities Act and the rules and regulations of the SEC applicable thereto. Each Grantor agrees to cause such Issuer to comply with the provisions of the securities or "Blue Sky" laws of any and all jurisdictions which the Administrative Agent shall designate and to make available to its security holders, as soon as practicable, an earnings statement (which need not be audited) which will satisfy the provisions of Section 11(a) of the Securities Act.

(b) Each Grantor recognizes that the Administrative Agent may be unable to effect a public sale of any or all the Pledged Equity Interests or the Pledged Debt Securities, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Administrative Agent shall be under no obligation to delay a sale of any of the Pledged Equity Interests or the Pledged Debt Securities for the period of time necessary to permit the Issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such Issuer would agree to do so.

(c) Each Grantor agrees to use its best efforts to do or cause to be done all such other acts as may be necessary to make such sale or sales of all or any portion of the Pledged Equity Interests or the Pledged Debt Securities pursuant to this Section 6.7 valid and binding and in compliance with any and all other applicable Requirements of Law. Each Grantor further agrees that a breach of any of the covenants contained in this Section 6.7 will cause irreparable injury to the Secured Parties, that the Secured Parties have no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 6.7 shall be specifically enforceable against such Grantor, and such Grantor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no Event of Default has occurred and is continuing under the Credit Agreement or a defense of payment.

6.8. Waiver; Deficiency. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay its Obligations and the fees and disbursements of any attorneys employed by any Secured Party to collect such deficiency.

SECTION 7. THE ADMINISTRATIVE AGENT

7.1. Administrative Agent's Appointment as Attorney-in-Fact, Etc. (a) Each Grantor hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, each Grantor hereby gives the Administrative Agent the power and right, on behalf of such Grantor, without notice to or assent by such Grantor, to do any or all of the following:

(i) in the name of such Grantor or its own name, or otherwise, take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Receivable or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Administrative Agent for the purpose of collecting any and all such moneys due under any Receivable or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Administrative Agent may request to evidence the Secured Parties' security interest in such Intellectual Property and the goodwill and general intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, effect any repairs or any insurance called for by the terms of this Agreement and pay all or any part of the premiums therefor and the costs thereof;

(iv) execute, in connection with any sale provided for in Section 6.6 or 6.7, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; and

(v) (1) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct; (2) ask or demand for, collect, and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (3) sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (4) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (5) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral; (6) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Administrative Agent may deem appropriate; (7) assign any Copyright, Patent or Trademark (along with the goodwill of the business to which any such Copyright, Patent or Trademark

pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Administrative Agent shall in its sole discretion determine; and (8) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Administrative Agent were the absolute owner thereof for all purposes, and do, at the Administrative Agent's option and such Grantor's expense, at any time, or from time to time, all acts and things which the Administrative Agent deems necessary to protect, preserve or realize upon the Collateral and the Secured Parties' security interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

Anything in this Section 7.1(a) to the contrary notwithstanding, the Administrative Agent agrees that, except as provided in Section 7.1(b), it will not exercise any rights under the power of attorney provided for in this Section 7.1(a) unless an Event of Default shall have occurred and be continuing.

(b) If any Grantor fails to perform or comply with any of its agreements contained herein, the Administrative Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement; provided, however, that unless and Event of Default has occurred and is continuing or time is of the essence, the Administrative Agent shall not exercise this power without first making demand on the Grantor and the Grantor failing to immediately comply therewith.

(c) The expenses of the Administrative Agent incurred in connection with actions undertaken as provided in this Section 7.1, together with interest thereon at a rate per annum equal to the rate per annum at which interest would then be payable on past due Revolving Loans that are Base Rate Loans under the Credit Agreement, from the date of payment by the Administrative Agent to the date reimbursed by the relevant Grantor, shall be payable by such Grantor to the Administrative Agent on demand.

(d) Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

7.2. Duty of Administrative Agent. The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the New York UCC or otherwise, shall be to deal with it in the same manner as the Administrative Agent deals with similar property for its own account. Neither the Administrative Agent, nor any other Secured Party nor any of their respective officers, directors, partners, employees, agents, attorneys and other advisors, attorneys-in-fact or affiliates shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Secured Parties hereunder are solely to protect the Secured Parties' interests in the Collateral and shall not impose any duty upon any Secured Party to exercise any such powers. The Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, partners, employees, agents, attorneys and other advisors, attorneys-in-fact or affiliates shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

7.3. Execution of Financing Statements. Each Grantor hereby authorizes the Administrative Agent to file or record financing or continuation statements, and amendments thereto, and

other filing or recording documents or instruments with respect to the Collateral in such form and in such offices as the Administrative Agent reasonably determines appropriate to perfect or maintain the perfection of the security interests of the Administrative Agent under this Agreement. Each Grantor agrees that such financing statements may describe the collateral in the same manner as described in the Security documents or as "all assets" or "all personal property" of the undersigned, whether now owned or hereafter existing or acquired by the undersigned or such other description as the Administrative Agent, in its sole judgment, determines is necessary or advisable. A photographic or other reproduction of this Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in any jurisdiction. Each Grantor hereby ratifies any such financing statement filed prior to the date hereof by the Administrative Agent, if any.

7.4. Authority of Administrative Agent. Each Grantor acknowledges that the rights and responsibilities of the Administrative Agent under this Agreement with respect to any action taken by the Administrative Agent or the exercise or non-exercise by the Administrative Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Administrative Agent and the other Secured Parties, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Administrative Agent and the Grantors, the Administrative Agent shall be conclusively presumed to be acting as agent for the Secured Parties with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

7.5. Appointment of Co-Collateral Agents. At any time or from time to time and upon written notice to the Grantors, in order to comply with any Requirement of Law, the Administrative Agent may appoint another bank or trust company or one of more other persons, either to act as co-agent or agents on behalf of the Secured Parties with such power and authority as may be necessary for the effectual operation of the provisions hereof and which may be specified in the instrument of appointment (which may, in the discretion of the Administrative Agent, include provisions for indemnification and similar protections of such co-agent or separate agent).

SECTION 8. MISCELLANEOUS

8.1. Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 10.1 of the Credit Agreement.

8.2. Notices. All notices, requests and demands to or upon the Administrative Agent or any Grantor hereunder shall be effected in the manner provided for in Section 10.2 of the Credit Agreement; provided that any such notice, request or demand to or upon any Guarantor shall be addressed to such Guarantor at its notice address set forth on Schedule 1.

8.3. No Waiver by Course of Conduct; Cumulative Remedies. No Secured Party shall by any act (except by a written instrument pursuant to Section 8.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by any Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which such Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative,

may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

8.4. Enforcement Expenses; Indemnification. (a) Each Grantor agrees to pay or reimburse each Lender and the Administrative Agent (in the case of each Lender, after the occurrence and during the continuance of an Event of Default) for all its costs and expenses incurred in collecting against such Grantor under the guarantee contained in Section 2 or otherwise enforcing or preserving any rights under this Agreement and the other Loan Documents to which such Grantor is a party, including, without limitation, the fees and disbursements of counsel (including the allocated fees and expenses of in-house counsel (but not both outside and in-house counsel)) to each Secured Party and of counsel to the Administrative Agent.

(b) Each Grantor agrees to pay, and to save the Secured Parties harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Agreement.

(c) Each Grantor agrees to pay, and to save the Secured Parties harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Agreement to the extent the Borrower would be required to do so pursuant to Section 10.5 of the Credit Agreement.

(d) The agreements in this Section shall survive repayment of the Obligations and all other amounts payable under the Credit Agreement and the other Loan Documents.

(e) Each Grantor agrees that the provisions of Section 2.19 of the Credit Agreement are hereby incorporated herein by reference, mutatis mutandis, and each Secured Party shall be entitled to rely on each of them as if they were fully set forth herein.

8.5. Successors and Assigns. This Agreement shall be binding upon the successors and assigns of each Grantor and shall inure to the benefit of the Secured Parties and their successors and assigns; provided that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Administrative Agent.

8.6. Set-Off. Each Grantor hereby irrevocably authorizes each Secured Party at any time and from time to time while an Event of Default pursuant to Section 8(a) of the Credit Agreement shall have occurred and be continuing, without notice to such Grantor or any other Grantor, any such notice being expressly waived by each Grantor, to set-off and appropriate and apply any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Secured Party to or for the credit or the account of such Grantor, or any part thereof in such amounts as such Secured Party may elect, against and on account of the obligations and liabilities of such Grantor to such Secured Party hereunder and claims of every nature and description of such Secured Party against such Grantor, in any currency, whether arising hereunder, under the Credit Agreement, any other Loan Document or otherwise, as such Secured Party may elect, whether or not any Secured Party has made any demand for payment and although such obligations, liabilities and claims may be contingent or unmatured. Each Secured Party shall notify such Grantor promptly of any such set-off and the application made by such Secured Party of the proceeds thereof, provided that the failure to give such notice shall not affect the validity of such set-off and

application. The rights of each Secured Party under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Secured Party may have.

8.7. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

8.8. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8.9. Section Headings. The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

8.10. Integration. This Agreement and the other Loan Documents represent the agreement of the Grantors, the Administrative Agent and the other Secured Parties with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by any Secured Party relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Loan Documents.

8.11. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAW RULES THAT WOULD RESULT IN APPLICATION OF A DIFFERENT GOVERNING LAW.

8.12. Submission to Jurisdiction; Waivers. Each Grantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the Courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Grantor at its address referred to in Section 8.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

8.13. Acknowledgments. Each Grantor hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents to which it is a party;

(b) no Secured Party has any fiduciary relationship with or duty to any Grantor arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Grantors, on the one hand, and the Secured Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Secured Parties or among the Grantors and the Secured Parties.

8.14. Additional Grantors. Each Subsidiary of the Borrower that is required to become a party to this Agreement pursuant to Section 6.9 of the Credit Agreement shall become a Grantor for all purposes of this Agreement upon execution and delivery by such Subsidiary of an Assumption Agreement in the form of Annex 1 hereto.

8.15. Releases. (a) At such time as the Loans, the Reimbursement Obligations and the other Obligations (other than Obligations in respect of any Hedge Agreement) shall have been paid in full, the Commitments have been terminated or expired and no Letters of Credit shall be outstanding, the Collateral shall be released from the Liens created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent and each Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Grantors. At the request and sole expense of any Grantor following any such termination, the Administrative Agent shall deliver to such Grantor any Collateral held by the Administrative Agent hereunder, and execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such termination.

(b) If any of the Collateral shall be Disposed of by any Grantor in a transaction permitted by the Credit Agreement, then the Administrative Agent, at the request and sole expense of such Grantor, shall execute and deliver to such Grantor all releases or other documents reasonably necessary or desirable for the release of the Liens created hereby on such Collateral. At the request and sole expense of the Borrower, a Subsidiary Guarantor shall be released from its obligations hereunder in the event that all the Capital Stock of such Subsidiary Guarantor shall be Disposed of in a transaction permitted by the Credit Agreement; provided that the Borrower shall have delivered to the Administrative Agent, at least ten Business Days prior to the date of the proposed release, a written request for release identifying the relevant Subsidiary Guarantor and the terms of the Disposition in reasonable detail, including the price thereof and any expenses in connection therewith, together with a certification by the Borrower stating that such transaction is in compliance with the Credit Agreement and the other Loan Documents and that the Proceeds of such Disposition will be applied in accordance therewith.

(c) Each Grantor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement originally filed

in connection herewith without the prior written consent of the Administrative Agent subject to such Grantor's rights under Section 9-509(d)(2) of the New York UCC.

8.16. WAIVER OF JURY TRIAL. EACH GRANTOR AND THE ADMINISTRATIVE AGENT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

IN WITNESS WHEREOF, each of the undersigned has caused this Guarantee and Collateral Agreement to be duly executed and delivered as of the date first above written.

RENT-A-CENTER, INC.

By: /s/ MARK E. SPEESE

Name: Mark E. Speese
Title: Chairman of the Board and Chief Executive Officer

RENT-A-CENTER EAST, INC.

By: /s/ MARK E. SPEESE

Name: Mark E. Speese
Title: President

COLORTYME, INC.

By: /s/ MITCHELL E. FADEL

Name: Mitchell E. Fadel
Title: Vice President

RENT-A-CENTER WEST, INC.

By: /s/ MITCHELL E. FADEL

Name: Mitchell E. Fadel
Title: Vice President

REMCO AMERICA, INC.

By: /s/ MITCHELL E. FADEL

Name: Mitchell E. Fadel
Title: Vice President

GET IT NOW, LLC

By: /s/ MITCHELL E. FADEL

Name: Mitchell E. Fadel
Title: Vice President

[Signatures continued on the next page]

RENT-A-CENTER TEXAS, L.P.

By: /s/ MITCHELL E. FADEL

Name: Mitchell E. Fadel
Title: President and Chief Operating Officer

RENT-A-CENTER TEXAS, L.L.C.

By: /s/ JAMES ASHWORTH

Name: James Ashworth
Title: President

[Signatures continued on the next page]

LEHMAN COMMERCIAL PAPER INC.,
as Administrative Agent

By: /s/ FRANCIS CHANG

    Name: Francis Chang
    Title: Authorized Signatory

Schedule 1

NOTICE ADDRESSES OF GUARANTORS

Schedule 2

DESCRIPTION OF PLEDGED INVESTMENT PROPERTY

PLEDGED STOCK:

Grantor	Issuer	Issuer's Jurisdiction Under New York UCC Section 9-305(a)(2)	Class of Stock	Stock Certificate No.	Percentage of Shares	No. of Shares

PLEDGED NOTES:

Grantor	Issuer	Payee	Principal Amount

PLEDGED DEBT SECURITIES:

Grantor	Issuer	Issuer's Jurisdiction Under New York UCC Section 9-305(a)(2)	Payee	Principal Amount

PLEDGED SECURITY ENTITLEMENTS:

Grantor	Issuer of Financial Asset	Description of Financial Asset	Securities Intermediary (Name and Address)	Securities Account (Number and Location)	Securities Intermediary's Jurisdiction Under New York UCC Section 9-305(a)(3)

PLEDGED COMMODITY CONTRACTS:

Grantor	Description of Commodity Contract	Commodity Intermediary (Name and Address)	Commodity Account (Number and Location)	Commodity Intermediary's Jurisdiction Under New York UCC Section 9-305(a)(4)

PLEDGED PARTNERSHIP INTERESTS:

Grantor	Issuer	Type of Partnership Interest (e.g., General or Limited)	Certificated (Y/N)	Certificate No. (if any)	% of Outstanding Partnership Interests of the Partnership

PLEDGED LLC INTERESTS:

Grantor	Issuer	Certificated (Y/N)	Certificate No. (if any)	No. of Pledged Units	% of Outstanding LLC Interests of the Issuer

PLEDGED TRUST INTERESTS:

Grantor	Issuer	Class of Trust Interests	Certificated (Y/N)	Certificate No. (if any)	% of Outstanding Trust Interests of the Issuer

DEPOSIT ACCOUNTS:

Grantor	Name of Depositary Bank	Account Number	Account Name

Schedule 3

FILINGS AND OTHER ACTIONS
REQUIRED TO PERFECT SECURITY INTERESTS

Uniform Commercial Code Filings

[List each office where a financing statement is to be filed]

Copyright, Patent and Trademark Filings

[List all filings]

Actions with respect to Investment Property

[Describe all actions required to obtain "control" of Investment Property]

Other Actions

[Describe other actions to be taken]

Schedule 4

EXACT LEGAL NAME, JURISDICTION OF ORGANIZATION AND LOCATION OF CHIEF EXECUTIVE OFFICE

Exact Legal Name	Jurisdiction of Organization	Organizational I.D.	Location of Chief Executive Office

Schedule 5

LOCATION OF INVENTORY AND EQUIPMENT

Grantor	Locations

Schedule 6

COPYRIGHTS

PATENTS

TRADEMARKS

INTELLECTUAL PROPERTY LICENSES

OTHER INTELLECTUAL PROPERTY

ACQUISITIONS

7-1

Schedule 8

LETTERS OF CREDIT

CONTRACTS

9-1

Schedule 10

COMMERCIAL TORT CLAIMS

2-2

FORM OF ACKNOWLEDGMENT AND CONSENT

The undersigned hereby acknowledges receipt of a copy of the Guarantee and Collateral Agreement dated as of May 28, 2003 (the "Agreement"; capitalized terms used but not defined herein have the meanings given such terms therein), made by the Grantors parties thereto for the benefit of Lehman Commercial Paper Inc., as administrative agent (in such capacity, the "Administrative Agent") under the Credit Agreement dated as of May 28, 2003 (as amended, supplemented or modified from time to time, the "Credit Agreement"), among Rent-A-Center, Inc., a Delaware corporation, the several banks and other financial institutions or entities from time to time parties to the Credit Agreement, Morgan Stanley Senior Funding Inc., as documentation agent, JPMorgan Chase Bank and Bear, Sterns & Co., Inc., each as syndication agent, Wachovia Bank, National Association, UBS Warburg LLC, United Overseas Bank and Credit Lyonnais, each as managing agent, and the Administrative Agent. The undersigned agrees for the benefit of the Administrative Agent and the Secured Parties as follows:

1. The undersigned will be bound by the terms of the Agreement and will comply with such terms insofar as such terms are applicable to the undersigned.

2. The undersigned confirms the statements made in the Agreement with respect to the undersigned including, without limitation, in Section 4.8 and Schedule 2.

3. The undersigned will notify the Administrative Agent promptly in writing of the occurrence of any of the events described in Section 5.8(a) of the Agreement.

4. The terms of Sections 5.8(c), 6.3(c) and 6.7 of the Agreement shall apply to it, mutatis mutandis, with respect to all actions that may be required of it pursuant to Section 5.8(c), 6.3(c) or 6.7 of the Agreement.

[NAME OF ISSUER]

By _____
Name:
Title:

Address for Notices:
_____
_____

Fax: _____

FORM OF INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of May [__], 2003 (as amended, supplemented or otherwise modified from time to time, the "Intellectual Property Security Agreement"), is made by each of the signatories hereto (collectively, the "Grantors") in favor of Lehman Commercial Paper Inc., as administrative agent (in such capacity, the "Administrative Agent") for the Secured Parties (as defined in the Credit Agreement referred to below).

WHEREAS, Rent-A-Center, Inc., a Delaware corporation (the "Borrower") has entered into a Credit Agreement dated as of May 28, 2003 (as amended, supplemented or modified from time to time, the "Credit Agreement"), among the Borrower, the several banks and other financial institutions or entities from time to time parties to the Credit Agreement, Morgan Stanley Senior Funding Inc., as documentation agent, JPMorgan Chase Bank and Bear, Sterns & Co., Inc., each as syndication agent, Wachovia Bank, National Association, UBS Warburg LLC, United Overseas Bank and Credit Lyonnais, each as managing agent, and the Administrative Agent. Capitalized terms used and not defined herein have the meanings given such terms in the Credit Agreement.

WHEREAS, it is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to the Borrower under the Credit Agreement that the Grantors shall have executed and delivered that certain Guarantee and Collateral Agreement, dated as of May 28, 2003 in favor of the Administrative Agent for the benefit of the Secured Parties (as amended, supplemented, replaced or otherwise modified from time to time, the "Guarantee and Collateral Agreement").

WHEREAS, under the terms of the Guarantee and Collateral Agreement, the Grantors have granted a security interest in certain property, including, without limitation, certain Intellectual Property of the Grantors to the Administrative Agent for the ratable benefit of the Secured Parties, and have agreed as a condition thereof to execute this Intellectual Property Security Agreement for recording with the United States Patent and Trademark Office, the United States Copyright Office, and other applicable Governmental Authorities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantors agree as follows:

SECTION 1. Grant of Security. Each Grantor hereby grants to the Administrative Agent for the ratable benefit of the Secured Parties a security interest in and to all of such Grantor's right, title and interest in and to the following (the "Intellectual Property Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations:

(a) (i) all trademarks, service marks, trade names, corporate names, company names, business names, trade dress, trade styles, logos, or other indicia of origin or source identification, trademark and service mark registrations, and applications for trademark or service mark registrations and any new renewals thereof, including, without limitation, each registration and application identified in Schedule 1, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (iv) all other rights of any kind whatsoever of such Grantor accruing thereunder or

pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each of the above (collectively, the "Trademarks");

(b) (i) all patents, patent applications and patentable inventions, including, without limitation, each issued patent and patent application identified in Schedule 1, (ii) all inventions and improvements described and claimed therein, (iii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iv) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (v) all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all improvements thereon and all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto (collectively, the "Patents");

(c) (i) all copyrights, whether or not the underlying works of authorship have been published, and all works of authorship and other intellectual property rights therein, all copyrights of works based on, incorporated in, derived from or relating to works covered by such copyrights, all right, title and interest to make and exploit all derivative works based on or adopted from works covered by such copyrights, and all copyright registrations and copyright applications, and any renewals or extensions thereof, including, without limitation, each registration and application identified in Schedule 1, (ii) the rights to print, publish and distribute any of the foregoing, (iv) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iv) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (v) all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto ("Copyrights");

(d) (i) all trade secrets and all confidential and proprietary information, including know-how, manufacturing and production processes and techniques, inventions, research and development information, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (iv) all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto (collectively, the "Trade Secrets");

(e) (i) all licenses or agreements, whether written or oral, providing for the grant by or to any Grantor of: (A) any right to use any Trademark or Trade Secret, (B) any right to manufacture, use or sell any invention covered in whole or in part by a Patent, and (C) any right under any Copyright including, without limitation, the grant of rights to manufacture, distribute, exploit and sell materials derived from any Copyright including, without limitation, any of the foregoing identified in Schedule 1, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations of any of the foregoing, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (iv) all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto; and

(f) any and all proceeds of the foregoing.

SECTION 2. Recordation. Each Grantor authorizes and requests that the Register of Copyrights, the Commissioner of Patents and Trademarks and any other applicable government officer record this Intellectual Property Security Agreement.

SECTION 3. Execution in Counterparts. This Agreement may be executed in any number of counterparts (including by telecopy), each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 4. Governing Law. This Intellectual Property Security Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

SECTION 5. Conflict Provision. This Intellectual Property Security Agreement has been entered into in conjunction with the provisions of the Guarantee and Collateral Agreement and the Credit Agreement. The rights and remedies of each party hereto with respect to the security interest granted herein are without prejudice to and are in addition to those set forth in the Guarantee and Collateral Agreement and the Credit Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Intellectual Property Security Agreement are in conflict with the Guarantee and Collateral Agreement or the Credit Agreement, the provisions of the Guarantee and Collateral Agreement or the Credit Agreement shall govern.

IN WITNESS WHEREOF, each of the undersigned has caused this Intellectual Property Security Agreement to be duly executed and delivered as of the date first above written.

[NAME OF GRANTOR]

By: _____
Name:
Title:

Schedule 1

COPYRIGHTS

PATENTS

TRADEMARKS

INTELLECTUAL PROPERTY LICENSES

FORM OF AFTER-ACQUIRED INTELLECTUAL PROPERTY SECURITY AGREEMENT

([FIRST] SUPPLEMENTAL FILING)

This INTELLECTUAL PROPERTY SECURITY AGREEMENT ([FIRST] SUPPLEMENTAL FILING), dated as of _____ __, 200_ (as amended, supplemented or otherwise modified from time to time, the "[First] Supplemental Intellectual Property Security Agreement"), is made by each of the signatories hereto (collectively, the "Grantors") in favor of Lehman Commercial Paper Inc., as administrative agent (in such capacity, the "Administrative Agent") for the Secured Parties (as defined in the Credit Agreement referred to below).

WHEREAS, Rent-A-Center, Inc., a Delaware corporation (the "Borrower"), has entered into a Credit Agreement dated as of May 28, 2003 (as amended, supplemented or modified from time to time, the "Credit Agreement"), among the Borrower, the several banks and other financial institutions or entities from time to time parties to the Credit Agreement, Morgan Stanley Senior Funding Inc., as documentation agent, JPMorgan Chase Bank and Bear, Sterns & Co., Inc., each as syndication agent, Wachovia Bank, National Association, UBS Warburg LLC, United Overseas Bank and Credit Lyonnais, each as managing agent, and the Administrative Agent. Capitalized terms used and not defined herein have the meanings given such terms in the Credit Agreement.

WHEREAS, it is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to the Borrower under the Credit Agreement that the Grantors shall have executed and delivered that certain Guarantee and Collateral Agreement, dated as of May 28, 2003, in favor of the Administrative Agent for the benefit of the Secured Parties (as amended, supplemented, replaced or otherwise modified from time to time, the "Guarantee and Collateral Agreement").

WHEREAS, under the terms of the Guarantee and Collateral Agreement, the Grantors have granted a security interest in certain property, including, without limitation, certain Intellectual Property, including but not limited to After-Acquired Intellectual Property of the Grantors to the Administrative Agent for the ratable benefit of the Secured Parties, and have agreed as a condition thereof to execute this [First] Supplemental Intellectual Property Security Agreement for recording with the United States Patent and Trademark Office, the United States Copyright Office, and other applicable Governmental Authorities.

WHEREAS, the Intellectual Property Security Agreement was recorded against certain United States Intellectual Property at [INSERT REEL/FRAME NUMBER] [IF SECOND OR LATER SUPPLEMENTAL, ADD PRIOR REEL/FRAME NUMBERS].

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantors agree as follows:

SECTION 1. Grant of Security. Each Grantor hereby grants to the Administrative Agent for the ratable benefit of the Secured Parties a security interest in and to all of such Grantor's right, title and interest in and to the following (the "Intellectual Property Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations:

(a) (i) all trademarks, service marks, trade names, corporate names, company names, business names, trade dress, trade styles, logos, or other indicia of origin or source identification, trademark and service mark registrations, and applications for trademark or service mark registrations and any new renewals thereof, including, without limitation, each registration and application identified in Schedule 1, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (iv) all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each of the above (collectively, the "Trademarks");

(b) (i) all patents, patent applications and patentable inventions, including, without limitation, each issued patent and patent application identified in Schedule 1, (ii) all inventions and improvements described and claimed therein, (iii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iv) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (v) all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all improvements thereon and all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto (collectively, the "Patents");

(c) (i) all copyrights, whether or not the underlying works of authorship have been published, and all works of authorship and other intellectual property rights therein, all copyrights of works based on, incorporated in, derived from or relating to works covered by such copyrights, all right, title and interest to make and exploit all derivative works based on or adopted from works covered by such copyrights, and all copyright registrations and copyright applications, and any renewals or extensions thereof, including, without limitation, each registration and application identified in Schedule 1, (ii) the rights to print, publish and distribute any of the foregoing, (iii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iv) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (v) all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto ("Copyrights");

(d) (i) all trade secrets and all confidential and proprietary information, including know-how, manufacturing and production processes and techniques, inventions, research and development information, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (iv) all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto (collectively, the "Trade Secrets");

(e) (i) all licenses or agreements, whether written or oral, providing for the grant by or to any Grantor of: (A) any right to use any Trademark or Trade Secret, (B) any right under any Patent, and (C) any right under any Copyright, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations of any of the foregoing, (iii) all income, royalties,

damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (iv) all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto; and

(f) any and all proceeds of the foregoing.

SECTION 2. Recordation. Each Grantor authorizes and requests that the Register of Copyrights, the Commissioner of Patents and Trademarks and any other applicable government officer record this [First] Supplemental Intellectual Property Security Agreement.

SECTION 3. Execution in Counterparts. This Agreement may be executed in any number of counterparts (including by telecopy), each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 4. Governing Law. This [First] Supplemental Intellectual Property Security Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

SECTION 5. Conflict Provision. This [First] Supplemental Intellectual Property Security Agreement has been entered into in conjunction with the provisions of the Guarantee and Collateral Agreement and the Credit Agreement. The rights and remedies of each party hereto with respect to the security interest granted herein are without prejudice to, and are in addition to those set forth in the Guarantee and Collateral Agreement and the Credit Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this [First] Supplemental Intellectual Property Security Agreement are in conflict with the Guarantee and Collateral Agreement or the Credit Agreement, the provisions of the Guarantee and Collateral Agreement or the Credit Agreement shall govern.

IN WITNESS WHEREOF, each of the undersigned has caused this [First] Supplemental Intellectual Property Security Agreement to be duly executed and delivered as of the date first above written.

[NAME OF GRANTOR]

By: _____
Name:
Title:

Schedule 1

COPYRIGHTS

PATENTS

TRADEMARKS

INTELLECTUAL PROPERTY LICENSES

FORM OF CONTROL AGREEMENT

This CONTROL AGREEMENT (as amended, supplemented or otherwise modified from time to time, the "Control Agreement") dated as of _____ ___, 200_, is made by and among _____, a _____ (the "Grantor"), Lehman Commercial Paper Inc., as administrative agent (in such capacity, the "Administrative Agent") for the Secured Parties (as defined in the Guarantee and Collateral Agreement referred to below), and _____, a _____ (the "Issuer").

WHEREAS, the Grantor has granted to the Administrative Agent for the benefit of the Secured Parties a security interest in the uncertificated securities of the Issuer owned by the Grantor from time to time (collectively, the "Pledged Securities"), and all additions thereto and substitutions and proceeds thereof (collectively, with the Pledged Securities, the "Collateral") pursuant to a Guarantee and Collateral Agreement, dated as of May 28, 2003 (as amended, supplemented, replaced or otherwise modified from time to time, the "Guarantee and Collateral Agreement"), among the Grantor and the other persons party thereto as grantors in favor of the Administrative Agent for the benefit of the Secured Parties.

WHEREAS, the following terms which are defined in Articles 8 and 9 of the Uniform Commercial Code in effect in the State of New York on the date hereof (the "UCC") are used herein as so defined: Adverse Claim, Control, Instruction, Proceeds and Uncertificated Security.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Notice of Security Interest. The Grantor, the Administrative Agent and the Issuer are entering into this Control Agreement to perfect, and to confirm the priority of, the Administrative Agent's security interest in the Collateral. The Issuer acknowledges that this Control Agreement constitutes written notification to the Issuer of the Administrative Agent's security interest in the Collateral. The Issuer agrees to promptly make all necessary entries or notations in its books and records to reflect the Administrative Agent's security interest in the Collateral and, upon request by the Administrative Agent, to register the Administrative Agent as the registered owner of any or all of the Pledged Securities. The Issuer acknowledges that the Administrative Agent has control over the Collateral.

SECTION 2. Collateral. The Issuer hereby represents and warrants to, and agrees with the Grantor and the Administrative Agent that (i) the terms of any limited liability company interests or partnership interests included in the Collateral from time to time shall expressly provide that they are securities governed by Article 8 of the Uniform Commercial Code in effect from time to time in the State of [_____], (ii) the Pledged Securities are uncertificated securities, (iii) the issuer's jurisdiction is, and during the term of this Control Agreement shall remain, the State of [_____], (iv) Schedule 1 contains a true and complete description of the Pledged Securities as of the date hereof and (v) except for the claims and interests of the Administrative Agent and the Grantor in the Collateral, the Issuer does not know of any claim to or security interest or other interest in the Collateral.

SECTION 3. Control. The Issuer hereby agrees, upon written direction from the Administrative Agent who shall have provided the Grantor with written notice to such written direction to the Issuer, and without further consent from the Grantor, (a) to comply with all instructions and directions

of any kind originated by the Administrative Agent concerning the Collateral, to liquidate or otherwise dispose of the Collateral as and to the extent directed by the Administrative Agent and to pay over to the Administrative Agent all proceeds without any setoff or deduction, and (b) except as otherwise directed by the Administrative Agent, not to comply with the instructions or directions of any kind originated by the Grantor or any other person.

SECTION 4. Other Agreements. The Issuer shall notify promptly the Administrative Agent and the Grantor if any other person asserts any lien, encumbrance, claim (including any adverse claim) or security interest in or against any of the Collateral. In the event of any conflict between the provisions of this Control Agreement and any other agreement governing the Pledged Securities or the Collateral, the provisions of this Control Agreement shall control.

SECTION 5. Protection of Issuer. The Issuer may rely and shall be protected in acting upon any notice, instruction or other communication that it reasonably believes to be genuine and authorized.

SECTION 6. Termination. This Control Agreement shall terminate automatically upon receipt by the Issuer of written notice executed by the Administrative Agent.

SECTION 7. Notices. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered, or three days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received, to the Grantor's and the Administrative Agent's addresses as set forth in the Guarantee and Collateral Agreement, and to the Issuer's address as set forth below, or to such other address as any party may give to the others in writing for such purpose:

[Name of Issuer]
[Address of Issuer]
Attention: _____
Telephone: (_____) _____- _____
Telecopy: (_____) _____- _____

SECTION 8. Amendments in Writing. None of the terms or provisions of this Control Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the parties hereto.

SECTION 9. Entire Agreement. This Control Agreement and the Guarantee and Collateral Agreement constitute the entire agreement and supersede all other prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

SECTION 10. Execution in Counterparts. This Control Agreement may be executed in any number of counterparts (including by telecopy), each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 11. Successors and Assigns. This Control Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that the Grantor may not assign, transfer or delegate any of its rights or obligations under this Control Agreement without the prior written consent of the Administrative Agent.

SECTION 12. Governing Law and Jurisdiction. This Control Agreement has been delivered to and accepted by the Administrative Agent and will be deemed to be made in the State of New York. THIS CONTROL AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. Each of the parties hereto submits for itself and its property in any legal action or proceeding relating to this Control Agreement, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the Courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof.

SECTION 13. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS CONTROL AGREEMENT AND FOR ANY COUNTERCLAIM THEREIN.

IN WITNESS WHEREOF, each of the undersigned has caused this Control Agreement to be duly executed and delivered as of the date first above written.

[NAME OF GRANTOR]

By: _____
Name:
Title:

LEHMAN COMMERCIAL PAPER INC., as
Administrative Agent

By: _____
Name:
Title:

[NAME OF ISSUER]

By: _____
Name:
Title:

Annex 1 to
Guarantee and Collateral Agreement

ASSUMPTION AGREEMENT, dated as of _____, 200__, made by _____, a _____ (the "Additional Grantor"), in favor of Lehman Commercial Paper Inc., as administrative agent (in such capacity, the "Administrative Agent") for (i) the banks and other financial institutions and entities (the "Lenders") parties to the Credit Agreement referred to below, and (ii) the other Secured Parties (as defined in the Guarantee and Collateral Agreement (as hereinafter defined)). All capitalized terms not defined herein shall have the meaning ascribed to them in such Credit Agreement.

W I T N E S S E T H:

WHEREAS, Rent-A-Center, Inc. (the "Borrower"), the Lenders and the Administrative Agent have entered into a Credit Agreement dated as of May 28, 2003 (as amended, supplemented or modified from time to time, the "Credit Agreement"), among the Borrower, the Lenders, Morgan Stanley Senior Funding Inc., as documentation agent, JPMorgan Chase Bank and Bear, Sterns & Co., Inc., each as syndication agent, Wachovia Bank, National Association, UBS Warburg LLC, United Overseas Bank and Credit Lyonnais, each as managing agent, and the Administrative Agent;

WHEREAS, in connection with the Credit Agreement, the Borrower and certain of its Subsidiaries (other than the Additional Grantor) have entered into the Guarantee and Collateral Agreement, dated as of May 28, 2003 (as amended, supplemented or otherwise modified from time to time, the "Guarantee and Collateral Agreement") in favor of the Administrative Agent for the benefit of the Secured Parties;

WHEREAS, the Credit Agreement requires the Additional Grantor to become a party to the Guarantee and Collateral Agreement; and

WHEREAS, the Additional Grantor has agreed to execute and deliver this Assumption Agreement in order to become a party to the Guarantee and Collateral Agreement;

NOW, THEREFORE, IT IS AGREED:

1. Guarantee and Collateral Agreement. By executing and delivering this Assumption Agreement, the Additional Grantor, as provided in Section 8.14 of the Guarantee and Collateral Agreement, hereby becomes a party to the Guarantee and Collateral Agreement as a Grantor and Guarantor thereunder with the same force and effect as if originally named therein as a Grantor and Guarantor and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Grantor and Guarantor thereunder. The information set forth in Annex 1-A hereto is hereby added to the information set forth in Schedules 1 to 8 to the Guarantee and Collateral Agreement. The Additional Grantor hereby represents and warrants that each of the representations and warranties contained in Section 4 of the Guarantee and Collateral Agreement is true and correct on and as the date hereof (after giving effect to this Assumption Agreement) as if made on and as of such date (except for representations and warranties expressly stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date).

2. GOVERNING LAW. THIS ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the undersigned has caused this Assumption Agreement to be duly executed and delivered as of the date first above written.

[ADDITIONAL GRANTOR]

By: _____
Name:
Title:

SUPPLEMENTAL INFORMATION

EXHIBIT 10.10

FOURTH AMENDMENT TO REGISTRATION RIGHTS AGREEMENT

THIS FOURTH AMENDMENT TO REGISTRATION RIGHTS AGREEMENT (this "FOURTH AMENDMENT") is made and entered into this 11th day of July, 2003, by and among Rent-A-Center, Inc., a Delaware corporation (the "COMPANY") and each of Apollo Investment Fund IV, L.P., a Delaware limited partnership, and Apollo Overseas Partners IV, L.P., an exempted limited partnership registered in the Cayman Islands (collectively, the "INVESTORS").

WITNESSETH:

WHEREAS, the Investors are holders of shares of Series A Preferred Stock, par value $.01, of the Company (the "SERIES A PREFERRED STOCK") and of shares of common stock, par value $.01, of the Company (the "COMMON Stock");

WHEREAS, the Company and the Investors are parties to that certain Registration Rights Agreement, dated August 5, 1998, as amended by that certain First Amendment to Registration Rights Agreement, dated as of August 18, 1998, as amended by that certain Second Amendment to Registration Rights Agreement, dated as of August 5, 2002, as amended by that certain Third Amendment to Registration Rights Agreement, dated as of December 31, 2002, (as amended, the "REGISTRATION RIGHTS AGREEMENT"),

WHEREAS, the Investors and the Company have entered into the Stock Purchase and Exchange Agreement dated April 25, 2003 (the "PURCHASE AND EXCHANGE AGREEMENT"), wherein, among other things, the Investors each agree to exchange their shares of Series A Preferred Stock into shares of Series C Convertible Preferred Stock, par value $.01, of the Company (the "PREFERRED STOCK EXCHANGE");

WHEREAS, pursuant to the Purchase and Exchange Agreement, the Investors and the Company agreed to amend the Registration Rights Agreement to reflect the Preferred Stock Exchange; and

WHEREAS, the Parties desire that this Fourth Amendment become effective immediately upon the Closing as defined in the Purchase and Exchange Agreement.

NOW, THEREFORE, in consideration of the premises, covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Investors hereby agree as follows:

1. Amendment to Registration Rights Agreement.

(a) The following definition of "Series C Preferred Stock" is hereby inserted into Section 1 of the Registration Rights Agreement immediately after the definition of "Series A Preferred Stock" to read in its entirety as follows:

"Series C Preferred Stock:The Series C Convertible Preferred Stock of the Company, $.01 par value per share."

(b) Subsection (ii) of the definition of "Registrable Securities" in Section 1 of the Registration Rights Agreement is hereby deleted and replaced by the following to read in its entirety:

"(ii) the Common Stock issuable or issued upon the conversion of the Shares or the conversion of the Series C Preferred Stock;"

2. Reaffirmation of Registration Rights Agreement.

Except as expressly amended and modified by this Fourth Amendment, the Registration Rights Agreement is hereby reaffirmed, ratified and confirmed and continues in full force and effect unaffected hereby.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the undersigned have executed this Fourth Amendment as of the date first above written.

RENT-A-CENTER, INC.
a Delaware corporation

By: /s/ MITCHELL E. FADEL

Name: Mitchell E. Fadel

Title: President and Chief Operating Officer

APOLLO INVESTMENT FUND IV, L.P.
a Delaware limited partnership

By: Apollo Advisors IV, L.P.
its General Partner

By: Apollo Capital Management IV, Inc.
its General Partner

By: /s/ PETER COPSES

Name: Peter Copses

Title: Vice President

APOLLO OVERSEAS PARTNERS IV, L.P.
an exempted limited partnership registered
in the Cayman Islands

By: Apollo Advisors IV, L.P.
its General Partner

By: Apollo Capital Management IV, Inc.
its Managing General Partner

By: /s/ PETER COPSES

Name: Peter Copses

Title: Vice President

FOURTH AMENDED AND RESTATED STOCKHOLDERS AGREEMENT OF RENT-A-CENTER, INC.

THIS FOURTH AMENDED AND RESTATED STOCKHOLDERS AGREEMENT (the "AGREEMENT"), is effective as of the 11th day of July, 2003, and is entered into by and among (i) each of Apollo Investment Fund IV, L.P., a Delaware limited partnership, and Apollo Overseas Partners IV, L.P., an exempted limited partnership registered in the Cayman Islands acting through its general partner (individually and collectively with their Permitted Transferees (defined below), "APOLLO"), (ii) Mark E. Speese, an individual ("SPEESE"), (iii) Rent-A-Center, Inc., a Delaware corporation (formerly known as Rent-A-Center Holdings, Inc., the "COMPANY"), (iv) each Person (defined below) named in Exhibit A attached hereto (the "SPEESE OTHER PARTIES" and together with Speese, the "SPEESE GROUP"), and (v) each other Person who becomes a party to the Agreement in accordance with the terms hereof (all of the foregoing, collectively, the "PARTIES"). Terms with initial capital letters used but not otherwise defined herein shall have the meanings given in Section 1.1.

WITNESSETH

WHEREAS, the Parties are parties to that certain Third Amended and Restated Stockholders Agreement dated as of December 31, 2002 (the "DECEMBER 2002 AGREEMENT"), that amended and restated that certain Second Amended and Restated Stockholders Agreement dated as of August 5, 2002 (the "2002 AGREEMENT") to which the Parties (other than the Company) and Rent-A-Center East, Inc., a Delaware corporation (formerly known as Rent-A-Center, Inc., the "ORIGINAL COMPANY") are party, that amended and restated that certain Amended and Restated Stockholders Agreement, dated as of October 8, 2001 (the "2001 AGREEMENT"), that amended and restated that certain Stockholders Agreement dated as of August 5, 1998 (the "ORIGINAL AGREEMENT");

WHEREAS, the authorized capital stock of the Company consists of 125,000,000 shares of common stock, $.01 par value (the "COMMON STOCK") and 5,000,000 shares of preferred stock, $.01 par value (the "PREFERRED Stock"), of which 400,000 shares are designated Series A Preferred Stock, $.01 par value (the "SERIES A PREFERRED STOCK") and 100 shares are designated Series C convertible preferred stock, $.01 par value (the "SERIES C PREFERRED STOCK"), and (ii) as of July 9, 2003, the issued and outstanding capital stock of the Company consists of approximately 33,550,103 shares of Common Stock and two shares of Series A Preferred Stock, with as of July 9, 2003, approximately 4,669,327 shares of Common Stock reserved for issuance upon the exercise of certain stock options and upon conversion of the Series A Preferred Stock and the Series C Preferred Stock;

WHEREAS, as of July 11, 2003 (i) Apollo owns of record two shares of Series A Preferred Stock and 7,001,903 shares of Common Stock, and (ii) the Speese Group collectively owns 1,176,832 shares of Common Stock;

WHEREAS, Apollo intends to exchange its shares of Series A Preferred Stock into shares of Series C Preferred Stock (the "PREFERRED STOCK EXCHANGE") pursuant to the Stock Purchase and Exchange Agreement dated April 25, 2003 (the "PURCHASE AND EXCHANGE AGREEMENT") among Apollo and the Company;

WHEREAS, upon the consummation of the Purchase and Exchange Agreement, Apollo will own of record two shares of Series C Preferred Stock and 6,227,356 shares of Common Stock;

WHEREAS, immediately following the consummation of the Purchase and Exchange Agreement, the issued and outstanding capital stock of the Company will consist of approximately 32,775,556 shares of Common Stock, no shares of Series A Preferred Stock and two shares of Series C Preferred Stock;

WHEREAS, the Parties and the Company desire to amend and restate the December 2002 Agreement to reflect the Preferred Stock Exchange; and

WHEREAS, the Parties desire that this Agreement become effective immediately upon the Closing as defined in the Purchase and Exchange Agreement.

NOW THEREFORE, the Parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. As used in this Agreement, the following terms have the following meanings:

"AFFILIATE" as applied to any specified Person, shall mean any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person and, in the case of a Person who is an individual, shall include (i) members of such specified Person's immediate family (as defined in Instruction 2 of Item 404(a) of Regulation S-K under the Securities Act) and (ii) trusts, the trustee and all beneficiaries of which are such specified Person or members of such Person's immediate family as determined in accordance with the foregoing clause (i). For the purposes of this definition, control when used with respect to any Person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "affiliated," "controlling" and "controlled" have meanings correlative to the foregoing. Notwithstanding the foregoing, Apollo and its Affiliates shall not be deemed Affiliates of the Company for purposes of this Agreement.

"APOLLO NOMINEES" shall have the meaning set forth in Section 4.1(a).

"BENEFICIAL OWNER" of a security shall mean any Person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has (i) the power to vote, or to direct the voting of, such security or (ii) the power to dispose, or to direct the disposition of, such security.

"BOARD OF DIRECTORS" shall mean the Board of Directors of the Company.

"BUSINESS DAY" shall mean each day other than Saturdays, Sundays and days when commercial banks are authorized to be closed for business in New York, New York.

"CERTIFICATE OF DESIGNATION" shall mean the Certificate of Designation of the Series C Preferred Stock in the form attached as an exhibit hereto.

"CHARTER DOCUMENTS" shall mean the Certificate of Incorporation, as amended, and By-Laws of the Company, in the forms attached as exhibits hereto.

"COMMISSION" shall mean the United States Securities and Exchange Commission.

"COMMON STOCK" shall have the meaning set forth in the recitals.

"COMPANY" shall have the meaning set forth in the preamble.

"DECEMBER 2002 AGREEMENT" shall have the meaning set forth in the recitals.

"EFFECTIVE DATE" shall mean as of July 11, 2003.

"EXCHANGE ACT" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"GROUP MEMBER" shall mean a member of the Speese Group.

"INDEBTEDNESS" shall mean with respect to any person, without duplication, all liabilities of such person (a) for borrowed money (whether or not the recourse of the lender is to the whole of the assets of such person or only to a portion thereof), (b) evidenced by bonds, notes, debentures or similar instruments or representing the balance deferred and unpaid of the purchase price of any property (other than any such balance that represents an account payable or any other monetary obligation to a trade creditor (whether or not an Affiliate)), or (c) for the payment of money relating to a capitalized lease obligation.

"IRR" shall have the meaning set forth in Section 4.2(b).

"MD&A" shall mean a management's discussion and analysis of the Company's financial condition and results of operation comparable to the discussion that is required to be included in periodic reports filed under the Exchange Act.

"NOTICES" shall have the meaning set forth in Section 6.5.

"ORIGINAL AGREEMENT" shall have the meaning set forth in the recitals.

"PIK SHARES" means any Shares issued in lieu of cash dividends pursuant to the Certificate of Designation.

"PECUNIARY INTEREST" in any security shall mean the opportunity, directly or indirectly, to profit or share in any profit derived from a transaction in such security, and shall include securities owned by an individual's spouse or issue or any trust solely for the benefit of such individual, spouse or issue.

"PERMITTED TRANSFEREE" shall mean:

(a) in the case of Apollo (i) any officer, director or partner of, or Person controlling, Apollo, (ii) any other Person that is (x) an Affiliate of the general partners, investment managers or investment advisors of Apollo, (y) an Affiliate of Apollo or a Permitted Transferee of an Affiliate or (z) an investment fund, investment account or investment entity whose investment manager, investment advisor or general partner thereof is Apollo or a Permitted Transferee of Apollo or (iii) if a Permitted Transferee of a Person set forth in the foregoing clauses (i) and (ii) is an individual, (x) any spouse or issue of such individual, or any trust solely for the benefit of such individual, spouse or issue, and (y) upon such individual's death, any Person to whom Shares are transferred in accordance with the laws of descent and/or testamentary distribution, in each case in a bona fide distribution or other transaction not intended to avoid the provisions of this Agreement;

(b) in the case of a Group Member, (i) any Person that is solely controlled by such Group Member, (ii) upon a bona fide liquidation of, or a bona fide withdrawal from, such Group Member, in each case, not intended to avoid the provisions of this Agreement, the shareholders, partners or principals, as the case may be, of such Group Member, or (iii) if such Group Member is an individual, (x) any spouse or issue of such individual, or any trust or limited partnership solely for the benefit of such individual, spouse or issue, and (y) upon such individual's death, any Person to whom Shares are transferred in accordance with the laws of descent and/or testamentary distribution; and

(c) any Person who is a party to this Agreement.

"PERSON" shall mean an individual or a corporation, limited liability company, partnership, trust, or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"PREFERRED STOCK" shall have the meaning set forth in the recitals.

"PREFERRED STOCK EXCHANGE" shall have the meaning set forth in the recitals.

"PURCHASE AND EXCHANGE AGREEMENT" shall have the meaning set forth in the recitals.

"REGISTRATION RIGHTS AGREEMENT" shall mean the Series A Registration Rights Agreement, dated as of August 5, 1998, by and between the Original Company and Apollo, as amended from time to time.

"SECURITIES ACT" shall mean the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"SERIES A PREFERRED STOCK" shall have the meaning set forth in the recitals.

"SERIES C PREFERRED STOCK" shall have the meaning set forth in the recitals.

"SHARES" shall mean, collectively, the Common Stock and the Preferred Stock, whether now owned or acquired after the date hereof. Whenever this Agreement refers to a number or percentage of Shares, such number or percentage shall be calculated as if each of the Shares (including, in the case of Apollo, any PIK Shares) had been exchanged or converted into shares of Common Stock immediately prior to such calculation regardless of the existence of any restrictions on such exchange or conversion.

"SPEESE GROUP" shall have the meaning set forth in the preamble.

"SPEESE INCLUDED SHARES" shall mean those 1,176,832 shares of Common Stock owned by the Speese Group as of October 8, 2001.

"SPEESE OTHER PARTIES" shall have the meaning set forth in the preamble.

"STOCK PURCHASE AGREEMENT" shall mean the Stock Purchase Agreement, dated as of August 5, 1998, between the Original Company and Apollo.

"SUBSIDIARY" shall mean, with respect to any Person, (a) a corporation a majority of whose capital stock with voting power, under ordinary circumstances, to elect directors is at the time, directly or indirectly, owned by such Person, by a Subsidiary of such Person, or by such Person and one or more Subsidiaries of such Person, (b) a partnership in which such Person or a Subsidiary of such Person is, at the date of determination, a general partner of such partnership, or (c) any other Person (other than a corporation) in which such Person, a Subsidiary of such Person or such Person and one or more Subsidiaries of such Person, directly or indirectly, at the date of determination thereof, has (i) at least a majority ownership interest or (ii) the power to elect or direct the election of the directors or other governing body of such Person.

"2001 AGREEMENT" shall have the meaning set forth in the recitals.

"2002 AGREEMENT" shall have the meaning set forth in the recitals.

"TRANSFER" shall mean (i) when used as a noun: any direct or indirect transfer, sale, assignment, pledge, hypothecation, encumbrance or other disposition and (ii) when used as a verb: to directly or indirectly transfer, sell, assign, pledge, hypothecate, encumber, or otherwise dispose of; provided, however, Transfer shall not include a pledge in connection with a recourse, bona fide loan transaction that is not intended to avoid the provisions of this Agreement.

"TRANSFEREE" shall mean any Person to whom Shares have been Transferred in compliance with the terms of this Agreement.

ARTICLE II

RESTRICTIONS ON TRANSFERS

Section 2.1 Transfers in Accordance with this Agreement. Any attempt to Transfer, or purported Transfer of, any of the Speese Included Shares in violation of the terms of this Agreement shall be null and void and the Company shall not register upon its books, and shall direct its transfer agent not to register on its books any such Transfer. A copy of this Agreement

shall be filed with the Secretary of the Company and the Company's transfer agent and kept with the records of the Company.

Section 2.2 Agreement to be Bound.

(a) No party hereto (other than the Company, Apollo and their Permitted Transferees) shall Transfer any Shares except (i) to a Permitted Transferee, or (ii) as specifically provided herein.

(b) No member of the Speese Group or its Permitted Transferees shall Transfer its respective pecuniary interests in any of the Speese Included Shares to any party other than a Permitted Transferee of the Speese Group, except that during any twelve-month period the Speese Group and its Permitted Transferees shall be entitled to Transfer up to 300,000 Shares in aggregate through sales pursuant to Rule 144 under the Securities Act, or otherwise. Notwithstanding the foregoing, in no case shall the Speese Group or its Permitted Transferees (i) Transfer more than 50% of the Speese Included Shares during the one year period commencing on August 5, 2002, or (ii) Transfer any Shares if such Transfer would trigger default or change-in-control provisions under any material debt instrument of the Company.

(c) No Transfer to a Permitted Transferee of Apollo or of any party as provided in the foregoing clauses (a) and (b) of this Section 2.2 shall be permitted unless (i) the certificates representing such Shares issued to the Transferee bear the legend provided in Section 2.3, and (ii) the Transferee (if not already a party hereto) has executed and delivered to each other party hereto, as a condition precedent to such Transfer, an instrument or instruments, reasonably satisfactory to the Company, confirming that the Transferee agrees to be bound by the terms of this Agreement in the same manner as such Transferee's transferor, except as otherwise specifically provided in this Agreement.

Section 2.3 Legend. Apollo and each Group Member hereby agree that each outstanding certificate representing Shares issued to any of them (i) on or after the date of the Original Agreement and prior to the date of the 2001 Agreement shall bear the legend as set forth in Section 2.3 of the Original Agreement, (ii) on or after the date of the 2001 Agreement and prior to the date of the 2002 Agreement shall bear the legend as set forth in Section 2.3 of the 2001 Agreement, (iii) on and after the date of the 2002 Agreement and prior to the date of the December 2002 Agreement shall bear the legend as set forth in Section 2.3 of the 2002 Agreement, (iv) on and after the date of the December 2002 Agreement and prior to the Effective Date shall bear the legend set forth in Section 2.3 of the December 2002 Agreement, and (v) on or after the Effective Date, or any certificate issued after the Effective Date in exchange for or upon conversion of any similarly legended certificate, shall bear a legend reading substantially as follows:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES LAWS, AND MAY BE OFFERED AND SOLD ONLY IF SO REGISTERED OR AN EXEMPTION FROM REGISTRATION IS

AVAILABLE. THE HOLDER OF THESE SHARES MAY BE REQUIRED TO DELIVER TO THE COMPANY, IF THE COMPANY SO REQUESTS, AN OPINION OF COUNSEL (REASONABLY SATISFACTORY IN FORM AND SUBSTANCE TO THE COMPANY) TO THE EFFECT THAT AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (OR FROM REGISTRATION OR QUALIFICATION UNDER STATE SECURITIES LAWS) IS AVAILABLE WITH RESPECT TO ANY TRANSFER OF THESE SHARES THAT HAS NOT BEEN SO REGISTERED (OR QUALIFIED).

THE SHARES REPRESENTED BY THIS CERTIFICATE ALSO ARE SUBJECT TO ADDITIONAL RESTRICTIONS ON TRANSFER AND OBLIGATIONS, TO WHICH ANY TRANSFEREE AGREES BY HIS ACCEPTANCE HEREOF, AS SET FORTH IN THE FOURTH AMENDED AND RESTATED STOCKHOLDERS AGREEMENT, AS AMENDED FROM TIME TO TIME, A COPY OF WHICH MAY BE OBTAINED FROM THE COMPANY. NO TRANSFER OF SUCH SHARES WILL BE MADE ON THE BOOKS OF THE COMPANY UNLESS ACCOMPANIED BY EVIDENCE OF COMPLIANCE WITH THE TERMS OF SUCH AGREEMENT AND BY AN AGREEMENT OF THE TRANSFEREE TO BE BOUND BY THE RESTRICTIONS SET FORTH IN THE FOURTH AMENDED AND RESTATED STOCKHOLDERS AGREEMENT, AS AMENDED FROM TIME TO TIME.

ARTICLE III

ADDITIONAL RIGHTS AND OBLIGATIONS OF APOLLO AND THE COMPANY

Section 3.1 Access to Information; Confidentiality. Upon the request of Apollo, the Company shall afford Apollo and its accountants, counsel and other representatives reasonable access to all of the properties, books, contracts, commitments and records (including, but not limited to, tax returns) of the Company and its Subsidiaries that are reasonably requested. Apollo will, and will cause its agents to, conduct any such investigations on reasonable advance notice, during normal business hours, with reasonable numbers of persons and in such a manner as not to interfere unreasonably with the normal operations of the Company and its Subsidiaries.

Except as otherwise required by applicable law, neither the Company nor any of its Subsidiaries shall be required to provide access to or to disclose information where such access or disclosure would violate or prejudice the rights of any customer or other Person, would jeopardize the attorney-client privilege of the Person in possession or control of such information, or would contravene any law, rule, regulation, order, judgment, decree, fiduciary duty or binding agreement entered into prior to the date hereof. The Parties will make appropriate substitute disclosure arrangements under circumstances in which the restrictions of the preceding sentence apply.

Apollo shall, and shall use its best efforts to cause their representatives to, keep confidential all such information to the same extent such information is treated as confidential by the Company, and shall not directly or indirectly use such information for any competitive or other commercial purpose. The obligation to keep such information confidential shall not apply

to (i) any information that (x) was already in Apollo's possession prior to the disclosure thereof by the Company (other than through disclosure by any other Person known by Apollo to be subject to a duty of confidentiality), (y) was then generally known to the public, or (z) was disclosed to Apollo by a third party not known by Apollo to be bound by an obligation of confidentiality or (ii) disclosures made as required by law or legal process or to any person exercising regulatory authority over such Apollo or its Affiliates. If in the absence of a protective order or the receipt of a waiver hereunder, Apollo is nonetheless, in the opinion of their counsel, compelled to disclose information concerning the Company to any tribunal or governmental body or agency or else stand liable for contempt or suffer other censure or penalty, Apollo may disclose such information to such tribunal or governmental body or agency without liability hereunder. In addition, in the event that any information disclosed by the Company to Apollo is material nonpublic information, Apollo agrees to comply with its obligations under the applicable Federal and state securities laws with respect thereto, including but not limited to, the laws pertaining to the possession, dissemination and utilization of such material nonpublic information.

Section 3.2 Furnishing of Information. (a) The Company shall deliver to Apollo, as long as Apollo shall own any Shares:

(i) As promptly as practical, but in no event later than 30 days after the end of each calendar month, a copy of the monthly financial reporting package for such month customarily prepared for the Company's Chief Executive Officer.

(ii) As promptly as practical, but in no event later than 60 days after the close of each of its first three quarterly accounting periods during any fiscal year of the Company, the consolidated balance sheet of the Company as at the end of such quarterly period, and the related consolidated statements of operations, stockholders' equity and cash flows for such quarterly period, and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and in each case setting forth comparative figures for the related periods in the prior fiscal year (if such comparative figures are available without unreasonable expense), all of which shall be certified by the chief financial officer of the Company, to have been prepared in accordance with generally accepted accounting principles, subject to year-end audit adjustments, together with an MD&A;

(iii) As promptly as practical, but in no event later than 105 days after the close of each fiscal year of the Company, the consolidated balance sheet of the Company as of the end of such fiscal year and the related consolidated statements of operations, stockholders' equity and cash flows for such fiscal year, in each case setting forth comparative figures for the preceding fiscal year, and certified by independent certified public accountants of recognized national standing, together with an MD&A; and

(iv) All reports, if any, filed by the Company or any Subsidiary of the Company with the Commission under the Exchange Act, as promptly as practical,

but in no event later than 15 days after filing any such reports with the Commission.

(b) The provisions of Sections 3.2(a)(ii) and (iii) above shall be deemed to have been satisfied if the Company delivers the reports timely filed by the Company with the Commission on Form 10-Q or 10-K, as applicable, for such periods promptly, but in no event later than 15 days after filing any such Form with the Commission.

ARTICLE IV

CORPORATE GOVERNANCE AND VOTING

Section 4.1 Board of Directors of the Company.

(a) As of the Effective Date, the number of directors constituting the entire Board of Directors of the Company is seven, but the Board of Directors may increase its size to eight (8). Apollo (or any representative thereof designated by Apollo) shall be entitled, but not required, to nominate up to three (3) members to the Board of Directors (collectively, the "APOLLO NOMINEES") and the Company shall be entitled, but not required, to nominate the remaining members to the Board of Directors. One Apollo Nominee shall be classified as a Class I Director of the Company, one Apollo Nominee shall be classified as a Class II Director of the Company, and one Apollo Nominee shall be classified as a Class III Director of the Company.

(b) The Speese Group shall vote all of the Shares owned or held of record by them at all regular and special meetings of the stockholders of the Company called or held for the purpose of filling positions on the Board of Directors, and in each written consent executed in lieu of such a meeting of stockholders, and, to the extent entitled to vote thereon, each party hereto shall take all actions otherwise necessary to ensure (to the extent within the Parties' collective control) that the Apollo Nominees are elected to the Board of Directors.

(c) The Company and the Speese Group shall use their respective best efforts to call, or cause the appropriate officers and directors of the Company to call, a special meeting of stockholders of the Company, as applicable, and the Speese Group shall vote all of the Shares owned or held of record by them for, or to take all actions by written consent in lieu of any such meeting necessary to cause, the removal (with or without cause) of any Apollo Nominee if Apollo requests such director's removal in writing for any reason. Apollo shall have the right to designate a new nominee in the event any Apollo Nominee shall be so removed under this Section 4.1(c) or shall vacate his directorship for any reason.

Except as provided in this Section 4.1(c), each Group Member hereto agrees that, at any time that it is then entitled to vote for the election or removal of directors, it will not vote in favor of the removal of Apollo Nominee unless (i) such removal shall be at the request of Apollo or (ii) the right of Apollo to designate such director has terminated in accordance with clause (e) below.

(d) The Company shall not, and shall not permit any of its Subsidiaries to, without the consent of holders of a majority of the Shares held by Apollo, take any action under Section 4.2(b) of this Agreement that requires the approval of the Apollo Nominees, if any of the Apollo Nominees are Persons whose removal from the Board of Directors has been requested at or prior to the time of such action by Apollo. Each party hereto shall use reasonable efforts to prevent any action from being taken by the Board of Directors, during the pendency of any vacancy due to death, resignation or removal of a director, unless the Person entitled to have a person nominated by it elected to fill such vacancy shall have failed, for a period of ten (10) days after notice of such vacancy, to nominate a replacement.

(e) At such time as Apollo, together with any and all of its Permitted Transferees, cease to hold in the aggregate 4,474,673 Shares, Apollo shall be entitled, but not required, to nominate only two Apollo Nominees in accordance with this Article IV. At such time as Apollo, together with any and all of its Permitted Transferees, cease to hold in the aggregate 2,982,817 Shares, Apollo shall be entitled, but not required, to nominate only one Apollo Nominees in accordance with this Article IV. At such time as Apollo, together with any and all of its Permitted Transferees, cease to hold in the aggregate 894,934 Shares, Apollo shall no longer be entitled to nominate any Apollo Nominees in accordance with this Article IV.

(f) In the event the Company establishes an Executive Committee of the Board of Directors, it shall be comprised of such persons as a majority of the Board of Directors shall approve, provided, however, such committee shall also include at least one Apollo Nominee. The Executive Committee shall have authority, subject to applicable law, to take all actions that (A) are ancillary to or arise in the normal course of the businesses of the Company, or (B) implement and are consistent with resolutions of the Board of Directors provided, however, that such Executive Committee shall not be authorized to take any action which, if proposed to be taken by the full Board of Directors would require the affirmative vote of the Apollo Nominees in accordance with Section 4.2.

(g) Unless otherwise approved in advance in writing by all the Apollo Nominees, each and every committee of the Board of Directors shall be comprised of three directors, one of whom shall be an Apollo Nominee and at least one of whom is selected by the Board of Directors but who is not also a member of management of the Company.

(h) Each committee of the Board of Directors, to which authority has been delegated, shall keep complete and accurate minutes and records of all actions taken by such committee, prepare such minutes and records in a timely fashion and promptly distribute such minutes and records to each member of the Board of Directors.

(i) The Parties agree that upon the request of Apollo, the Company shall cause the Board of Directors of any wholly-owned subsidiary of the Company to include such number of individuals designated by Apollo (or any representative thereof designated by Apollo) in the same proportion of the total number of members of the

Board of Directors of such subsidiary as the proportion of the Company's Board of Directors to which Apollo is entitled pursuant to Section 4.1(a), and shall cause each and every committee of such Board of Directors of such subsidiaries to include at least one of the individuals designated by Apollo and included as a member of such Board of Directors pursuant to the foregoing.

Section 4.2 Action by the Board of Directors.

(a) Except as provided below, all decisions of the Board of Directors shall require the affirmative vote of a majority of the directors of the Company then in office, or a majority of the members of an Executive Committee of the Board of Directors, to the extent such decisions may be lawfully delegated to an Executive Committee pursuant to Section 4.1(f).

(b) The Company shall not, and it shall cause each of its Subsidiaries not to, take (or agree to take) any action regarding the following matters, directly or indirectly, including through a merger or consolidation with any other corporation or otherwise, without the affirmative vote of the Apollo Nominees: (i) increase the number of authorized shares of Preferred Stock or authorize the issuance or issue of any shares of Preferred Stock other than to existing holders of Preferred Stock; (ii) issue any new class or series of equity security or issue any additional shares of Series A Preferred Stock; (iii) amend, alter or repeal, in any manner whatsoever, the designations, preferences and relative rights and limitations and restrictions of the Series C Preferred Stock; (iv) amend, alter or repeal any of the provisions of the Charter Documents or the Certificate of Designation in a manner that would negatively impact the holders of the Series C Preferred Stock, including (but not limited to) any amendment that is in conflict with the approval rights set forth in this Section 4.2; (v) directly or indirectly, redeem, purchase or otherwise acquire for value (including through an exchange), or set apart money or other property for any mandatory purchase or other analogous fund for the redemption, purchase or acquisition of any shares of Common Stock or Junior Stock (as defined in the Certificate of Designation), or declare or pay any dividend or make any distribution (whether in cash, shares of capital stock of the Company, or other property) on shares of Common Stock or Junior Stock; (vi) cause the number of directors of the Company to be greater than eight (8); (vii) enter into any agreement or arrangement with or for the benefit of any Person who is an Affiliate of the Company with a value in excess of $5 million in a single transaction or series of related transactions; (viii) effect a voluntary liquidation, dissolution or winding up of the Company; (ix) sell or agree to sell all or substantially all of the assets of the Company, unless such transaction (1) is a sale for cash and (2) results in an internal rate of return ("IRR") to Apollo of 30% compounded quarterly or greater with respect to each Share issued to Apollo on August 5, 1998; or (x) enter into any merger or consolidation or other business combination involving the Company (except a merger of a wholly-owned subsidiary of the Company into the Company in which the Company's capitalization is unchanged as a result of such merger) unless such transaction (1) is for cash and (2) results in an IRR to Apollo of 30% compounded quarterly or greater with respect to each Share issued to Apollo on August 5, 1998.

(c) Notwithstanding the foregoing Section 4.2(b), if Apollo owns less than 2,982,817 Shares, the provisions of Section 4.2(b) shall cease to exist and shall be of no further force or effect.

(d) While any shares of Series C Preferred Stock are outstanding, the Company shall not and it shall cause each of its Subsidiaries not to, issue any debt securities of the Company with a value in excess of $10 million (including any refinancing of existing indebtedness) without the majority affirmative vote of the Finance Committee.

(e) While any shares of Series C Preferred Stock are outstanding, the Company shall not, and it shall cause each of its Subsidiaries not to, issue any equity securities of the Company with a value in excess of $10 million (including any refinancing of existing indebtedness) without the unanimous affirmative vote of the Finance Committee; provided, however, that the following equity issuances shall require only a majority affirmative vote of the Finance Committee: (A) an offering of Common Stock in which the selling price is equal to or greater than the price that would imply a 25% or greater IRR compounded quarterly on the Conversion Price (as defined in the Certificate of Designation) from August 5, 1998 and (B) an issuance of equity in connection with an acquisition if the issuance is equal to or less than 10% of the outstanding Common Stock (calculated post-issuance of such shares of Common Stock).

Section 4.3 Charter Documents. (a) The Charter Documents attached as exhibits hereto are the Charter Documents as in effect on the Effective Date.

(a) The Company covenants that it will act, and each Group Member and Apollo agrees to use its best efforts to cause the Company to act, in accordance with its Charter Documents and Certificate of Designation in all material respects and to cause compliance with all provisions contained herein. Each Group Member and Apollo shall vote all the Shares owned or held of record by it at any regular or special meeting of stockholders of the Company or in any written consent executed in lieu of such a meeting of stockholders, and shall take all action necessary, to ensure (to the extent within the Parties' collective control) that (i) the Charter Documents and Certificate of Designation of the Company do not, at any time, conflict with the provisions of this Agreement, and (ii) unless an amendment is approved by the Board of Directors in accordance with Section 4.2, the Charter Documents of the Company and the Certificate of Designation continue to be in effect in the forms attached as exhibits hereto.

ARTICLE V

TERMINATION

Section 5.1 Termination. Except as otherwise provided herein with respect to certain specific provisions, this Agreement shall terminate upon the earlier to occur of:

(a) the mutual agreement of the Parties,

(b) with respect to any party hereto other than the Company, such party ceasing to own, beneficially or otherwise, any Shares,

(c) such time as less than 1,737,104 Shares continue to be subject to the provisions of this Agreement, or

(d) on August 5, 2009.

ARTICLE VI

MISCELLANEOUS

Section 6.1 No Inconsistent Agreements. Each party hereto hereby consents to the termination of any prior written or oral agreement or understanding, including without limitation the December 2002 Agreement, restricting, conditioning or limiting the ability of any party to transfer or vote Shares.

Each of the Company and the Group Members represents and agrees that, as of the Effective Date, there is no (and from and after the Effective Date they will not, and will cause their respective Subsidiaries and Affiliates not to, enter into any) agreement with respect to any securities of the Company or any of its Subsidiaries (and from and after the Effective Date neither the Company nor any Group Members shall take, or permit any of their Subsidiaries or Affiliates to take, any action) that is inconsistent in any material respect with the rights granted to Apollo in this Agreement.

Without limiting the foregoing and other than the December 2002 Agreement and the Registration Rights Agreement, the Company represents that there are no existing agreements relating to the voting or registration of any equity securities of the Company or any of its Subsidiaries, and there are no other existing agreements between the Company and any other holder of Shares relating to the transfer of any equity securities of the Company or any of its Subsidiaries.

Section 6.2 Recapitalization, Exchanges. etc. If any capital stock or other securities are issued in respect of, in exchange for, or in substitution of, any Shares by reason of any reorganization, recapitalization, reclassification, merger, consolidation, spin-off, partial or complete liquidation, stock dividend, split-up, sale of assets, distribution to stockholders or combination of the Shares or any other change in capital structure of the Company, appropriate adjustments shall be made with respect to the relevant provisions of this Agreement so as to fairly and equitably preserve, as far as practicable, the original rights and obligations of the Parties under this Agreement and the terms "Common Stock," "Preferred Stock" and "Shares," each as used herein, shall be deemed to include shares of such capital stock or other securities, as appropriate. Without limiting the foregoing, whenever a particular number of Shares is specified herein, such number shall be adjusted to reflect stock dividends, stock-splits, combinations or other reclassifications of stock or any similar transactions.

Section 6.3 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties, and their respective successors and permitted assigns; provided that (i) neither this Agreement nor any rights or obligations hereunder may be transferred or

assigned by the Company (except by operation of law in any permitted merger); (ii) neither this Agreement nor any rights or obligations hereunder may be transferred or assigned by the Group Members or Apollo except to any Person to whom it has Transferred Shares in compliance with this Agreement and who has become bound by this Agreement pursuant to Section 2.2 hereof; and (iii) the rights of the Parties under Article IV hereof may not be assigned to any Person except as explicitly provided therein.

Section 6.4 No Waivers: Amendments. (a) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

(a) This Agreement may not be amended or modified, nor may any provision hereof be waived, other than by a written instrument signed by the Parties.

Section 6.5 Notices. All notices, demands, requests, consents or approvals (collectively, "NOTICES") required or permitted to be given hereunder or which are given with respect to this Agreement shall be in writing and shall be personally delivered or mailed, registered or certified, return receipt requested, postage prepaid (or by a substantially similar method), or delivered by a reputable overnight courier service with charges prepaid, or transmitted by hand delivery or facsimile, addressed as set forth below, or such other address (and with such other copy) as such party shall have specified most recently by written notice. Notice shall be deemed given or delivered on the date of service or transmission if personally served or transmitted by facsimile. Notice otherwise sent as provided herein shall be deemed given or delivered on the third business day following the date mailed or on the next business day following delivery of such notice to a reputable overnight courier service.

To the Company or the Speese Group:

Rent-A-Center, Inc.
5700 Tennyson Parkway
Third Floor
Plano, Texas 75024
Attn: Mark E. Speese
Fax: (972) 801-1200

with a copy (which shall not constitute notice) to:

Winstead Sechrest & Minick P.C.
5400 Renaissance Tower
1201 Elm Street
Attn: Thomas W. Hughes, Esq.
Fax: (214) 745-5390

To Apollo:

Apollo Investment Fund IV, L.P. and/or
Apollo Overseas Partners IV, L.P.
c/o Apollo Management IV, L.P.
1999 Avenue of the Stars, Suite 1900
Los Angeles, California 90067
Attn: Michael D. Weiner
Facsimile: (310) 201-4166

with a copy (which shall not constitute notice) to:

Morgan, Lewis & Bockius LLP
300 South Grand Avenue, Suite 2200
Los Angeles, California 90071
Attn: John F. Hartigan, Esq.
Fax: (213) 612-2554

Section 6.6 Inspection. So long as this Agreement shall be in effect, this Agreement and any amendments hereto and waivers hereof shall be distributed to all Parties after becoming effective and shall be made available for inspection at the principal office of the Company by Apollo.

Section 6.7 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AS APPLIED TO CONTRACTS MADE AND PERFORMED WITHIN THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS, EXCEPT AS TO MATTERS OF CORPORATE GOVERNANCE, WHICH SHALL BE INTERPRETED IN ACCORDANCE WITH THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE. EACH PARTY HERETO CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS WITHIN THE STATE OF NEW YORK.

Section 6.8 Section Headings. The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

Section 6.9 Entire Agreement. This Agreement, together with the Purchase and Exchange Agreement, Stock Purchase Agreement, the Certificate of Designation and the Registration Rights Agreement, constitutes the entire agreement and understanding among the Parties with respect to the subject matter hereof and thereof and supersedes the December 2002 Agreement and any and all prior agreements and understandings, written or oral, relating to the subject matter hereof.

Section 6.10 Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdictions, it being intended that all rights and obligations of the Parties hereunder shall be enforceable to the fullest extent permitted by law.

Section 6.11 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original and which together shall constitute one and the same agreement.

Section 6.12 Required Approvals. If approval of this Agreement or any of the transactions contemplated hereby shall be required by any governmental or supra-governmental agency or instrumentality or is considered to be necessary or advisable to all the Parties, all Parties shall use their best efforts to obtain such approval.

Section 6.13 Public Disclosure. The Company shall not, and shall not permit any of its Subsidiaries to, make any public announcements or disclosures relating or referring to Apollo, any of its affiliates, or any of their respective directors, officers, partners, employees or agents (including, without limitation, any Person designated as a director of the Company pursuant to the terms hereof) unless Apollo has consented to the form and substance thereof, which consent shall not be unreasonably withheld except to the extent such disclosure is, in the opinion of counsel, required by law or by stock exchange regulation, provided that (i) any such required disclosure shall only be made, to the extent consistent with the law, after consultation with Apollo and (ii) no such announcement or disclosure (except as required by law or by stock exchange regulation) shall identify any such Person without Apollo's prior consent.

Section 6.14 Payment of Costs and Expenses. The Company shall pay Apollo's reasonable and documented costs and expenses (including attorneys' fees) associated with negotiation, documentation and completion of this Agreement and the transactions contemplated herein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this Fourth Amended and Restated Stockholders Agreement as of the date first written above.

RENT-A-CENTER, INC.
a Delaware corporation

By: /s/ MITCHELL E. FADEL
Name: Mitchell E. Fadel
Title: President and Chief Operating Officer

APOLLO INVESTMENT FUND IV, L.P.
a Delaware limited partnership

By: Apollo Advisors IV, L.P.
its General Partner

By: Apollo Capital Management IV, Inc.
its General Partner

By: /s/ PETER COPSES
Name: Peter Copses
Title: Vice President

APOLLO OVERSEAS PARTNERS IV, L.P.
an exempted limited partnership registered in the Cayman Islands

By: Apollo Advisors IV, L.P.
its General Partner

By: Apollo Capital Management IV, Inc.
its Managing General Partner

By: /s/ PETER COPSES
Name: Peter Copses
Title: Vice President

/s/ MARK E. SPEESE
- ----------
Mark E. Speese

/s/ CAROLYN SPEESE
- ----------
Carolyn Speese

MARK SPEESE 2000 GRANTOR RETAINED ANNUITY TRUST

By: /s/ MARK E. SPEESE

Mark E. Speese, as Trustee

CAROLYN SPEESE 2000 GRANTOR RETAINED ANNUITY TRUST

By: /s/ MARK E. SPEESE

Mark E. Speese, as Trustee

ALLISON REBECCA SPEESE 2000 REMAINDER TRUST

By: /s/ STEPHEN ELKEN

Stephen Elken, as Trustee

JESSICA ELIZABETH SPEESE 2000 REMAINDER TRUST

By: /s/ STEPHEN ELKEN

Stephen Elken, as Trustee

ANDREW MICHAEL SPEESE 2000 REMAINDER TRUST

By: /s/ STEPHEN ELKEN

Stephen Elken, as Trustee

SUPPLEMENTAL LETTER AGREEMENT
(FOURTH SUPPLEMENT)

THIS SUPPLEMENTAL LETTER AGREEMENT ("Letter Agreement") is made and entered into by and between TEXAS CAPITAL BANK, NATIONAL ASSOCIATION ("Bank"), COLORTYME, INC., a Texas corporation ("ColorTyme"), and RENT-A-CENTER EAST, INC., a Delaware corporation formerly known as Rent-A-Center, Inc. (the "Guarantor").

RECITALS

A. Bank, ColorTyme and Guarantor entered into that certain Franchisee Financing Agreement (as modified, amended, and/or supplemented, the "Agreement") on or about April 30, 2002.

B. Bank, ColorTyme and Guarantor entered into that certain Supplemental Letter Agreement (the "First Supplement") on or about June 25, 2002.

C. Bank, ColorTyme and Guarantor entered into that certain Supplemental Letter Agreement (the "Second Supplement") on or about October 1, 2002.

D. Bank, ColorTyme and Guarantor entered into that certain Supplemental Letter Agreement (the "Third Supplement") on or about October 17, 2002.

E. Bank has agreed to renew, extend, modify and increase or decrease certain credit facilities (the "Credit Facilities") to JOHNSON-STANDLEY CORPORATION, a Connecticut corporation, JOHNSON STANDLEY CORPORATION OF NEW JERSEY, INC., a New Jersey corporation, STANDLEY-JOHNSON CORP., a Kentucky corporation, JSM, INC., a New York corporation and HSJ, LLC, a Rhode Island limited liability company (collectively, the "Franchisees") as evidenced by, among other things, that certain Credit and Security Agreement (herein so called) dated on or about June 25, 2002, executed by the Franchisees and Bank among others, as modified and amended by that certain Loan Modification Agreement (the "Modification") dated on even date herewith, subject to the execution of this Letter Agreement by both ColorTyme and Guarantor as a condition precedent to such renewal, extension and modification.

F. Bank, ColorTyme and Guarantor desire to further modify, amend, restate and supplement the Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the parties hereto hereby agree as follows:

1. ColorTyme and Guarantor (or their respective counsel) have received a copy of the Modification and related documents prepared by the Bank or the Bank's counsel to evidence the renewal, extension and modification of the Credit Facilities.

2. Bank, ColorTyme and Guarantor agree that the second sentence in Section 1.1 of the Letter Agreement is hereby amended and restated to read as follows:

> The amount of the credit facility shall be up to, but not in excess of, Twelve Million and No/100 Dollars ($12,000,000.00).

3. In the event of a conflict between the Agreement and this Letter Agreement, the terms of this Letter Agreement shall control.

4. This Letter Agreement embodies the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, conditions and understandings, and may be amended only by an instrument executed in writing by an authorized officer of the party against whom such amendment is sought to be enforced. This Letter Agreement shall inure to the benefit of, and the obligations created hereby shall be binding upon, the parties and their permitted successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of (but not necessarily on) the 26th day of May, 2003.

[SIGNATURE PAGE FOLLOWS]

BANK:

Address:
2100 McKinney Avenue, Suite 900
Dallas, Texas 75201
Attn: Reed Allton

TEXAS CAPITAL BANK,
NATIONAL ASSOCIATION

By: /s/ W. REED ALLTON
Name: W. Reed Allton
Title: EVP

COLORTYME:

5700 Tennyson Parkway, Suite 180
Plano, Texas 75024
Attn: Pat Sumner

COLORTYME, INC.,
a Texas corporation

By: /s/ SAM LOWE
Name: Sam Lowe
Title: Vice-President-Operations

GUARANTOR:

5700 Tennyson Parkway, Suite 180
Plano, Texas 75024
Attn:

RENT-A-CENTER EAST, INC.,
a Delaware corporation

By: /s/ MARK E. SPEESE
Name: Mark E. Speese
Title: CEO

EXHIBIT 23.1

Consent of Independent Certified Public Accountants

We have issued our report dated February 10, 2003, accompanying the consolidated financial statements of Rent-A-Center, Inc. and Subsidiaries contained in the Registration Statement on Form S-4 and Prospectus. We consent to the use of the aforementioned report in this Registration Statement on Form S-4 and Prospectus, and to the use of our name as it appears under the caption "Independent Certified Public Accountants".

GRANT THORNTON LLP

Dallas, Texas
July 11, 2003

EXHIBIT 25.1

- ---

- ---

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A
TRUSTEE PURSUANT TO SECTION 305(b)(2) [ ]

THE BANK OF NEW YORK
(Exact name of trustee as specified in its charter)

NEW YORK	13-5160382
(State of incorporation if not a U.S. national bank)	(I.R.S. employer identification no.)
ONE WALL STREET, NEW YORK, N.Y.	10286
(Address of principal executive offices)	(Zip code)

RENT-A-CENTER, INC.
(Exact name of obligor as specified in its charter)

DELAWARE	
(State or other jurisdiction of incorporation or organization)	45-0491516 (I.R.S. employer identification no.)
5700 TENNYSON PKWY., THIRD FLOOR, PLANO, TEXAS	75024
(Address of principal executive offices)	(Zip code)

COLORTYME, INC.
(Exact name of obligor as specified in its charter)

DELAWARE	
(State or other jurisdiction of incorporation or organization)	48-1024367 (I.R.S. employer identification no.)
5700 TENNYSON PKWY., FIRST FLOOR, PLANO, TEXAS	75024
(Address of principal executive offices)	(Zip code)

GET IT NOW, LLC
(Exact name of obligor as specified in its charter)

TEXAS	
(State or other jurisdiction of incorporation or organization)	75-2651408 (I.R.S. employer identification no.)
5700 TENNYSON PKWY., THIRD FLOOR, PLANO, TEXAS	75024
(Address of principal executive offices)	(Zip code)

RENT-A-CENTER EAST, INC.
(Exact name of obligor as specified in its charter)

DELAWARE	
(State or other jurisdiction of incorporation or organization)	48-1156618 (I.R.S. employer identification no.)
5700 TENNYSON PKWY., THIRD FLOOR, PLANO, TEXAS	75024
(Address of principal executive offices)	(Zip code)

RENT-A-CENTER TEXAS, L.L.C.
(Exact name of obligor as specified in its charter)

DELAWARE	
(State or other jurisdiction of incorporation or organization)	16-1628325 (I.R.S. employer identification no.)
429 MAX COURT, SUITE C, HENDERSON, NEVADA	89015
(Address of principal executive offices)	(Zip code)

RENT-A-CENTER TEXAS, L.P.
(Exact name of obligor as specified in its charter)

TEXAS	
(State or other jurisdiction of incorporation or organization)	45-0491512 (I.R.S. employer identification no.)
5700 TENNYSON PKWY., THIRD FLOOR, PLANO, TEXAS (Address of principal executive offices)	75024 (Zip code)

RENT-A-CENTER WEST, INC.
(Exact name of obligor as specified in its charter)

NEVADA	
(State or other jurisdiction of incorporation or organization)	45-0491520 (I.R.S. employer identification no.)
5700 TENNYSON PKWY., THIRD FLOOR, PLANO, TEXAS (Address of principal executive offices)	75024 (Zip code)

---

7 1/2% SENIOR SUBORDINATED NOTES DUE 2010, SERIES B
(Title of the indenture securities)

- ---
- ---

1. GENERAL INFORMATION. FURNISH THE FOLLOWING INFORMATION AS TO THE TRUSTEE:

(a) NAME AND ADDRESS OF EACH EXAMINING OR SUPERVISING AUTHORITY TO WHICH IT IS SUBJECT.

NAME	ADDRESS
Superintendent of Banks of the State of New York	2 Rector Street, New York, N.Y. 10006, and Albany, N.Y. 12203
Federal Reserve Bank of New York	33 Liberty Plaza, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) WHETHER IT IS AUTHORIZED TO EXERCISE CORPORATE TRUST POWERS.

Yes.

2. AFFILIATIONS WITH OBLIGOR.

IF THE OBLIGOR IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

None.

16. LIST OF EXHIBITS.

EXHIBITS IDENTIFIED IN PARENTHESES BELOW, ON FILE WITH THE COMMISSION, ARE INCORPORATED HEREIN BY REFERENCE AS AN EXHIBIT HERETO, PURSUANT TO RULE 7A-29 UNDER THE TRUST INDENTURE ACT OF 1939 (THE "ACT") AND 17 C.F.R. 229.10(D).

1. A copy of the Organization Certificate of The Bank of New York (formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672 and Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637.)

4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 33-31019.)

6. The consent of the Trustee required by Section 321(b) of the Act. (Exhibit 6 to Form T-1 filed with Registration Statement No. 33-44051.)

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 30th day of June, 2003.

THE BANK OF NEW YORK

By: /s/ ROBERT A. MASSIMILLO

Name: Robert A. Massimillo
Title: Vice President

CONSOLIDATED REPORT OF CONDITION OF

THE BANK OF NEW YORK

OF ONE WALL STREET, NEW YORK, N.Y. 10286
AND FOREIGN AND DOMESTIC SUBSIDIARIES,

a member of the Federal Reserve System, at the close of business March 31, 2003, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

DOLLAR AMOUNTS IN THOUSANDS ---------- ASSETS Cash and balances due from depository institutions: Noninterest-bearing balances and currency and coin..... $ 4,389,492 Interest-bearing balances..... 3,288,212 Securities: Held-to-maturity securities..... 654,763 Available-for-sale securities..... 17,626,360 Federal funds sold in domestic offices..... 1,759,600 Securities purchased under agreements to resell..... 911,600 Loans and lease financing receivables: Loans and leases held for sale..... 724,074 Loans and leases, net of unearned income..... 32,368,718 LESS: Allowance for loan and lease losses..... 826,505 Loans and leases, net of unearned income and allowance.... 31,542,213 Trading Assets..... 7,527,662 Premises and fixed assets (including capitalized leases).... 825,706 Other real estate owned..... 164 Investments in unconsolidated subsidiaries and associated companies..... 260,940 Customers' liability to this bank on acceptances outstanding..... 225,935 Intangible assets Goodwill..... 2,027,675 Other intangible assets..... 75,330 Other assets..... 4,843,295 ---------- Total assets..... $76,683,021 ========== LIABILITIES Deposits: In domestic offices..... $33,212,852 Noninterest-bearing..... 12,997,086 Interest-bearing..... 20,215,766 In foreign offices, Edge and Agreement subsidiaries, and IBFs..... 24,210,507 Noninterest-bearing..... 595,520 Interest-bearing..... 23,614,987 Federal funds purchased in domestic offices..... 375,322 Securities sold under agreements to repurchase..... 246,755 Trading liabilities..... 2,335,466 Other borrowed money: (includes mortgage indebtedness and obligations under capitalized leases)..... 959,997 Bank's liability on acceptances executed and outstanding.... 227,253 Subordinated notes and debentures..... 2,090,000 Other liabilities..... 5,716,796 ---------- Total liabilities..... $69,374,948 ========== Minority interest in consolidated subsidiaries..... 540,772 EQUITY CAPITAL Perpetual preferred stock and related surplus..... 0 Common stock..... 1,135,284 Surplus..... 1,056,295 Retained earnings..... 4,463,720 Accumulated other comprehensive income..... (112,002) Other equity capital components..... 0 ---------- Total equity capital..... 6,767,301 ---------- Total liabilities minority interest and equity capital..... $76,683,021 ==========

I, Thomas J. Mastro, Senior Vice President and Comptroller of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

THOMAS J. MASTRO,
Senior Vice President and Comptroller

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Thomas A. Renyi
Gerald L. Hassell
Alan R. Griffith

Directors

EXHIBIT 99.1

LETTER OF TRANSMITTAL
TO TENDER
7 1/2% SENIOR SUBORDINATED NOTES DUE 2010, SERIES A
OF

RENT-A-CENTER, INC.
PURSUANT TO THE PROSPECTUS DATED , 2003
BY

RENT-A-CENTER, INC.

THE OFFER TO EXCHANGE WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2003, UNLESS EXTENDED TO A DATE NOT LATER THAN , 2003 (THE "EXPIRATION DATE"). TENDERED NOTES MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

To the Exchange Agent:

THE BANK OF NEW YORK

By Registered or Certified Mail:	By Hand or by Overnight Courier:
The Bank of New York	The Bank of New York
101 Barclay Street	101 Barclay Street
Reorganization Unit -- 7 East	Reorganization Unit -- 7 East
New York, New York 10286	New York, New York 10286
Attn: Enrique Lopez -- 7E	Attn: Enrique Lopez -- 7E

Facsimile Transmission Number:	Confirm by Telephone:
(212) 298-1915	(212) 815-2742

Delivery of this instrument to an address other than as set forth above will not constitute a valid delivery. The accompanying instructions should be read carefully before this Letter of Transmittal is completed.

The undersigned acknowledges that the undersigned has received and reviewed the prospectus dated , 2003, (the "Prospectus") of Rent-A-Center, Inc., a Delaware corporation (the "Company"), and this Letter of Transmittal (the "Letter of Transmittal"), which together constitute the Company's offer to exchange (the "Exchange Offer") $1,000 principal amount of 7 1/2% Senior Subordinated Notes due 2010, Series B (the "Exchange Notes"), for each $1,000 principal amount of its outstanding 7 1/2% Senior Subordinated Notes due 2010, Series A (the "Old Notes"), as set forth in the Prospectus. The Old Notes that are not exchanged will remain restricted securities and may be resold only (i) to the Company, (ii) pursuant to Rule 144A or Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"), (iii) outside the United States to a foreign person pursuant to the requirements of Rule 904 under the Securities Act, or (iv) pursuant to an effective registration statement under the Securities Act. See "The Exchange Offer -- Consequences of Failure to Exchange" in the Prospectus.

Upon the terms and subject to the conditions set forth in the Prospectus and in this Letter of Transmittal, the Company will exchange $1,000 principal amount of the Exchange Notes, registered under the Securities Act pursuant to a registration statement on Form S-4 filed by the Company, for each $1,000 principal amount of its outstanding Old Notes properly delivered by a Holder thereof to The Bank of New York, as exchange agent (the "Exchange Agent"), and not withdrawn on or prior to the Expiration Date. No Holder may withdraw a tender following the Expiration Date. In order to be entitled to receive the Exchange Notes, a tendering Holder must properly tender the Old Notes to the Exchange Agent, and not withdraw such tender, on or prior to the Expiration Date. If a Holder's Old Notes are not properly tendered by the Expiration Date pursuant to the Exchange Offer, such Holder will not receive Exchange Notes.

By executing the Letter of Transmittal, the undersigned represents to the Company that, among other things, (i) the Exchange Notes to be acquired by the Holder of the Old Note in connection with the Exchange Offer are being acquired by the Holder in the ordinary course of business of the Holder, (ii) the Holder is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any person to participate in a distribution of Exchange Notes, (iii) the Holder acknowledges and agrees that any person who is a broker-dealer registered under the Exchange Act or is participating in the Exchange Offer for the purposes of distributing the Exchange Notes must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction of the Exchange Notes acquired by such person and cannot rely on the position of the staff of the Commission set forth in no-action letters (see "The Exchange Offer -- Resale of Exchange Notes"), (iv) the Holder understands that a secondary resale transaction described in clause (iii) above and any resales of Exchange Notes obtained by such Holder in exchange for Old Notes acquired by such Holder directly from the Company should be covered by an effective registration statement containing the selling securityholder information required by Item 507 of Regulation S-K of the Securities and Exchange Commission (the "Commission"), and (v) the Holder is not an "affiliate," as defined in Rule 405 under the Securities Act, of the Company. If the Holder is a broker-dealer that will receive Exchange Notes for its own account in exchange for Old Notes that were acquired as a result of market-making activities or other trading activities, by executing this Letter of Transmittal, the Holder acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Notes. However, by so acknowledging and by delivering a prospectus, the Holder will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. See "The Exchange Offer -- Procedures for Tendering."

The Exchange Offer may be extended, terminated, amended or consummated as provided in the Prospectus. During any such extension of the Exchange Offer, all Old Notes previously tendered and not withdrawn pursuant to such Exchange Offer will remain subject to the Exchange Offer and may be accepted thereafter for exchange by the Company.

No alternative, conditional or contingent tenders will be accepted. A tendering Holder, by execution of this Letter of Transmittal, or facsimile hereof, waives all rights to receive notice of acceptance of such Holder's Old Notes for exchange. Capitalized terms used but not defined herein have the meanings given to them in the Prospectus.

PLEASE READ THIS ENTIRE LETTER OF TRANSMITTAL
CAREFULLY BEFORE CHECKING ANY BOX BELOW

This Letter of Transmittal is to be completed by Holders of Old Notes if certificates representing such Old Notes are to be forwarded herewith or if delivery of such certificates are to be made by book-entry transfer to the account maintained by the Exchange Agent at the Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in the Prospectus under the caption "The Exchange Offer -- Procedures for Tendering."

Holders whose certificates representing the Old Notes are not immediately available or who cannot deliver certificates and all other required documents to the Exchange Agent or complete the procedure for book-entry transfer on or prior to the Expiration Date may nevertheless tender Old Notes pursuant to the guaranteed delivery procedure set forth in the Prospectus under the caption "The Exchange Offer -- Guaranteed Delivery Procedures." See Instruction 2 below. Delivery of documents to the Book-Entry Transfer Facility does not constitute delivery to the Exchange Agent. In order to ensure participation in the Exchange Offer, Old Notes must be properly tendered on or before the Expiration Date.

List below the Old Notes that are to be tendered pursuant to this Letter of Transmittal. If the space below is inadequate, list the information requested below on a separate signed schedule and affix the original signed schedule to this Letter of Transmittal.

DESCRIPTION OF OLD NOTES TENDERED

AGGREGATE PRINCIPAL AMOUNT PRINCIPAL NAME(S) AND ADDRESS(ES) OF REGISTERED HOLDER(S), CERTIFICATE REPRESENTED BY AMOUNT (PLEASE FILL IN, IF BLANK) NUMBER(S)(1) CERTIFICATE(S) TENDERED(2)

Total Principal Amount Tendered

(1) Need not be completed by Holders who tender by book-entry. (2) Unless otherwise indicated in this column, any tendering Holder will be deemed to have tendered the entire principal amount represented by the Old Notes indicated in the column labeled "Aggregate Principal Amount

Represented by Certificate(s)." See Instruction 5. - ----------

[ ] CHECK HERE IF TENDERED OLD NOTES ARE ENCLOSED HEREWITH.

[ ] CHECK HERE IF TENDERED OLD NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN A BOOK-ENTRY TRANSFER FACILITY MAY DELIVER NOTES BY BOOK-ENTRY TRANSFER):

Name of Tendering Institution:

- ---

Account Number:

- ---

Transaction Code Number:

- ---

[ ] CHECK HERE IF TENDERED OLD NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:

Name(s) of Holder(s):

- ---

Window Ticket Number (if any):

- ---

Date of Execution of Notice of Guaranteed Delivery:

- ---

Name of Eligible Institution that guaranteed delivery:

- ---

[ ] Check box if delivered by Book-Entry Transfer

Account Number:

- ---

Transaction Code Number:

- ---

NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Only Holders are entitled to tender their Old Notes in the Exchange Offer. Any financial institution that is a participant in the Book-Entry Transfer Facility's system and whose name appears on a security position listing as the record owner of the Old Notes and who wishes to make book-entry delivery of Old Notes as described above must complete and execute a participant's letter (which will be distributed to participants by the Book-Entry Transfer Facility) instructing the Book-Entry Transfer Facility's nominee to complete and sign the power of attorney attached thereto. Persons who are beneficial owners of Old Notes but are not Holders and who seek to tender Old Notes should (i) contact the Holder of such Old Notes and instruct such Holder to tender on his or her behalf, (ii) obtain and include with this Letter of Transmittal Old Notes properly endorsed for transfer by the Holder, with signatures on the endorsement guaranteed by a firm that is a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States of an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act which is a member of one of the recognized signature guarantee programs identified in the Letter of Transmittal (each, an "Eligible Institution") or (iii) effect a record transfer of such Old Notes from the Holder to such beneficial owner and comply with the requirements applicable to Holders for tendering Old Notes prior to 5:00 P.M., New York City time, on the Expiration Date.

HOLDERS WHO WISH TO RECEIVE THE EXCHANGE NOTES MUST TENDER THEIR OLD NOTES ON OR PRIOR TO THE EXPIRATION DATE. SEE "THE EXCHANGE OFFER -- PROCEDURES FOR TENDERING" IN THE PROSPECTUS.

To: Rent-A-Center, Inc. (the "Company")

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned hereby tenders to the Company the Old Notes indicated above. Subject to, and effective upon, acceptance for exchange of the Old Notes tendered herewith, the undersigned hereby sells, assigns and transfers to or upon the order of the Company, all right, title and interest in and to all such Old Notes tendered hereby. The undersigned hereby irrevocably constitutes and appoints the Exchange Agent the true and lawful agent and attorney-in-fact of the undersigned (with full knowledge that the Exchange Agent also acts as agent of the Company) with respect to such Old Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver certificates representing such Old Notes, or transfer ownership of such Old Notes on the account books maintained by the Book-Entry Transfer Facility, together, in each such case, with all accompanying evidences of transfer and authenticity to or upon the order of the Company, (b) present such Old Notes for transfer on the relevant register, and (c) receive all benefits or otherwise exercise all rights of beneficial ownership of such Old Notes (except that the Exchange Agent will have no rights to or control, except as agent for the Company, for the Exchange Notes delivered in connection with the Exchange Offer) all in accordance with the terms of the Exchange Offer.

THE UNDERSIGNED HEREBY REPRESENTS AND WARRANTS THAT THE UNDERSIGNED HAS FULL POWER AND AUTHORITY TO TENDER, SELL, ASSIGN AND TRANSFER THE OLD NOTES TENDERED HEREBY AND, THAT WHEN THE SAME ARE ACCEPTED FOR EXCHANGE, THE COMPANY WILL ACQUIRE GOOD, MARKETABLE AND UNENCUMBERED TITLE THERETO, FREE AND CLEAR OF ALL SECURITY INTERESTS, LIENS, RESTRICTIONS, CLAIMS, CHARGES, ENCUMBRANCES, CONDITIONAL SALES AGREEMENTS OR OTHER OBLIGATIONS RELATING TO THE SALE OR TRANSFER THEREOF, AND NOT BE SUBJECT TO ANY ADVERSE CLAIM. THE UNDERSIGNED WILL, UPON REQUEST, EXECUTE AND DELIVER ANY ADDITIONAL DOCUMENTS DEEMED BY THE EXCHANGE AGENT OR THE COMPANY TO BE NECESSARY OR DESIRABLE TO COMPLETE THE ASSIGNMENT, TRANSFER AND PURCHASE OF THE OLD NOTES TENDERED HEREBY. THE UNDERSIGNED HAS READ AND AGREES TO ALL OF THE TERMS AND CONDITIONS

OF THE EXCHANGE OFFER. DELIVERY OF ENCLOSED OLD NOTES SHALL BE EFFECTED, AND RISK OF LOSS AND TITLE TO SUCH OLD NOTES SHALL PASS, ONLY UPON PROPER DELIVERY THEREOF TO THE EXCHANGE AGENT.

All authority conferred or agreed to be conferred pursuant to this Letter of Transmittal and every obligation of the undersigned hereunder shall be binding upon the successors, assigns, heirs, executors, administrators, trustees in bankruptcy, and personal and legal representatives of the undersigned and shall not be affected by, and shall survive, the death or incapacity of the undersigned. Old Notes properly tendered may be withdrawn at any time prior to the Expiration Date. Holders will receive the Exchange Notes only if their tenders have been properly delivered on or prior to the Expiration Date and not revoked on or prior to the Expiration Date.

Old Notes may not be withdrawn after the Expiration Date unless the Exchange Offer with respect to such Old Notes is terminated without any Old Notes being accepted for exchange thereunder. In the event of such a termination, such Old Notes tendered by the undersigned will be returned to the undersigned as promptly as practicable.

The Exchange Offer is subject to a number of conditions, each of which may be waived or modified by the Company, in whole or in part, at any time and from time to time, as described in the Prospectus under the caption "The Exchange Offer -- Certain Conditions to the Exchange Offer." The undersigned recognizes that as a result of such conditions, the Company may not be required to accept the Old Notes properly tendered hereby. In such event, the tendered Old Notes not accepted for exchange will be returned to the undersigned without cost to the undersigned as soon as practicable following the earlier to occur of the Expiration Date or the date on which the Exchange Offer with respect to such issue is terminated without any Old Notes being purchased thereunder, at the address shown below the undersigned's signature(s) unless otherwise indicated under "Special Issuance Instructions" below.

Unless otherwise indicated under "Special Issuance Instructions" below, the Exchange Agent will issue the Exchange Notes for any Old Notes tendered hereby that are accepted for exchange, and/or return any certificates representing Old Notes not tendered or not accepted for exchange in the name(s) of the Holder(s) appearing under "Description of Securities Tendered." Similarly, unless otherwise indicated under "Special Delivery Instructions," the Exchange Notes, and/or any certificates representing Old Notes not tendered or not accepted for exchange (and accompanying documents, as appropriate) to be returned will be sent to the address(es) of the Holder(s) appearing under "Description of Securities Tendered." In the event that both the Special Issuance Instructions and the Special Delivery Instructions are completed, the Exchange Notes will be issued, if applicable, and the certificates representing any Old Notes not tendered or not accepted for exchange (and any accompanying documents, as appropriate) will be returned in the name of, and delivered to, the person or persons so indicated. Unless otherwise indicated under "Special Issuance Instructions," in the case of a book-entry delivery of Old Notes, the account maintained at the Book-Entry Transfer Facility indicated above will be credited with any Old Notes not tendered or not accepted for exchange. The undersigned recognizes that neither the Exchange Agent nor the Company has any obligation pursuant to the Special Issuance Instructions to transfer any Old Notes from the name of the Holder thereof if the Company does not accept for exchange any of the Old Notes so tendered.

SPECIAL ISSUANCE INSTRUCTIONS

(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if the certificates representing the Exchange Notes and/or certificates representing the Old Notes not accepted for exchange are to be issued in the name of someone other than the undersigned, or if Old Notes delivered by book-entry transfer not accepted for exchange are to be returned by credit to an account maintained at a Book-Entry Transfer Facility other than the account indicated above.

Issue Certificate(s) to:

Name:

- ---

(PLEASE PRINT)

Address:

- ---

- ---

- ---

(INCLUDING ZIP CODE)

- ---

(TAXPAYER IDENTIFICATION OR SOCIAL SECURITY NUMBER)

[ ] Credit unaccepted Old Notes delivered by book- entry transfer to the Book-Entry Transfer Facility account set forth below:

- ---

(ACCOUNT NUMBER)

SPECIAL DELIVERY INSTRUCTIONS

(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if the Exchange Notes and/or certificates representing Old Notes not accepted for exchange are to be sent to someone other than the undersigned or to the undersigned at an address other than that shown above.

Mail Certificate(s) to:

Name:

- ---

(PLEASE PRINT)

Address:

- ---

- ---

- ---

(INCLUDING ZIP CODE)

- ---

(TAXPAYER IDENTIFICATION OR SOCIAL SECURITY NUMBER)

SIGNATURES
HOLDERS OF OLD NOTES
SIGN HERE
IMPORTANT: COMPLETE AND SIGN THE FORM W-9 IN
THIS LETTER OF TRANSMITTAL

- ----------
- ----------
(SIGNATURE(S) OF HOLDER(S) OF OLD NOTES)

Date: ---------- , 2003

(Must be signed by the Holder(s) exactly as name(s) appear(s) on certificate(s) representing the Old Notes or on a security position listing or by person(s) authorized to become Holder(s) by certificates and documents transmitted herewith. If signature is by attorney-in-fact, executor, administrator, trustee, guardian, officer of a corporation or other person acting in a fiduciary or representative capacity, please provide the following information and see Instruction 6.)

Capacity (Full Title):
- ----------

Name(s):
- ----------

- ----------
(PLEASE TYPE OR PRINT)

Address:
- ----------

- ----------
(INCLUDE ZIP CODE)

Area Code and Telephone Number
- ----------

Tax Identification or
Social Security No.
- ----------

GUARANTEE OF SIGNATURE(S)
(IF REQUIRED -- SEE INSTRUCTIONS 1 AND 6)

- ----------
(AUTHORIZED SIGNATURE)

Name:

(PLEASE TYPE OR PRINT)

- ----------
(TITLE)

- ----------
(NAME OF FIRM)

- ----------
(ADDRESS -- INCLUDE ZIP CODE)

- ----------
(AREA CODE AND TELEPHONE NUMBER)

Date: ---------- , 2003

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

1. Guarantee of Signatures. Signatures on this Letter of Transmittal need not be guaranteed if the Old Notes tendered hereby are tendered (a) by the registered Holder(s) (which term, for purposes of this document, shall include any participant in the Book-Entry Transfer Facility's system and whose name appears on a security position listing as the record owner of the Old Notes) thereof, unless such Holder has completed either the box entitled "Special Payment Instructions" or the box entitled "Special Delivery Instructions" on the preceding page, or (b) for the account of a firm that is a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act which is a member of one of the recognized signature guarantee programs identified in the Letter of Transmittal (each, an "Eligible Institution"). In all other cases, all signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution. Persons who are beneficial owners of Old Notes but are not Holders and who seek to tender Old Notes should (i) contact the Holder of such Old Notes and instruct such Holder to tender on his or her behalf, (ii) obtain and include with this Letter of Transmittal, Old Notes properly endorsed for transfer by the Holder, with signatures on the endorsement guaranteed by an Eligible Institution, or (iii) effect a record transfer of such Old Notes from the Holder to such beneficial owner and comply with the requirements applicable to Holders for tendering Old Notes on or prior to the Expiration Date. See Instruction 6.

2. Requirements of Tender. This Letter of Transmittal is to be completed by Holders either if certificates are to be forwarded herewith or if delivery of Old Notes is to be made pursuant to the procedures for book-entry transfer set forth in the Prospectus under the caption "The Exchange Offer -- Procedures for Tendering." For a Holder to properly tender Old Notes pursuant to the Exchange Offer, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof), together with any signature guarantees and any other documents required by these Instructions, must be received by the Exchange Agent at one of the addresses set forth herein on or prior to the Expiration Date and either (i) certificates representing such Old Notes must be received by the Exchange Agent at such address or (ii) such Old Notes must be transferred pursuant to the procedures for book-entry transfer described in the Prospectus under the caption "The Exchange Offer -- Procedures for Tendering" and a Book-Entry Confirmation must be received by the Exchange Agent, in each case, on or prior to the Expiration Date. A Holder who desires to tender Old Notes and who cannot comply with procedures set forth herein for tender on a timely basis or whose Old Notes are not immediately available must comply with the guaranteed delivery procedures described below.

Holders whose certificates representing Old Notes are not immediately available or who cannot deliver their certificates and all other required documents to the Exchange Agent or complete the procedures for book-entry transfer prior to the Expiration Date may tender their Old Notes by properly completing and duly executing the Notice of Guaranty pursuant to the guaranteed delivery procedure set forth in the Prospectus under the caption "The Exchange Offer -- Guaranteed Delivery Procedures." Pursuant to such procedures, (a) the tender must be made by or through an Eligible Institution; (b) a Notice of Guaranteed Delivery, substantially in the form provided herewith, properly completed and duly executed, must be received by the Exchange Agent as provided below on or prior to the Expiration Date; and (c) the certificates representing all tendered Old Notes, or a Book-Entry Confirmation with respect to all tendered Old Notes, together with this Letter of Transmittal, properly completed and duly executed, and any required signature guarantees and all other documents required by the Letter of Transmittal, must be received by the Exchange Agent within three New York Stock Exchange trading days after the date of execution of the Notice of Guaranteed Delivery.

THE METHOD OF DELIVERY OF CERTIFICATES REPRESENTING OLD NOTES, THIS LETTER OF TRANSMITTAL, REQUIRED SIGNATURE GUARANTEES AND ANY OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH THE BOOK-ENTRY

TRANSFER FACILITY, IS AT THE OPTION AND RISK OF THE TENDERING HOLDER AND DELIVERY WILL BE DEEMED MADE WHEN ACTUALLY RECEIVED BY THE EXCHANGE AGENT. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

All tendering Holders, by execution of this Letter of Transmittal waive any right to any notice of the acceptance of their Old Notes for exchange.

3. Withdrawal of Tenders and Revocation of Consents. Tenders of Old Notes may be withdrawn at any time until the Expiration Date. Tendered Old Notes may not be withdrawn on or after the Expiration Date, unless the Exchange Offer is terminated without any Old Notes being accepted for exchange thereunder. In the event of such termination, such Old Notes will be returned to the tendering Holder as promptly as practicable.

Any Holder of Old Notes who has tendered Old Notes or who succeeds to the record ownership of Old Notes in respect of which such tenders have previously been given may withdraw such Old Notes on or prior to the Expiration Date by delivery of a written notice of withdrawal subject to the limitations described herein. To be effective, a written or facsimile transmission notice of withdrawal of a tender must (i) be received by the Exchange Agent, at the addresses specified on the back cover of this Letter of Transmittal on or before the Expiration Date, (ii) specify the name of the Holder of the Old Notes to be withdrawn, (iii) contain the description of the Old Notes to be withdrawn, the certificate numbers shown on the particular certificates representing such Old Notes and the aggregate principal amount represented by such Old Notes, and (iv) be signed by the Holder of such Old Notes in the same manner as the original signature on the Letter of Transmittal (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the Trustee register the transfer of relevant Old Notes into the name of the person withdrawing such Old Notes. The signature(s) on the notice of withdrawal of any tendered Old Notes must be guaranteed by an Eligible Institution unless the relevant Old Notes have been tendered for the account of an Eligible Institution. If the Old Notes to be withdrawn have been delivered or otherwise identified to the Exchange Agent, a signed notice of withdrawal is effective immediately upon receipt by the Exchange Agent of written or facsimile transmission of the notice of withdrawal even if physical release is not yet effected. A withdrawal of Old Notes can only be accomplished in accordance with the foregoing procedures. No Holder may withdraw Old Notes following the Expiration Date.

All questions as to the validity, form and eligibility (including the time of receipt) of notices of withdrawal will be determined by the Company, whose determination will be final and binding on all parties. A purported notice of withdrawal that is not received by the Exchange Agent in a timely fashion will not be effective to withdraw tendered Old Notes. Any Old Notes that have been tendered but that are not accepted for exchange will be returned to the Holder thereof without cost to such Holder as soon as practicable following the Expiration Date.

A withdrawal of a tender of Old Notes may not be rescinded and any Old Notes properly withdrawn will not be deemed to be validly tendered for purposes of the Exchange Offer and no Exchange Notes will be issued with respect thereto. However, withdrawn Old Notes may be retendered by repeating one of the procedures described in Instruction 2 above at any time on or prior to the Expiration Date.

4. Partial Tenders (Not Applicable to Holders of Old Notes Who Tender by Book-Entry Transfer). If less than the entire principal amount of any Old Notes evidenced by a submitted certificate is tendered, the tendering holder should fill in the applicable principal amount of the Old Notes that are to be tendered in the box entitled "Description of Old Notes Tendered." The entire principal amount represented by the certificates for all Old Notes delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated. If the entire principal amount of all Old Notes is not tendered or not accepted for payment, new certificate(s) representing the remainder of the principal amount of the Old Notes that were evidenced by the old certificate(s) will be sent to the Holder, unless otherwise provided in the boxes entitled "Special Payment Instructions" or "Special Delivery Instructions" above, as soon as practicable after the expiration of the Exchange Offer.

5. Signatures on This Letter of Transmittal; Endorsements. If this Letter of Transmittal is signed by the Holder(s) of the Old Notes tendered hereby, the signature(s) must correspond exactly with the name(s) as written on the face of the certificate(s) without alteration, enlargement or any change whatsoever.

If any of the Old Notes tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal. If any tendered Old Notes are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are names in which certificates are held.

If this Letter of Transmittal or any certificates are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Company of their authority so to act must be submitted, unless waived by the Company.

If this Letter of Transmittal is signed by the Holder(s) of the Old Notes listed and transmitted hereby, no endorsements of certificates are required unless payment is to be made to, or certificates for Old Notes not tendered or not accepted for purchase are to be issued to, a person other than the Holder(s). Signatures on such certificates must be guaranteed by an Eligible Institution (unless signed by an Eligible Institution).

If this Letter of Transmittal is signed by a person other than the Holder(s) of the Old Notes listed, the certificates representing such Old Notes must be properly endorsed for transfer by the Holder, together with a properly completed irrevocable proxy that authorizes such person to consent to the proposed amendments on behalf of such Holder, with signatures on the endorsement guaranteed by an Eligible Institution.

6. Transfer Taxes. The Company will pay or cause to be paid any transfer taxes with respect to the transfer and sale of Old Notes to it or its order pursuant to the Exchange Offer. If, however, the Exchange Notes are to be registered in the name of any person other than the Holder(s), or if tendered certificates are registered in the name of any person other than the person(s) signing this Letter of Transmittal, the amount of any transfer taxes (whether imposed on the Holder(s) or such other person) payable on account of the transfer to such person will be deducted from the interest paid on the Exchange Offer unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted.

Except as provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the certificates listed in this Letter of Transmittal.

7. Special Issuance and Delivery Instructions. If Exchange Notes are to be issued in the name of, and/or certificates representing Old Notes not accepted for exchange are to be returned to, a person other than the person(s) signing this Letter of Transmittal or if Exchange Notes are to be sent and/or such certificates are to be returned to a person other than the person(s) signing this Letter of Transmittal or to an address other than that shown above, the appropriate boxes on this Letter of Transmittal should be completed. Holders delivering Old Notes by book-entry transfer may request that Old Notes not accepted for payment be credited to such account maintained at a Book-Entry Transfer Facility as such Holder(s) may designate hereon. If no such instructions are given, such Old Notes not accepted for payment will be returned by crediting the account at the Book-Entry Transfer Facility designated above.

8. Waiver of Conditions. To the extent permitted by applicable law, the Company reserves the right to waive any and all conditions to the Exchange Offer and accept for exchange any Old Notes tendered.

9. Tax Identification Number and Backup Withholding. Federal income tax law generally requires that a Holder whose tendered Old Notes are accepted for exchange, or such Holder's assignee (in either case, the "Payee"), provide the Company (the "Payor"), with the Payee's correct Taxpayer Identification Number ("TIN"), which, in the case of a Payee who is an individual, is his or her social security number. If the Payor is not provided with the correct TIN or an adequate basis for an exemption, such Payee may

be subject to a $50 penalty imposed by the Internal Revenue Service and backup withholding in an amount equal to 28% of the interest paid on the Old Notes and Exchange Notes, as applicable. Please note that under the Jobs and Growth Tax Relief Reconciliation Act of 2003, the rate of applicable backup withholding tax was reduced to 28% (instead of 30% as described in the "Internal Revenue Service Form W-9 -- Request for Taxpayer Identification Number and Certification" set forth herein). If withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

To prevent backup withholding, each Payee must provide to the Payor (i) his correct TIN by completing the Internal Revenue Service Form W-9 set forth herein, certifying (x) that the TIN provided is correct (or that such Payee is awaiting a TIN), and (y) that (A) the Payee is exempt from backup withholding, (B) the Payee has not been notified by the Internal Revenue Service that he is subject to backup withholding as a result of a failure to report all interest or dividends, or (C) the Internal Revenue Service has notified the Payee that he is no longer subject to backup withholding, and (z) that the Payee is a U.S. person (including a U.S. resident alien), or (ii) if applicable, an adequate basis for exemption.

If the Payee does not have a TIN, such Payee should consult the "Internal Revenue Service Form W-9 -- Request for Taxpayer Identification Number and Certification" below for instructions on applying for a TIN, write "Applied For" in the space for the TIN in Part I of the Form W-9, and sign under penalties of perjury and date the Form W-9 and the Certificate of Awaiting Taxpayer Identification Number set forth herein. Note: Writing "Applied For" on the form means that the Payee has already applied for a TIN or that such Payee intends to apply for one in the near future.

If the Old Notes are held in more than one name or are not in the name of the actual owner, consult the "Internal Revenue Service Form W-9 -- Request for Taxpayer Identification Number and Certification" below for information on which TIN to report.

Certain Payees (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. To prevent possible erroneous backup withholding, an exempt Payee should check the box "Exempt from backup withholding" on Form W-9. See the "Internal Revenue Service Form W-9 -- Request for Taxpayer Identification Number and Certification" below for additional instructions. In order for a nonresident alien or foreign entity to qualify as exempt, such person must submit to Payor a properly completed Internal Revenue Service Form W-8BEN, Form W-8ECI or Form W-8IMY, as applicable (instead of Form W-9), signed under penalties of perjury, attesting to that Payee's exempt status. Payees are urged to consult with their own tax advisors to determine whether they are exempt from these backup withholding and reporting requirements.

10. Mutilated, Lost, Stolen or Destroyed Securities. Any Holder whose Old Notes have been mutilated, lost, stolen or destroyed should contact the Exchange Agent at one of the addresses indicated above for further instructions.

11. Requests for Assistance or Additional Copies. Requests for assistance may be directed to the Exchange Agent at its address set forth below or from the tendering Holder's broker, dealer, commercial bank or trust company. Additional copies of the Prospectus, this Letter of Transmittal, the Notice of Guaranteed Delivery, and the "Internal Revenue Service Form W-9 -- Request for Taxpayer Identification Number and Certification" may be obtained from the Exchange Agent.

IMPORTANT: THIS LETTER OF TRANSMITTAL, TOGETHER WITH CERTIFICATES FOR, OR CONFIRMATION OF BOOK-ENTRY TRANSFER WITH RESPECT TO, ANY TENDERED OLD NOTES, WITH ANY REQUIRED SIGNATURE GUARANTEES AND ALL OTHER REQUIRED DOCUMENTS MUST BE RECEIVED BY THE EXCHANGE AGENT PRIOR TO THE EXPIRATION DATE, OR THE NOTICE OF GUARANTEED DELIVERY MUST BE RECEIVED BY THE EXCHANGE AGENT, PRIOR TO THE EXPIRATION DATE.

FORM W-9 (Rev. January 2003)

Department of the Treasury

REQUEST FOR TAXPAYER GIVE FORM TO THE Internal Revenue

IDENTIFICATION NUMBER AND CERTIFICATION REQUESTER. Service DO NOT SEND TO THE IRS. - --

Print or type
See SPECIFIC INSTRUCTIONS on page 2.

Name

Business name, if different from above

Individual/ Exempt from backup Check appropriate box: [ ] Sole proprietor [ ] Corporation [ ] Partnership [ ] Other c . . . . . [ ] withholding

Requester's name and Address (number, street, address and apt. or suite no.) (optional)

City, state, and ZIP code -

--- List account number(s) here (optional)

PART I TAXPAYER IDENTIFICATION NUMBER (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). HOWEVER, FOR A RESIDENT ALIEN, SOLE PROPRIETOR, OR DISREGARDED ENTITY, SEE THE PART I INSTRUCTIONS ON PAGE 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see HOW TO GET A TIN on page 3.

SOCIAL SECURITY NUMBER

OR

EMPLOYER IDENTIFICATION NUMBER

NOTE: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

PART II CERTIFICATION

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), AND

2. I am not subject to backup withholding because: (A) I am exempt from backup withholding, or (B) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (C) the IRS has notified me that I am no longer subject to backup withholding, AND

3. I am a U.S. person (including a U.S. resident alien).

CERTIFICATION INSTRUCTIONS. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

SIGN HERE
SIGNATURE OF U.S. PERSON

DATE

PURPOSE OF FORM

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. PERSON. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee.

NOTE: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

FOREIGN PERSON. If you are a foreign person, use the appropriate Form W-8 (see PUB. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

NONRESIDENT ALIEN WHO BECOMES A RESIDENT ALIEN. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to

claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. the type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

EXAMPLE. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a NONRESIDENT ALIEN OR A FOREIGN ENTITY not subject to backup withholding, give the requester the appropriate completed Form W-8.

WHAT IS BACKUP WITHHOLDING? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments (29% AFTER December 31, 2003; 28% AFTER December 31, 2005). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to back withholding.

You will NOT be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

PAYMENTS YOU RECEIVE WILL BE SUBJECT TO BACKUP WITHHOLDING IF:

1. You do not furnish your TIN to the requester, or

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or

3. The IRS tells the requester that you furnished an incorrect TIN, or

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate INSTRUCTIONS FOR THE REQUESTER OF FORM W-9.

PENALTIES

FAILURE TO FURNISH TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

CRIMINAL PENALTY FOR FALSIFYING INFORMATION. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

MISUSE OF TINS. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

SPECIFIC INSTRUCTIONS

NAME

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle the name of the person or entity whose number you entered in Part I of the form.

SOLE PROPRIETOR. Enter your INDIVIDUAL name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

LIMITED LIABILITY COMPANY (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, ENTER THE OWNER'S NAME ON THE "NAME" LINE. Enter the LLC's name on the "Business name" line.

OTHER ENTITIES. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

NOTE: You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

EXEMPT FROM BACKUP WITHHOLDING

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

NOTE: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

EXEMPT PAYEES. Backup withholding is NOT REQUIRED on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2);

2. The United States or any of its agencies or instrumentalities;

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities;

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities; or

5. An international organization or any of its agencies or instrumentalities.

Other payees that MAY BE EXEMPT from backup withholding include:

6. A corporation;

7. A foreign central bank of issue;

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;

9. A futures commission merchant registered with the Commodity Futures Trading Commission;

10. A real estate investment trust;

11. An entity registered at all times during the tax year under the Investment Company Act of 1940;

12. A common trust fund operated by a bank under section 584(a);

13. A financial institution;

14. A middleman known in the investment community as a nominee or custodian; or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF THE PAYMENT IS FOR . . .	THEN THE PAYMENT IS EXEMPT FOR . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over $600 required to be reported and direct sales over $5,000(1)	Generally, exempt recipients 1 through 7(2)

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(1) See FORM 1099-MISC, Miscellaneous Income, and its instructions.

(2) However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are NOT EXEMPT from backup withholding; medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

PART I. TAXPAYER IDENTIFICATION NUMBER (TIN)

ENTER YOUR TIN IN THE APPROPRIATE BOX. If you are a RESIDENT ALIEN and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see HOW TO GET A TIN below.

If you are a SOLE PROPRIETOR and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see LIMITED LIABILITY COMPANY (LLC) on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

NOTE: See the chart on page 4 for further clarification of name and TIN combinations.

HOW TO GET A TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get FORM SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at WWW.SSA.GOV/ONLINE/SS5.HTML. You may also get this form by calling 1-800-772-1213. Use FORM W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or FORM SS-4, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at WWW.IRS.GOV.

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments and certain payments made with

respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

NOTE: Writing "Applied For" means that you have already applied for a TIN OR that you intend to apply for one soon.

CAUTION: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU WROTE "APPLIED FOR" IN PART I OF THE SUBSTITUTE FORM W-9

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and that I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office (or I intend to mail or deliver an application in the near future). I understand that, notwithstanding the information I provided in Part III of the Form W-9 (and the fact that I have completed this Certificate of Awaiting Taxpayer Identification Number), 28 percent of all cash payments made to me will be withheld until I provide a taxpayer identification number. If I do not provide a taxpayer identification number to the Payor within 60 days, such amounts will be paid over to the Internal Revenue Service.

Signature ---------- Date ----------

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 28 PERCENT OF ANY CASH PAYMENTS. PLEASE REVIEW THE "INTERNAL REVENUE SERVICE FORM W-9 -- REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION" ABOVE FOR ADDITIONAL DETAILS.

THE EXCHANGE AGENT IS:

THE BANK OF NEW YORK

By Registered or Certified Mail:
The Bank of New York
101 Barclay Street
Reorganization Unit -- 7 East
New York, New York 10286
Attn: Enrique Lopez -- 7E

By Hand or by Overnight Courier:
The Bank of New York
101 Barclay Street
Reorganization Unit -- 7 East
New York, New York 10286
Attn: Enrique Lopez -- 7E

Facsimile Transmission Number:
(212) 298-1915

Confirm by Telephone:
(212) 815-2742

EXHIBIT 99.2

NOTICE OF GUARANTEED DELIVERY

FOR

RENT-A-CENTER, INC.

OFFER TO EXCHANGE
ANY AND ALL OF ITS 7 1/2% SENIOR SUBORDINATED NOTES DUE 2010, SERIES A

BY

RENT-A-CENTER, INC.

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2003, UNLESS EXTENDED TO A DATE NOT LATER THAN , 2003 (THE "EXPIRATION DATE"). TENDERED NOTES MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

As set forth in the prospectus dated , 2003 (the "Prospectus") under the captions "The Exchange Offer -- Procedures for Tendering Notes" and "The Exchange Offer -- Guaranteed Delivery Procedures" and the accompanying Letter of Transmittal (the "Letter of Transmittal") and Instruction 2 thereto, this form, or one substantially equivalent hereto, must be used to accept the Exchange Offer if certificates representing the 7 1/2% Senior Subordinated Notes due 2010, Series A (the "Old Notes"), of Rent-A-Center, Inc., a Delaware corporation (the "Company"), are not immediately available or if the procedure for book-entry transfer cannot be completed on a timely basis or time will not permit a Holder's certificates or other required documents to reach the Exchange Agent on or prior to the Expiration Date. Such form may be delivered by hand or transmitted by telegram, telex, facsimile transmission or mail to the Exchange Agent and must include a guarantee by an eligible institution unless such form is submitted on behalf of an Eligible Institution. Capitalized terms used and not defined herein have the respective meanings ascribed to them in the Prospectus.

The Exchange Agent is:

THE BANK OF NEW YORK

By Registered or Certified Mail:	By Hand or by Overnight Courier:
The Bank of New York	The Bank of New York
101 Barclay Street	101 Barclay Street
Reorganization Unit -- 7 East	Reorganization Unit -- 7 East
New York, New York 10286	New York, New York 10286
Attn: Enrique Lopez -- 7E	Attn: Enrique Lopez -- 7E
Facsimile Transmission Number:	Confirm by Telephone:
(212) 298-1915	(212) 815-2742

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY. THE ACCOMPANYING INSTRUCTIONS SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

This form is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an "Eligible Institution" under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Ladies & Gentlemen:

Upon the terms and subject to the conditions set forth in the Prospectus and accompanying Letter of Transmittal, receipt of which is hereby acknowledged, the undersigned hereby tenders to Rent-A-Center, Inc., a Delaware corporation (the "Company"), $ principal amount (at maturity) of Old Notes, pursuant to the guaranteed delivery procedures set forth in the Prospectus and accompanying Letter of Transmittal.

CERTIFICATE NUMBERS OF OLD NOTES (IF AVAILABLE)	PRINCIPAL AMOUNT TENDERED

If Old Notes will be tendered by book-entry transfer: (check one)

Name of Tendering Institution:

Account No.: at

[ ] The Depository Trust Company
[ ] The Midwest Securities Trust Company
[ ] The Philadelphia Depository Trust Company

The undersigned authorizes the Exchange Agent to deliver this Notice of Guaranteed Delivery to the Company and The Bank of New York with respect to the Old Notes tendered pursuant to the Exchange Offer.

All authority conferred or agreed to be conferred by this Notice of Guaranteed Delivery shall not be affected by, and shall survive, the death or

incapacity of the undersigned, and every obligation of the undersigned under this Notice of Guaranteed Delivery shall be binding upon the heirs, executors, administrators, trustees in bankruptcy, personal and legal representatives, successors and assigns of the undersigned.

SIGN HERE

- ---

Signature(s) of Registered Holder(s) or
Authorized Signatory

- ---

Name(s) of Registered Holder(s)
(Please Type or Print)

- ---

Address

- ---

Zip Code

- ---

Area Code and Telephone Number

Dated: ----------
, 2003

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEES)

The undersigned, a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., or a commercial bank or trust company having an office in the United States, hereby (a) represents that the above-named person(s) has a net long position in the Old Notes tendered hereby within the meaning of Rule 14e-4 under the Securities Exchange Act of 1934, as amended, (b) represents that such tender of Old Notes complies with Rule 14e-4, and (c) guarantees delivery to the Exchange Agent of certificates representing the Old Notes tendered hereby, in proper form for transfer, or confirmation of book-entry transfer of such Old Notes into the Exchange Agent's account at a Book-Entry Transfer Facility (as defined in the Prospectus), in each case together with a properly completed and duly executed Letter of Transmittal with any required signature guarantees and any other documents required by the Letter of Transmittal, within three New York Stock Exchange trading days after the date hereof.

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Name of Firm	Title
----------	----------
Authorized Signature	Name (Please Type or Print)
----------	----------
Address	
----------	Dated ---------- , 2003
Area Code and Telephone Number	

NOTE: DO NOT SEND CERTIFICATES REPRESENTING OLD NOTES WITH THIS FORM.
CERTIFICATES FOR OLD NOTES MUST BE SENT WITH YOUR LETTER OF TRANSMITTAL.

THE EXCHANGE AGENT IS:

THE BANK OF NEW YORK

By Registered or Certified Mail:	By Hand or by Overnight Courier:
The Bank of New York	The Bank of New York
101 Barclay Street	101 Barclay Street
Reorganization Unit -- 7 East	Reorganization Unit -- 7 East
New York, New York 10286	New York, New York 10286
Attn: Enrique Lopez -- 7E	Attn: Enrique Lopez -- 7E
Facsimile Transmission Number:	Confirm by Telephone:
(212) 298-1915	(212) 815-2742

EXHIBIT 99.3

LETTER TO CLIENTS

FOR

TENDER OF 7 1/2% SENIOR SUBORDINATED NOTES DUE 2010, SERIES A
IN EXCHANGE FOR
7 1/2% SENIOR SUBORDINATED NOTES DUE 2010, SERIES B

RENT-A-CENTER, INC.

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2003, UNLESS EXTENDED (THE "EXPIRATION DATE").

OLD NOTES TENDERED IN THE EXCHANGE OFFER MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

To Our Clients:

We are enclosing herewith a Prospectus, dated , 2003, of Rent-A-Center, Inc., a Delaware corporation (the "Company"), and a related Letter of Transmittal (which together constitute the "Exchange Offer") relating to the offer by the Company, to exchange its 7 1/2% Senior Subordinated Notes Due 2010, Series B (the "Exchange Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for a like principal amount of its issued and outstanding 7 1/2% Senior Subordinated Notes Due 2010, Series A (the "Old Notes"), upon the terms and subject to the conditions set forth in the Exchange Offer.

The Exchange offer is not conditioned upon any minimum number of Old Notes being tendered.

We are the holder of record of Old Notes held by us for your own account. A tender of such Old Notes can be made only by us as the record holder and pursuant to your instructions. The Letter of Transmittal is furnished to you for your information only and cannot be used by you to tender Old Notes held by us for your account.

We request instructions as to whether you wish to tender any or all of the Old Notes held by us for your account pursuant to the terms and conditions of the Exchange Offer. We also request that you confirm that we may on your behalf make the representations contained in the Letter of Transmittal.

Pursuant to the Letter of Transmittal, each holder of Old Notes will represent to the Company that (i) the Exchange Notes to be acquired by such holder of the Old Notes in connection with the Exchange Offer are being acquired by such holder in the ordinary course of business of such holder, (ii) such holder is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any person to participate in a distribution of Exchange Notes, (iii) such holder acknowledges and agrees that any person who is a broker-dealer registered under the Exchange Act or is participating in the Exchange Offer for the purposes of distributing the Exchange Notes must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction of the Exchange Notes acquired by such person and cannot rely on the position of the staff of the Securities and Exchange Commission (the "Commission") set forth in no-action letters, (iv) such holder understands that a secondary resale transaction described in clause (iii) above and any resales of Exchange Notes obtained by such holder in exchange for Old Notes acquired by such holder directly from the Company should be covered by an effective registration statement containing the selling securityholder information required by Item 507 of Regulation S-K of the Commission, and (v) such holder is not an "affiliate," as defined in Rule 405 under the Securities Act, of the Company. If such holder is a broker-dealer that will receive Exchange Notes for its own account in exchange for Old Notes that were acquired as a result of market-making activities or other trading activities, by executing this Letter of Transmittal,

such holder acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Notes. By acknowledging that it will deliver and by delivering a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes, such holder is not deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

Very truly yours,

EXHIBIT 99.4

LETTER TO BROKERS

FOR

TENDER OF 7 1/2% SENIOR SUBORDINATED NOTES DUE 2010, SERIES A
IN EXCHANGE FOR
7 1/2% SENIOR SUBORDINATED NOTES DUE 2010, SERIES B

RENT-A-CENTER, INC.

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2003, UNLESS EXTENDED (THE "EXPIRATION DATE"). OLD NOTES TENDERED IN THE EXCHANGE OFFER MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

To Registered Holders and Depository
Trust Company Participants:

We are enclosing herewith the material listed below relating to the offer by Rent-A-Center, Inc., a Delaware corporation (the "Company"), to exchange its 7 1/2% Senior Subordinated Notes Due 2010, Series B (the "Exchange Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for a like principal amount of its issued and outstanding 7 1/2% Senior Subordinated Notes Due 2010, Series A (the "Old Notes"), upon the terms and subject to the conditions set forth in the Company's Prospectus, dated , 2003, and the related Letter of Transmittal (which together constitute the "Exchange Offer").

Enclosed herewith are copies of the following documents:

1. Prospectus dated , 2003;

2. Letter of Transmittal (together with accompanying Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9); and

3. Letter which may be sent to your clients for whose account you hold Old Notes in your name or in the name of your nominee, with a form for obtaining such client's instruction with regard to the Exchange Offer.

We urge you to contact your clients promptly. Please note that the Exchange Offer will expire on the Expiration Date unless extended.

The Exchange Offer is not conditioned upon any minimum number of Old Notes being tendered.

Pursuant to the Letter of Transmittal, each holder of Old Notes will represent to the Company that (i) the Exchange Notes to be acquired by such holder of the Old Notes in connection with the Exchange Offer are being acquired by such holder in the ordinary course of business of such holder, (ii) such holder is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any person to participate in a distribution of Exchange Notes, (iii) such holder acknowledges and agrees that any person who is a broker-dealer registered under the Exchange Act or is participating in the Exchange Offer for the purposes of distributing the Exchange Notes must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction of the Exchange Notes acquired by such person and cannot rely on the position of the staff of the Securities and Exchange Commission (the "Commission") set forth in no-action letters, (iv) such holder understands that a secondary resale transaction described in clause (iii) above and any resales of Exchange Notes obtained by such holder in exchange for Old Notes acquired by such holder directly from the Company should be covered by an effective registration statement containing the selling securityholder information required by Item 507 of Regulation S-K of the Commission, and (v) such holder is not an

"affiliate," as defined in Rule 405 under the Securities Act, of the Company. If you will receive Exchange Notes for your own account in exchange for Old Notes that were acquired as a result of market-making activities or other trading activities, by executing the Letter of Transmittal, such holder acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Notes. By acknowledging that it will deliver and by delivering a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes, such holder is not deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

The enclosed Letter to Clients and Instruction to Registered Holder and/or Book Entry Transfer Participant from Beneficial Owner contain an authorization by the beneficial owners of the Old Notes for you to make the foregoing representations.

The Company will not pay any fee or commission to any broker or dealer or to any other person (other than the Exchange Agent) in connection with the solicitation of tenders of Old Notes pursuant to the Exchange Offer. The Company will pay or cause to be paid any transfer taxes payable on the transfer of Old Notes to it, except as otherwise provided in Instruction 6 of the enclosed Letter of Transmittal.

Additional copies of the enclosed material may be obtained from the undersigned.

Very truly yours,
