

WORLD ACCEPTANCE CORP
Form 11-K
June 24, 2016

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

For the fiscal year ended December 31, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

For the transition period from _____ to _____

Commission file number: 0-19599

World Acceptance Corporation
Retirement Savings Plan
108 Frederick Street
Greenville, South Carolina 29607
(Full title of the plan and the address of the plan)

World Acceptance Corporation

108 Frederick Street
Greenville, South Carolina 29607
(Name of issuer of the securities held pursuant to the plan and the address of
its principal executive office)

(a) The following financial statements and reports, which have been prepared pursuant to the requirements of the
Employee Retirement Income Security Act of 1974, are filed as part of this Annual Report on Form 11-K:
Reports of Independent Registered Public Accounting Firms

Financial Statements:

Statements of Net Assets Available for Benefits, December 31, 2015 and 2014
Statement of Changes in Net Assets Available for Benefits, Year Ended December 31, 2015
Notes to Financial Statements

Supplemental Schedules:

Schedule of Assets (Held at End of Year), December 31, 2015

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Schedule of Reportable Transactions, year ended December 31, 2015

(b) The following Exhibit is filed as part of this Annual Report on Form 11-K:

Exhibit 23 - Consent of Independent Registered Public Accounting Firm

WORLD ACCEPTANCE CORPORATION

RETIREMENT SAVINGS PLAN

Financial Statements and Schedules

December 31, 2015 and 2014

(With Report of Independent Registered Public Accounting Firm Thereon)

WORLD ACCEPTANCE CORPORATION
RETIREMENT SAVINGS PLAN

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Plan Trustee
World Acceptance Corporation Retirement Savings Plan

We have audited the accompanying statements of net assets available for benefits of World Acceptance Corporation Retirement Savings Plan (the Plan) as of December 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended December 31, 2015. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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 net assets available for benefits of the Plan as of December 31, 2015 and 2014, and the changes in net assets available for benefits for the year ended December 31, 2015, in conformity with accounting principles generally accepted in the United States of America.

The supplemental information in the accompanying schedules, Schedules of Assets (Held at End of Year) as of December 31, 2015 and Reportable Transactions for the Year Ended December 31, 2015 have been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is presented for the purpose of additional analysis and is not a required part of the financial statements but includes supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information in the accompanying schedules, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated in all material respects in relation to the financial statements as a whole.

As discussed in Note 2 to the financial statements, the entity adopted new accounting guidance related to presentation of fair value of certain investments and disclosure of investments. Prior year disclosures have also been revised to reflect the retrospective application of adopting these changes in accounting. Our opinion is not modified with respect to this matter.

/s/ RSM US LLP

Greensboro, North Carolina

June 24, 2016

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WORLD ACCEPTANCE CORPORATION
 RETIREMENT SAVINGS PLAN
 Statements of Net Assets Available for Benefits
 December 31, 2015 and 2014

	2015	2014
Assets:		
Investments, at fair value		
Money market funds	\$56,418	\$63,009
Pooled separate accounts	33,647,602	35,580,357
Common stock	1,053,899	1,963,688
Stable asset fund	12,758,718	11,618,300
Total investments	47,516,637	49,225,354
Receivables		
Notes receivable from participants	3,077,317	2,864,630
Participants' contributions	214	285
Employer's contributions	3,069	—
Total receivables	3,080,600	2,864,915
Total assets	50,597,237	52,090,269
Liabilities:		
Refund payable for excess contributions	45,619	43,405
Total liabilities	45,619	43,405
Net assets available for benefits	\$50,551,618	\$52,046,864

See accompanying notes to financial statements.

WORLD ACCEPTANCE CORPORATION
 RETIREMENT SAVINGS PLAN
 Statement of Changes in Net Assets Available for Benefits
 Year Ended December 31, 2015

	2015
Additions:	
Investment loss:	
Net depreciation in fair value of investments	\$(1,350,389)
Interest	216,991
Total investment loss	(1,133,398)
Interest income on notes receivable from participants	93,630
Contributions:	
Employer, net of forfeitures	1,462,296
Participant	3,513,556
Rollovers	87,674
Total contributions	5,063,526
Total additions, net	4,023,758
Deductions from net assets attributed to:	
Benefits paid to participants	5,467,181
Administrative expenses	51,823
Total deductions	5,519,004
Net decrease in net assets available for benefits	(1,495,246)
Net assets available for benefits at beginning of year	52,046,864
Net assets available for benefits at end of year	\$50,551,618

See accompanying notes to financial statements.

(1) Description of Plan

The following description of the World Acceptance Corporation Retirement Savings Plan ("the Plan") provides only general information. Participants should refer to the plan agreement for a complete description of the Plan's provisions.

(a) General

The Plan, which was formed in February 1993, is a defined-contribution plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). On January 1 and July 1 of each year, employees of World Acceptance Corporation ("the Plan Sponsor" or "Employer") who meet eligibility requirements may elect to become participants in the Plan. Eligibility requirements include a) being at least 21 years of age and b) having completed at least one year of service. Reliance Trust Company ("Reliance") is the Plan's trustee. However, Reliance is only the custodian of the World Acceptance Corporation Common Stock ("World Common Stock") and money market fund. The Standard Insurance Company ("Standard") is the custodian of all other Plan assets. The Retirement Savings Plan Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to the Employer's Board of Directors.

(b) Administrative Costs

Certain expenses of maintaining the Plan are paid directly by the Employer and are excluded from these financial statements. Administrative expenses include fees related to the administration of notes receivable charged directly the participant's account and certain record-keeping fees paid by the Plan. Investment-related expenses are included in net depreciation of fair value of investments.

(c) Contributions

The Plan provides for participant contributions on a pretax compensation reduction basis. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans ("rollovers"). The plan also allows participants to make contributions on an after-tax basis ("Roth-type"). Participants may elect to contribute to the Plan by deferring up to 100% of annual compensation up to specified maximum amounts. The Employer matches a specified percentage of employee contributions, as determined by the Employer's board of directors. For 2015 the Employer matched 50% of each employee's contributions up to the first 6% of the employee's eligible compensation, providing a maximum Employer contribution of 3% of compensation. The Employer may also contribute a discretionary non-elective Employer contribution as determined annually by the board of directors.

(d) Participant Accounts

Each participant's account is credited with the participant's contribution and the Employer's matching contribution. Discretionary Employer contributions are allocated to individual participant accounts based on the proportion of each participant's annual compensation, as defined by the Plan, compared to the total annual compensation of all participants. Investment income and administrative expenses are allocated to the individual participant accounts based on the proportion of each participant's account balance compared to the total balance within each fund. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(e) Vesting

Participants are immediately vested in their voluntary contributions plus earnings thereon. Vesting of Employer contributions is based on years of continuous service. A participant is 100% vested after six years of credited service, according to the following schedule:

Years of service	Percent of non-forfeitable interest
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Notwithstanding the aforementioned, upon reaching normal retirement age or upon death or disability, participants become 100% vested.

(f) Investment Options

A participant may direct employee contributions in 1% increments in a variety of investment options. Participants may make changes in their investment elections at any time. Participants may change their deferral percentage as of each payroll period.

(g) Notes Receivable from Participants

The Plan allows participants to borrow a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Loan terms range from 1 to 5 years or up to 10 years for the purchase of a primary residence. The loans are secured by the vested balance in the participant's account and bear interest that is commensurate with local prevailing rates as determined quarterly by the Plan administrator. For participant loans outstanding as of December 31, 2015, interest rates ranged from 3.25% to 5.00% and mature through 2025. Principal and interest are paid through payroll deduction.

(h) Payment of Benefits

Participants are entitled to receive a distribution of their vested accounts upon the occurrence of retirement, death, total and permanent disability, financial hardship (as defined by the plan), at age 59.5 while still employed, or termination of employment for any other reason. The method of payment is lump-sum distribution, substantially equal installments or partial withdrawals, provided the minimum withdrawal is \$1,000.

(i) Forfeitures

Forfeitures are used to reduce Employer contributions to the Plan. During 2015, forfeitures reduced Employer contributions by \$59,709. The balance of unapplied forfeitures was \$3,686 and \$1,154 at December 31, 2015 and 2014, respectively.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The financial statements have been prepared on an accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

(b)Investments

Plan investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Retirement Savings Plan Committee determines the Plan's valuation policies utilizing information provided by the custodian and trustee. See Note 7 for discussion of fair value measurement. Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Net appreciation or depreciation includes the gains and losses on investments bought and sold as well as held during the year.

(c)Participant Loans Receivable

Participant loans are carried at their unpaid principal balance plus accrued but unpaid interest. Interest income is recorded on the accrual basis.

(d)Contributions

Contributions from Plan participants and the matching contributions from the Plan Sponsor are recorded in the year in which the participant contributions are withheld from amounts paid. All participant and Employer contributions are participant-directed.

(e)Refund Payable for Excess Contributions

Amounts payable to participants in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions. Refunds payable to participants at December 31, 2015 and 2014 were \$45,619 and \$43,405, respectively. These refunds were due to excess contributions, which were refunded to participants in 2016 for the year ended December 31, 2015 and in 2015 for the year ended December 31, 2014.

(f) Payment of Benefits

Benefits are recorded when paid.

(g)Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, and changes therein and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(h)Investment Risk

The Plan provides for various pooled separate account investment options in stocks, bonds and fixed income securities, as well as direct common stock investments and a deposit administration contract. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

(i)Recent Accounting Pronouncements Adopted

On May 1, 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-07, Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), which removes the requirement to categorize within the fair value hierarchy all investments for which the fair value is measured using the net asset value per share practical expedient. The ASU also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. Rather, those disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient. The ASU is effective for public business entities for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted. Management adopted the provisions of this ASU effective 2015, with retroactive application applied to December 31, 2014.

In July 2015, the FASB issued ASU No. 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient, which is part of the FASB's simplification initiative for employee benefit plans. ASU 2015-12 contains the following three parts:

Part I removes the requirement to report direct investments in fully benefit-responsive contracts at fair value with an adjustment to contract value. Under the amendment, direct investments in fully benefit-responsive contracts are measured, presented, and disclosed only at contract value.

Part II removes the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits, the net appreciation or depreciation for investments by general type, and investment information disaggregated based on the nature, characteristics, and risks in a fair value table prescribed by FASB Accounting Standards Codification (ASC) 820, Fair Value Measurement.

Part III allows for certain amounts to be reported as of the month end date prior to the plan's year end for those year ends that do not fall on a month end.

ASU 2015-12 is effective for all entities for fiscal years beginning after December 15, 2015 with early adoption permitted. It may be adopted in whole or by Part (I, II, III), as applicable. Parts I and II should be applied retrospectively, while Part III should be applied prospectively. Management early adopted the provisions of ASU 2015-12 Parts I and II for the 2015 Plan year with retrospective application applied to December 31, 2014.

(3) Plan Termination

Although it has not expressed any intent to do so, the Employer has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

(4) Tax Status

The Plan has adopted a prototype plan and obtained an opinion letter dated March 31, 2014, which states the form of the plan, identified as a prototype non-standardized profit sharing plan with a cash or deferred arrangement ("CODA"), is acceptable under Section 401 of the Internal Revenue Code (the "Code") for use by employers for the benefit of their employees. The Plan has been amended since adopting the prototype plan; however, the Plan administrator believes the Plan is currently designed and operated in compliance with the applicable requirements of the Code and continues to qualify and to operate as designed.

United States generally accepted accounting principles require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

(5) Deposit Administration Contract

The Stable Asset Fund II represents a deposit administration contract ("Contract") entered into by the Plan with the Plan's Recordkeeper, Standard. Standard maintains the contributions in an unallocated fund, whose assets are invested with other assets in the general account of Standard. The account is credited with earnings on the underlying investments and charged for Plan withdrawals and administrative expenses by Standard. Generally, participants may direct the withdrawal or transfer of all or a portion of their investment at contract value, which is equivalent to fair value. Contract value represents contributions made under the Contract, plus earnings, less withdrawals and administrative expenses. There are no reserves against contract value for the credit risk of the Contract issuer or otherwise. The Employer has determined that the Stable Asset Fund II did not meet the criteria of a fully benefit-responsive investment as of December 31, 2015 as defined by ASU 2015-12 Part I.

The contract crediting rate is established at the end of each quarter and is guaranteed for five years. The effective annual crediting rate and yield for the Contract was approximately 1.77% for the year ended December 31, 2015 and 1.86% for the year ended December 31, 2014.

There were no events that limited the ability of the Plan to withdraw contract value, which is equivalent to fair value, or otherwise transact at contract value with Standard as the Contract issuer. Participant directed transfers can only be made on the first date of each calendar quarter, and are limited to 5% of the participant's balance. Standard may defer any withdrawal request for 30 days after receipt of written notice of the withdrawal request and may defer honoring any withdrawal request for any reasonable period if, due to the closing or other disruption of financial markets or exchanges, Standard is unable to prudently liquidate assets necessary to satisfy the request. A delay caused by market disruption is improbable. Standard may terminate the contract with 30 days advance written notice to the contract owner.

(6)Party-in-Interest Transactions

Certain Plan assets consist of units of pooled separate accounts and deposit administration contracts managed by Standard. Standard, as the Plan Recordkeeper and Custodian, qualifies as a party-in-interest to transactions involving the aforementioned assets. Investment and administrative fees remitted to Standard by the Plan totaled \$180,581 in 2015. Interest income of \$216,991 was credited to the Plan in 2015.

Plan assets also include shares of World Acceptance Corporation common stock. World Acceptance Corporation, as the Plan Sponsor, qualifies as a party-in-interest to transactions involving the aforementioned assets. The investment in World Acceptance Corporation common stock was \$1,053,899 and \$1,963,688 at December 31, 2015 and 2014, respectively. Investment in World Common Stock is participant directed.

(7)Fair Value

FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices that are observable for assets and liabilities, either directly or indirectly. These inputs include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in market that are less active.

Level 3 – Unobservable inputs for assets or liabilities reflecting the reporting entity's own assumptions.

The following tables set forth the fair value of the Plan's investments by category within the fair value hierarchy, if applicable, as of December 31, 2015 and 2014.

December 31, 2015

	Total	Level 1	Level 2
Investments included in fair value hierarchy			
Money market funds	\$56,418	\$56,418	\$—

Common stock 1,053,899 1,053,899—

*

Less than 1%.

Selling Warrant Holder	Ownership of Warrants		Number of Warrants
	Number	Percent	
Coastal Convertibles LTD	100,000	9.6%	
J. Giordano Securities, LLC	40,000	3.8%	
Omicron Master Trust	66,667	6.4%	
OTAPE Investments LLC	33,333	3.2%	
Newport Alternative Income Fund	13,333	1.3%	
Pandora Select Advisors, LLC	133,333	12.8%	
SilverCreek II Limited	37,333	3.6%	
SilverCreek Limited Partnership	82,667	7.9%	
Whitebox Convertible			
Arbitrage Partners, LP	266,667	25.6%	
Whitebox Hedged High			
Yield Partners, LP	266,667	25.6%	

*

Less than 1%.

The percentage of outstanding warrants shown in the table above do not include a warrant issued

The selling security holders listed above have provided us with additional information regarding their exercise control over the selling security holder. The proceeds of any sale of shares or warrants will be for the benefit of

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the individuals that control the selling entity. The following is a list of the selling security holders and the right to vote or dispose of the shares or warrants owned by each selling security holder:

- Coastal Convertibles LTD is managed by Tradewinds.
- J. Giordano Securities, LLC is controlled by James Giordano.
- Omicron Master Trust is managed by Omicron.
- OTAPE Investments, LLC is managed by OTA.
- Each of Newport Alternative Income Fund, SilverCreek II Limited and SilverCreek Limited Partnership is managed by Newport Alternative Income Fund, LP.
- Each of Pandora Select Partners, LP, Whitebox Convertible Arbitrage Partners, LP and Whitebox Convertible Arbitrage Partners, LP is managed by Whitebox Advisors, LLC.

OUR SECURITIES

Our authorized capital stock will consist of (i) 25,000,000 shares of common stock, par value \$0.01 per share, of which 24,999,999 shares are currently outstanding, and (ii) 1,000,000 shares of preferred stock, par value \$0.01 per share.

Common Stock

Subject to the rights of the holders of any preferred stock that may be outstanding, each holder of record as of the record date is entitled to receive such dividends as may be declared by the Board of Directors and, in the event of liquidation, to share pro rata in any distribution of our assets after payment of our liabilities and the liquidation preference of any outstanding preferred stock. Each holder of our common stock is entitled to one vote for each share held of record on the applicable record date on all matters presented to a vote of the Board of Directors or a director. Holders of our common stock have no cumulative voting rights or preemptive rights in the purchase of additional shares or other securities, and there are no conversion rights or redemption or sinking fund provisions applicable to any of our outstanding shares of our common stock are, and the shares of our common stock offered hereunder are nonassessable.

Preferred Stock

Our Board of Directors has the authority to issue 1,000,000 shares of preferred stock in one or more series, with conditional, full, limited or no voting powers, and such designations, preferences and relative, cumulative or non-cumulative voting rights, if any, and the qualifications, limitations or restrictions thereof, if any, including the number of shares (which the Board may increase or decrease as permitted by Florida law), liquidation preferences, dividend preferences, redemption provisions of the shares constituting any series and such other special rights and preferences as the Board may deem advisable without any further vote or action by the shareholders. Any shares of preferred stock so issued would have priority over our common stock with respect to dividend or liquidation rights and such other rights of shareholders. We have no present plans to issue shares of preferred stock.

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Warrants

We issued the warrants to purchase shares of our common stock that are covered by this prospectus as of July 31, 2003. Each of the warrants entitles the registered holder to purchase one-half of one share of our common stock. The exercise price of the warrants will be equal to 115% of the weighted-average volume price of our common stock as reported on the New York Stock Exchange Financial Markets for the 60 consecutive trading days following July 31, 2003, with a maximum exercise price of \$18.00 per share and a minimum exercise price of \$15.00 per share. The exercise price and the number of shares to be purchased are subject to adjustment in certain circumstances. Our warrants may be exercised until July 31, 2006. After that date, the holders will have no further rights in the warrants.

We may redeem some or all of our outstanding warrants beginning July 31, 2004 for \$0.01 per share upon written notice if the closing bid price of our common stock is 150% of the exercise price for 20

We had previously issued warrants to purchase 125,000 shares of our common stock to Guilford as the managing underwriter of our initial public offering. These warrants have an exercise price of \$0.01 per share, are exercisable until November 10, 2003, and expire on November 10, 2003. The exercise price and the number of shares issued are subject to adjustment in certain circumstances.

Certain Florida Legislation

Florida has enacted legislation that may deter or frustrate takeovers of Florida corporations. This legislation provides that shares acquired in a control share acquisition will not possess any voting rights exercisable by a majority of the corporation's disinterested shareholders. A control share acquisition is defined as the acquisition of any person of ownership of, or the power to direct the exercise of voting power with respect to, all or a majority of a publicly held Florida corporation. Control shares are shares, which, except for the Florida law, would entitle such person, when added to all other shares owned by a person or in respect to which such person has the power of voting power, to exercise or direct the exercise of voting power in the election of directors within any of the following categories: (i) at least 20% but less than 33-1/3% of all voting power; (ii) at least 33-1/3% but less than a majority of all voting power. The Florida Affiliated Transactions Act generally requires supermajority approval of certain specified transactions between a public corporation and holders of more than 10% of the shares of the corporation (or their affiliates). Florida law and our articles of incorporation and bylaws restrict our directors, officers, employees and agents. In addition, our articles and Florida law currently restrict our corporate directors for monetary damages, except where the directors (i) breach their fiduciary duty, (ii) are negligent or includes certain violations of criminal law, a transaction from which the directors derived an economic benefit, or unlawful distributions, or certain other reckless, wanton or willful acts or misconduct.

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Anti-Takeover Effects of Certain Provisions of Our Articles of Incorporation and Bylaws

Certain provision of our articles of incorporation and bylaws may be deemed to have an anti-takeover effect that may prevent a tender offer or takeover attempt, including attempts that might result in a premium being paid for the shares held by shareholders. The following provisions may not be amended in our articles or bylaws without the approval of the holders of two-thirds of the outstanding shares of our common stock.

Classified Board of Directors. The articles and bylaws provide for the Board of Directors to be staggered terms. As a result, approximately one-third of the Board of Directors will be elected annually. The articles and bylaws provide that directors may only be removed for cause and only upon the affirmative vote of the majority of the outstanding shares of capital stock entitled to vote. These provisions, when coupled with the provisions authorizing only the Board of Directors to fill vacant directorships or increase the size of the Board, prevent the removal of incumbent directors and simultaneously gaining control of the Board of Directors by a group of shareholders. The removal of directors is limited to removal with its own nominees.

Prohibition of Action by Unanimous Consent; Special Meeting of Shareholders. The articles and bylaws prohibit any shareholder action by written consent without a meeting and provide that special meetings of shareholders may be called by a majority of the Board of Directors, our Chief Executive Officer or holders of not less than one-third of the outstanding shares of capital stock.

Advance Notice Requirements for Shareholder Proposals and Director Nominations. The articles and bylaws require that any shareholder seeking to bring business before an annual meeting of shareholders, or to nominate candidates for election to the Board at a special meeting of shareholders, must provide timely notice thereof in writing. To be timely, a shareholder's notice must be delivered to or mailed and received at our principal executive offices not less than 60 days nor more than 90 days before the date of the meeting. Notice or prior public disclosure of the date of the meeting is given or made to shareholders, to be timely, must be received no later than the close of business on the 10th day before the date of the meeting was mailed or such public disclosure was made, whichever is first. The articles and bylaws also set forth requirements as to the content and form of a shareholder's notice. These provisions may preclude a shareholder from making a proposal or nomination before the shareholders at an annual or special meeting or from making nomination for directorship at a special meeting.

Amendment of Bylaws. Except for the provisions identified above requiring a two-thirds vote of the Board to amend or repeal, the bylaws may only be altered, amended or repealed by the Board or the affirmative vote of a majority of our outstanding shares of capital stock.

Transfer Agent

The transfer agent for our common stock is X-Clearing Corporation, Denver, Colorado.

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HOW THE SHARES AND WARRANTS MAY BE DISTRIBUTED

The selling security holders may sell shares of common stock and warrants in various ways and through various methods by which the selling security holders may sell shares and warrants include:

- ordinary brokerage transactions and transactions in which the broker solicits purchasers or may participate in soliciting purchasers;
- privately negotiated transactions;
- block trades in which the broker or dealer will attempt to sell the shares or warrants as agent but the block as principal to facilitate the transaction;
- purchases by a broker or dealer as principal and resale by that broker or dealer for the selling security holders pursuant to the prospectus on the Nasdaq National Market at prices and on terms then-prevailing in the market;
- sales under Rule 144, if available, rather than using this prospectus;
- a combination of any of these methods of sale; and
- any other legally permitted method.

The applicable sales price may be affected by the type of transaction.

The selling security holders may also pledge shares as collateral for margin loans under their contracts. If there is a default by a selling security holder, the broker may offer and sell the pledged shares. The selling security holders intend to comply with the prospectus delivery requirements under the Securities Act to each purchaser. We may file any supplements, amendments or other necessary documents under the Securities Act that may be required in the event a selling security holder defaults under any contract.

Brokers and dealers may receive commissions or discounts from the selling security holders or from the purchaser, as agent for the purchaser of the shares or warrants, from that purchaser, in amounts to be negotiated. These commissions or discounts are expected to exceed those customary in the types of transactions involved.

We cannot estimate at the present time the amount of commissions or discounts, if any, that will be received by the selling security holders in connection with the sales of the shares or the warrants.

The selling security holders and any broker-dealers or agents that participate with a selling security holder in the sale of the shares or warrants will be deemed to be underwriters within the meaning of the Securities Act in connection with the sale of the shares or warrants. Any profit received by the broker-dealers or agents and any profit on the resale of the shares purchased by the selling security holders will be underwriting commissions or discounts under the Securities Act.

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Under the securities laws of certain states, the shares and warrants may be sold in those states only through registered broker-dealers. In addition, the shares and warrants may not be sold unless the shares and warrants are qualified for sale in the relevant state or unless the shares and warrants qualify for an exemption from registration.

We have agreed to pay all of our out-of-pocket expenses and our professional fees and expenses in connection with the offering of shares and warrants.

The selling security holders and other persons participating in the distribution of the shares and warrants are subject to the applicable requirements of Regulation M promulgated under the Exchange Act in connection with the offering of shares and warrants.

LEGAL MATTERS

Broad and Cassel, a partnership including professional associations, Miami, Florida, is issuing the shares and warrants. Broad and Cassel is offering shares of common stock and warrants.

EXPERTS

The financial statements of 21st Century Holding Company for the year ended December 31, 2010, included in this prospectus, have been audited by De Meo, Young, McGrath, independent certified public accountants, and their report is incorporated herein by reference, and are incorporated herein in reliance on the authority of said firm as experts in auditing and accounting.

The financial statements of 21st Century Holding Company for the years ended December 31, 2009 and 2008, included in this prospectus, have been audited by McKean, Paul, Chrycy, Fletcher & Co., independent certified public accountants, and their report is incorporated herein by reference, and are incorporated herein in reliance on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-3 with the SEC in connection with this offering. All of the information set forth in the registration statement, as permitted by the rules and regulations, include references to material contracts or other material documents of ours; any summaries of such contracts or documents are complete and are either included in this prospectus or incorporated by reference into this prospectus. Copies of those contracts or documents that are part of the registration statement for a copy of the contract or document.

We also file annual, quarterly and current reports and other information with the SEC. You may inspect and copy any of these documents we file, and the registration statement, including the exhibits, may be inspected at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for more information. Our SEC filings are also available to the public from the SEC's website at <http://www.sec.gov>.

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Quotations for the prices of our common stock appear on the Nasdaq National Market, and registration information about us can also be inspected at the offices of the National Association of Securities Dealers, 1735 K Street, N.W., Washington, D.C. 20006.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The following documents are incorporated by reference into this prospectus:

- Our Annual Report on Form 10-K for the year ended December 31, 2002, as amended,
- Our proxy statement for our 2003 Annual Meeting of Shareholders,
- Our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2003, as amended, and for the quarter ended June 30, 2003, as amended, and
-

with each of our directors and officers.

The SEC is of the opinion that indemnification of directors, officers and controlling persons for the Act is against public policy and is, therefore, unenforceable.

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PART II

INFORMATION REQUIRED IN PROSPECTUS

Item 14.

Other Expenses of Issuance and Distribution.

The Registrant estimates that its expenses in connection with this registration statement will be

SEC registration fee	\$ 1,051.70
Accounting fees and expenses (A)	(B)
Legal fees and expenses (A)	(B)
Printing expenses (A)	(B)
Miscellaneous (A)	(B)
Total	\$

(A)

All amounts except the Securities and Exchange Commission registration fee are estimated.

(B)

To be provided by amendment.

Item 15.

Indemnification of Directors and Officers.

The Registrant has authority under Section 607.0850 of the Florida Business Corporation Act to the extent provided for in such law. The Registrant's Amended and Restated Articles of Incorporation may insure, shall indemnify and shall advance expenses on behalf of its officers and directors under such law. The Registrant is also a party to indemnification agreements with each of its directors and officers under such law.

Item 16.

Exhibits.

4.1

Specimen of Common Stock Certificate ⁽¹⁾

4.2

Revised Representative's Warrant Agreement including form of Representative's Warrant ⁽¹⁾

4.3

Form of 6% Senior Subordinated Note due July 31, 2006 ⁽²⁾

4.4

Form of Redeemable Warrant dated July 31, 2003 ⁽²⁾

4.5

Unit Purchase Agreement dated July 31, 2003 between the Company and the purchasers of the Units dated July 31, 2003 ⁽³⁾

5.1

Opinion of Broad and Cassel ⁽³⁾

23.1

Consent of Broad and Cassel (included in its opinion filed as Exhibit 5.1) ⁽³⁾

23.2

Consent of McKean, Paul, Chrycy, Fletcher & Co.⁽³⁾

23.3

Consent of De Meo, Young, McGrath⁽³⁾

25.1

Power of Attorney (included on the signature page to this Registration Statement)⁽³⁾

(1)

Previously filed as exhibit of the same number to the Registrant's Registration Statement and incorporated herein by reference.

(2)

Previously filed as Exhibits 4.1 and 4.2, respectively, to the Quarterly Report on Form 10-Q for

(3)

Filed herewith.

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Item 17.

Undertakings

The undersigned Registrant hereby undertakes:

(1)

Edgar Filing: WORLD ACCEPTANCE CORP - Form 11-K

Edward J. Lawson and President

/s/ RICHARD A. WIDDICOMBE Chief Executive Officer and Director September 30,

Richard A. Widdicombe (Principal Executive Officer)

/s/ JAMES G. JENNINGS, III Chief Financial Officer (Principal September 30,

James G. Jennings, III Financial and Accounting Officer)

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Signatures	Title	Date
/s/ CARL DORF Carl Dorf	Director	September 30,
/s/ CHARLES B. HART, Jr. Charles B. Hart, Jr.	Director	September 30,
/s/ BRUCE SIMBERG Bruce Simberg	Director	September 30,
/s/ JAMES DEPELISI James DePelisi	Director	September 30,
/s/ RICHARD W. WILCOX, JR. Richard W. Wilcox, Jr.	Director	September 30,

Richard W. Wilcox, Jr.

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EXHIBIT INDEX

Exhibit

Description

4.5

Unit Purchase Agreement dated July 31, 2003 between the Company and the purchasers of July 31, 2003

5.1

Opinion of Broad and Cassel

23.1

Consent of Broad and Cassel (included in Exhibit 5.1)

23.2

Consent of McKean, Paul, Chrycy, Fletcher & Co.

23.3

Consent of De Meo, Young, McGrath

24.1

Power of Attorney (included on the signature page to this Registration Statement)