UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 22, 2003

Encore Capital Group, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**000-26489**	**48-1090909**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S Employer Identification No.)

5775 Roscoe Court
San Diego, California 92123
(Address of Principal Executive Offices) (Zip Code)

(877) 445-4581
(Registrant's Telephone Number, Including Area Code)

Item 7. Financial Statements and Exhibits.

(c) Exhibits:

4.1	Registration Rights Agreement, dated as of December 20, 2000, between the Company and CFSC Capital Corp. VIII (1)
4.2	Amended and Restated Registration Rights Agreement, dated as of October 31, 2000, between the Company and the several stockholders listed therein
4.3	First Amendment, dated as of March 13, 2001, to Amended and Restated Registration Rights Agreement, dated as of October 31, 2000, between the Company and the several stockholders listed therein
4.4	Warrant Agreement, dated as of December 20, 2000, between the Company and CFSC Capital Corp. VIII
10.1	Fifth Amendment to the Office Lease for the property located at 4310 E. Broadway Road, Phoenix, Arizona
10.2	Acknowledgement, dated April 15, 2003, of limited guaranty by Nelson Peltz, Peter May, Triarc Companies, the Company and Chandler Family Partnership originally dated August 28, 1998
10.3	Servicing Agreement, dated as of January 29, 1998, among West Capital Financial Services Corp., West Capital Receivables Corporation I and Norwest Bank Minnesota, National Association (1)
10.4	Supplement to Servicing Agreement, dated May 22, 2000 (1)
10.5	Letter agreement, dated December 27, 2000, between Daiwa Finance Corporation and Midland Credit Management, Inc.
10.6	Servicing Agreement, dated December 27, 2000 (1)
10.7	Amendment No. 1, dated as of November 28, 2001, to the Servicing Agreement dated December 27, 2000 (1)
10.8	Servicing Agreement, dated as of December 20, 2000, relating to the Secured Financing Facility
10.9	First Amendment to Servicing Agreement relating to the Secured Financing Facility, dated as of May 1, 2002 (1)
10.10	Second Amendment to Servicing Agreement relating to the Secured Financing Facility, dated as of June 26, 2003 (1)
10.11	Exclusivity Agreement, dated December 20, 2000, by and among MRC Receivables Corporation, Midland Credit Management, Inc., the Company and CFSC Capital Corp. VIII (1)
21	List of Subsidiaries

(1) Certain confidential portions of these exhibits were omitted by means of redacting a portion of the text and replacing it with asterisks. These exhibits have been filed separately with the Secretary of the Commission without the redaction pursuant to the Registrant's application requesting confidential treatment under Rule 406 under the Securities Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ENCORE CAPITAL GROUP, INC.

Date: August 22, 2003

By/s/ Barry R. Barkley
Barry R. Barkley
Executive Vice President,
Chief Financial Officer and Treasurer

EXHIBIT INDEX

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[***] TEXT OMITTED AND FILED SEPARATELY
CONFIDENTIAL TREATMENT REQUESTED

REGISTRATION RIGHTS AGREEMENT

MCM CAPITAL GROUP, INC.

Dated as of December 20, 2000

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

TABLE OF CONTENTS

REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT (this "**Agreement**") is dated as of the 20th day of December, 2000 by and among MCM Capital Group, Inc., a Delaware corporation (the "**Company**"). and CFSC Capital Corp. VIII, a Delaware corporation (together with its Affiliated Stockholders (as herein defined), if any, "[*******]"). Capitalized terms used but not otherwise defined herein have their respective meanings set forth in Section 9.

WHEREAS, [***] has entered into a Credit Agreement, dated as of December 20, 2000 (the "**Credit** Agreement"), with MRC Receivables Corporation, a wholly owned subsidiary of the Company pursuant to which [***] agreed to lend MRC Receivables Corporation up to $75 million for the purchase of portfolios of charged-off receivables and other uses, on the terms and subject to the conditions therein set forth;

WHEREAS, the Company agreed to issue to [***] warrants to purchase the common stock of the Company, on the terms and subject to the conditions set forth in the Warrant Agreement between the Company and [***], dated as of December 20, 2000 (the "Warrant Agreement");

WHEREAS, it is a condition of the consummation of the transactions contemplated by the Credit Agreement that the Company and [***] enter into this Agreement for the purpose of providing for certain registration rights for the benefit of holders of Registrable Securities (as hereinafter defined);

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to and on the terms and conditions herein set forth, the parties hereto agree as follows:

1. Registrations Rights.

1.1. Incidental Registration. If the Company at any time proposes to register any of its equity securities under the Securities Act for its own account (other than pursuant to a registration on Form S-4 or S-8 or any successor form) it shall give written notice thereof to each Stockholder. If within 10 days after the receipt of any such notice, any Stockholder requests that the Company include all or any portion of the Registrable Securities owned by such Stockholder or issuable upon exercise of Warrants owned by such Stockholders in such registration, then, subject to subsection (a) below, the Company will give prompt written notice to all holders of Warrants and Registrable Securities regarding such proposed registration. Upon the written request of any such holder made within 10 days after the receipt of any such notice (which request shall specify the number of Registrable Securities intended to be disposed of by such holder and the intended method or methods of disposition thereof), the Company will use its best efforts to effect the registration under the Securities Act of such Registrable Securities, together with any other securities proposed to be registered by other holders of the Company's securities exercising incidental registration rights with respect thereto, on a *pro rata* basis (based on the number of Registrable Securities proposed to be registered by each such requesting holder and the number of other registrable securities proposed to be registered by each such other holder) in accordance with such intended method or methods of disposition, provided that:

(a) the Company shall not include any Registrable Securities of holders of Registrable Securities in such proposed registration if it believes in good faith that inclusion of such securities would not be in the best interests of the Company, provided that the Company will include in such registration that number of Registrable Securities and/or Warrants of the holders of Registrable Securities and/or Warrants that such managing underwriter and the Company determine would not be adverse to the best interests of the Company and provided further that the Company

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

shall give the holders of Registrable Securities prompt notice after any such determination has been made (in lieu of the notice otherwise required under the second sentence of this Section 1.1);

(b) if, at any time after giving written notice pursuant to this Section 1.1 of its intention to register equity securities and prior to the effective date of the registration statement filed in connection with such

registration, the Company shall determine for any reason not to register such equity securities, the Company may, at its election, give written notice of such determination to each holder of Registrable Securities and/or Warrants and, thereupon, shall not be obligated to register any Registrable Securities in connection with such registration (but shall nevertheless pay the Registration Expenses in connection therewith); and

(c) if, in connection with a registration pursuant to this Section 1.1, the managing underwriter of such registration (or, in the case of an offering that is not underwritten, a nationally recognized investment banking firm) shall advise the Company in writing (with a copy to each holder of Registrable Securities and/or Warrants requesting registration thereof) that, in its opinion, the number of securities requested and otherwise proposed to be included in such registration exceeds the number which can be sold in such offering without materially and adversely affecting the offering price or the market price of the Common Stock or would otherwise jeopardize the offering, then in the case of any registration pursuant to this Section 1.1, the Company will include in such registration, the number of securities which the Company is so advised can be sold in such offering without such material adverse effect, in the following order of priority:

first, if such registration is initiated by the Company pursuant to Section 1.1 of either of the Prior Registration Rights Agreements, the "Registrable Securities of all Stockholders (including the Requesting Party)" (with the preceding phrase having the same meaning as used in Section 1.4 of the Prior Registration Rights Agreements) together with the Registrable Securities of the Stockholders, if any, exercising incidental registration rights with respect to the Prior Registration Rights Agreements, on a pro rata basis (based on the number of shares of "Registrable Securities" owned by each such "Stockholder", as such terms are defined in the Prior Registration Rights Agreements, as applicable);

second, the securities (if any) being sold by the Company; and

third, the Registrable Securities of the Stockholders, if any, exercising incidental registration rights with respect thereto, together with securities, if any, of any other holder of securities of the Company exercising incidental registration rights with respect thereto, on *a pro rata* basis (based on the number of shares of registrable securities owned by each such holder), subject to the limitations of Section 4.

Notwithstanding the foregoing, the holders of Registrable Securities will not be entitled to participate in any registration pursuant to this Section 1.1 to the extent that the managing underwriter (or, in the case of an offering that is not underwritten, a nationally recognized investment banker) shall determine in good faith and in writing (with a copy to each affected Person requesting registration of Registrable Securities) that the participation of any such holder would adversely affect the marketability or offering price of the securities being sold by the Company or any Stockholder in such registration. The parties acknowledge that nothing herein grants demand registration rights to the holders of Registrable Securities

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1.2. Expenses. The Company will pay all Registration Expenses in connection with any registration requested and effectuated under Section 1.1; provided that each seller of Registrable Securities shall pay all Registration Expenses to the extent required to be paid by such seller under applicable law and all underwriting discounts and commissions and transfer taxes, if any.

2. Registration Procedures. If and whenever the Company is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act as provided in Section 1.1, the Company will promptly:

(a) prepare, and as soon as practicable, but in any event within 60 days thereafter, file with the Commission, a registration statement with respect to such Registrable Securities, on such form as is determined by the Company to be appropriate under the circumstances, make all required filings with the NASD and use its reasonable best efforts to cause such registration statement to become effective as soon as practicable;

(b) prepare and promptly file with the Commission such amendments and post-effective amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for so ong as is required to comply with the provisions of the Securities Act and to complete the disposition of all securities covered by such registration statement in accordance with the intended method or methods of disposition thereof, but in no event for a period of more than six months after such registration statement becomes effective;

(c) furnish copies of all documents proposed to be filed with the Commission in connection with such registration to counsel selected by the holders of at least 51 % of the Registrable Securities proposed to be sold in connection with such registration (suchholders, the **"Majority Holders"),** and such documents shall be subject to the review of suchcounsel and the Majority Holders, and the Company shall not file any registration statement or amendment or post-effective amendment or supplement to such registration statement or the prospectus used in connection therewith to which either such counsel or the Majority Holders, as the case may be, shall have reasonably objected in writing on the grounds that such amendment or supplement does not comply (explaining why) in all material respects with the requirements of the Securities Act or of the rules or regulations thereunder;

(d) furnish to each seller of Registrable Securities, without charge, such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits and documents filed therewith) and such number of copies of the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, in conformity with the requirements of the Securities Act, and such other documents, as such seller may reasonably request in order to facilitate the disposition of the Registrabie Securities owned by such seller in accordance with the intended method or methods of disposition thereof;

(e) use its reasonable best efforts to register or qualify such Registrable Securities covered by such registration statement under the securities or blue sky laws of such jurisdictions as each seller shall reasonably request and do any and all other acts and things which may be necessary or advisable to enable such seller to consummate the disposition of such Registrable Securities in such jurisdictions in accordance with the intended method or methods of

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disposition thereof, provided that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it is not so qualified, subject itself to taxation in any jurisdiction wherein it is not so subject, or take any action which would subject it to general service of process in any jurisdiction wherein it is not so subject;

(f) use its reasonable best efforts to cause all Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies, authorities or self-regulatory bodies as may be necessary by virtue of the business and operations of the Company to enable the seller or sellers thereof to consummate the disposition of such Registrable Securities in accordance with the intended method or methods of disposition thereof;

(g) notify each seller of any Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event or existence of any fact as a result of which the prospectus included in such registration statement as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and, as promptly as is practicable, prepare and furnish to such seller a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(h) otherwise comply with all applicable rules and regulations of the Commission, and make generally available to its security holders, as soon as reasonably practicable, an earnings statement of the Company (in form complying with the provisions of Rule 158 under the Securities Act) covering the period of at least 12 months, but not more than 18 months, beginning with the first month after the effective date of such registration statement;

(i) notify each seller of any Registrable Securities covered by such registration statement (i) when the prospectus or any prospectus supplement or post-effective amendment has been filed, and, with respect to such registration statement or any post-effective amendment, when the same has become effective, (ii) of any request by the Commission for amendments or supplements to such registration statement or to amend or to supplement such prospectus or for additional information, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for that purpose and (iv) of the suspension of the qualification of such securities for offering or sale in any jurisdiction, or of the institution of any proceedings for any of such purposes;

(j) use its reasonable best efforts to obtain the lifting of any stop order that might be issued suspending the effectiveness of such registration statement as soon as practicable;

(k) use its reasonable best efforts (i) (A) to list such Registrable Securities on any securities exchange on which the equity securities of the Company are then listed or, if no such equity securities are then listed, on an exchange selected by the Company, if such listing is then permitted under the rules of such exchange, or (a) if such listing is not practicable, to secure designation of such securities as a NASDAQ "national market system security" within the of Rule 11Aa2-l under the Exchange Act or, failing that, to secure NASDAQ authorization for such Registrable Securities, and, without limiting the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with the NASD, and (ii) to provide a transfer agent and registrar for such Registrable Securities not later than the effective date of such registration statement and to instruct such transfer agent upon sale of the Registrable Securities pursuant to such registration (A) to release any stop transfer order with respect to the certificates with respect to the Registrable Securities being sold and (B) to furnish certificates without restrictive legends representing ownership of the shares being sold, in such denominations requested by the sellers of the Registrable Securities or the lead underwriter; and

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(l) use its reasonable best efforts to take all other steps necessary to effect the registration of such Registrable Securities contemplated hereby.

As a condition to its registration of Registrable Securities of any prospective seller, the Company may require such seller of any Registrable Securities as to which any registration is being effected to furnish to the Company such information regarding such seller, its ownership of Registrable Securities and the disposition of such Registrable Securities as the Company may from time to time reasonably request in writing and as shall be required by law in connection therewith, together with such certificates, if any, as may be required to permit the delivery of the opinions and comfort letters contemplated by Section 2(g) and the execution of the underwriting agreement and the delivery of the documents required to be delivered thereunder. Each such holder agrees to furnish promptly to the Company all information required to be disclosed in order to make the information previously furnished to the Company by such holder not materially misleading.

The Company agrees not to file or make any amendment to any registration statement with respect to any Registrable Securities, or any amendment of or supplement to the prospectus used in connection therewith, which refers to any seller of any Registrable Securities covered thereby by name, or otherwise identifies such seller as the holder of any Registrable Securities, without the consent of such seller, such consent not to be unreasonably withheld or delayed, unless such disclosure is required by law.

By acquisition of Registrable Securities, each holder of such Registrable Securities shall be deemed to have agreed that upon receipt of any notice from the Company of the happening of any event of the kind described in Section 2(i), such holder will promptly discontinue such holder's disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such holder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 2(1).If so directed by the Company, each holder of Registrable Securities will deliver to the Company (at the Company's expense) all copies, other than permanent file copies, in such holder's possession of the prospectus covering such Registrable Securities at the time of receipt of such notice. In the event that the Company shall give any such notice, the period mentioned in Section 2(b) shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of any Registrable Securities covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by Section 2(i).

3. Underwritten Offerings.

3.1. Underwriting Agreement. If, for any underwritten offering pursuant to a registration requested under Section 1.1, the Company enters into an underwriting agreement with the underwriters for such offering, any such underwriting agreement shall contain such representations and warranties by the Company and such other terms and provisions as are customarily contained in agreements of this type, including, without limitation and unless waived by the Majority Holders, indemnities to the effect and to the extent provided in Section 7.

The holders of Registrable Securities to be distributed by such underwriter shall be parties to such underwriting agreement. No underwriting agreement (or other agreement in connection with such offering) shall require any Stockholder, in its capacity as stockholder and/or controlling Person, to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such holder, the ownership of such holder's Registrable Securities and such holder's intended method or methods of disposition and any other representation customarily furnished by selling stockholders in similar transactions or required by law.

3.2 Selection of Underwriters. If the Company at any time proposes to register any of its securities under the Securities Act for sale for its own account pursuant to an underwritten offering in which holders of Registrable Securities are participants, the Company will have the right to select the managing underwriter (which shall be of nationally recognized standing) to administer the offering.

4. Holdback Agreements. If and whenever the Company proposes to register any of its equity securities under the Securities Act for its own account (other than on Form S-4 or S-8 or any successor form) or is required to effect the registration of any securities pursuant to any registration rights agreement or similar contractual undertaking, each holder of Registrable Securities agrees by acquisition of such Registrable Securities, if it is then an officer, director or the beneficial owner (determined in accordance with Rule 13d-3 under the Exchange Act) of more than 5% of any class of the Company's equity securities (or any securities convertible into or exchangeable or exercisable for any of such securities), not to effect any public sale or distribution of the Company's equity securities (other than pursuant to such registration), within seven days prior to and 90 days (unless advised in writing by the managing underwriter that a longer period, not to exceed 180 days, is required, or such shorter period as the managing underwriter for any underwritten offering may agree) after the effective date of the registration statement relating to such registration, except its part of such registration.

5. Preparation; Reasonable Investigation. In connection with the preparation and filing of each registration statement registering Registrable Securities under the Securities Act, the Company will give the holders of such Registrable Securities so to be registered and their underwriters, if any, and their respective counsel and accountants the opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Commission, and each amendment thereof or supplement thereto, and will give each of them such access to the financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries and such opportunities to discuss the business of the Company with its officers and the independent public accountants who have issued audit reports on its financial statements as shall be reasonably requested,by such holders in connection with such registration statement.

6. Other Registration Rights. Each Stockholder acknowledges that the Company is a party to (i) that certain Amended and Restated Registration Rights Agreement dated as of October 30, 2000 by and among the Company, C.P. International Investments Limited, MCM Holding Company LLC, CTW Funding LLC, and certain other parties named therein, (ii) that certain Registration Rights Agreement dated as of January 12, 2000, by and among the Company and ING (US) Capital LLC and its Affiliated Stockholders (together, the "**Prior Registration Rights Agreements**"), and (iii) that certain Registration Rights Agreement dated as of May 22, 2000, by and among the Company, West Capital Financial Services Corp., and WCFSC Special Purpose Corporation and their Affiliated Stockholders, and consents to all terms and provisions thereof. To the extent that the Prior Registration Rights Agreements provide demand or incidental registration rights that are of a higher priority to the rights granted to holders of Registrable Securities hereunder, or to the extent there is any conflict between any term or provision of the Prior Registration Rights Agreements and any term or provision set forth herein, the parties acknowledge and agree that the terms and provisions of the Prior Registration Rights Agreements shall take priority over the terms and provisions of this Agreement. The Company may grant to any Person any other registration rights from and after the date hereof.

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7. Indemnification.

7.1. Indemnification by the Company. In the event of any registration of any Registrable Securities pursuant to this Agreement, the Company agrees to indemnify, defend and hold harmless (a) each seller of such Registrable Securities, (b) the directors, members, stockholders, officers, partners, employees, agents and Affiliates of such seller, (c) each Person who participates as an underwriter in the offering or sale of such securities and (d) each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) any of the foregoing against any and all losses, claims, damages, expenses or other liabilities (or actions or proceedings in respect thereof), jointly or severally, directly or indirectly, based upon or arising out of (i) any untrue statement or alleged untrue statement of a fact contained in any registration statement under which such Registrable Securities were registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein or used in connection with the offering of securities covered thereby, or any amendment or supplement thereto, or (ii) any omission or alleged omission to state a fact required to be stated therein or necessary to make the statements therein not misleading; and the Company will reimburse each such indemnified party for any legal or any other expenses reasonably incurred by them in connection with enforcing its rights hereunder or under the underwriting agreement entered into in connection with such offering or investigating, preparing, pursuing or defending any such loss, claim, damage, liability, action or proceeding, except insofar as any such loss, claim, damage, liability, action, proceeding or expense arises out of or is based upon (A) an untrue statement or omission made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to the Company by such seller expressly for use in the preparation thereof, or (B) any preliminary prospectus to the extent that any such loss claim, damage, liability, action or proceeding results solely from the fact that the seller sold Registrable Securities to a person as to whom the Company shall establish that there was not sent by commercially reasonable means, at or prior to the, written confirmation of such sale, a copy of the final prospectus in any case where such delivery is required by the Securities Act, if the Company has previously furnished copies thereof in sufficient quantity to the seller or the underwriters for such offering and the loss, claim, damage, liability, action or proceeding results from an untrue statement or omission of a material fact contained in the preliminary prospectus that was corrected in the final prospectus. Such indemnity shall remain in full force and effect regardless of any investigation made by such indemnified party and shall survive the transfer of such Registrable Securities by such seller. If the Company is entitled to, and does, assume the defense of the related action or proceedings provided herein, then the indemnity agreement contained in this Section 7.1 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, action or proceeding if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld or delayed). The Company shall also indemnify any underwriters of the Registrable Securities, their officers, directors and employees, and each person who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) to the same extent as provided above with respect to indemnification of the seller of Registrable Securities.

7.2. Indemnification by the Sellers. The Company may require, as a condition to including any Registrable Securities in any registration statement filed pursuant to Section 1.1, that the Company shall have received an undertaking reasonably satisfactory to it from each of the prospective sellers of such Registrable Securities to indemnify and hold harmless, severally, not jointly, in the same manner and to the same extent as set forth in Section 7.1, the Company, its directors, officers, employees, agents and each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of

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the Exchange Act) the Company, but only with respect to any written information furnished to the Company by such seller expressly for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement. The Company and the holders of the Registrable Securities hereby acknowledge and agree that, unless otherwise expressly agreed to in writing by such holders, the only information furnished to or to be furnished to the Company for use in any registration statement or prospectus relating to the Registrable Securities or in any amendment, supplement or preliminary materials associated therewith are statements specifically relating to (a) transactions between such holder and its Affiliates, on the one hand, and the Company, on the other hand, (b) the beneficial ownership of shares of Common Stock by such holder and its Affiliates and (c) the name and address of such holder. If any additional information about such holder or the plan of distribution (other than for an underwritten offering) is required by law to be disclosed in any such document, then such holder shall not unreasonably withhold its agreement referred to in the immediately preceding sentence of this Section 7.2. Such indemnity shall remain in full force and effect, regardless of any investigation made by or on behalf of the Company or any such director, officer or controlling Person and shall survive the transfer of such Registrable Securities by such seller. The indemnity agreement contained in this Section 7.2 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, action or proceeding if such settlement is effected without the consent of such seller (which consent shall not be unreasonably withheld or delayed). The indemnity provided by each seller of Registrable Securities under this Section 7.2 shall be limited in amount to the net amount of proceeds actually received by such seller from the sale of Registrable Securities pursuant to such registration statement giving rise to such liability.

7.3. Notices of Claims, etc. Promptly after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding paragraphs of this Section 7, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the indemnifying party of the commencement of such action or proceeding, provided that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 7, except to the extent that the indemnifying party is materially prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, the indemnifying party will be entitled to participate therein and to assume the defense thereof jointly with any other indemnifying party similarly notified, to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof except for the reasonable fees and expenses of any counsel retained by such indemnified party to monitor such action or proceeding. Notwithstanding the foregoing, if such indemnified party reasonably determines, based upon advice of independent counsel, that a conflict of interest exists between the indemnified party and the indemnifying party with respect to such action and that it is advisable for such indemnified party to be represented by separate counsel or that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party, such indemnified party may retain other counsel, reasonably satisfactory to the indemnifying party, to represent such indemnified party, and the indemnifying party shall pay all reasonable fees and expenses of such counsel. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of such indemnified party, which consent shall not be unreasonably withheld, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation. The rights accorded to any indemnified party hereunder shall be in addition to any rights that such indemnified party may have at common law, by separate agreement or otherwise.

7.4. Other Indemnification. Indemnification similar to that specified in the preceding paragraphs of this Section 7 (with appropriate modifications) shall be given by the Company and each seller of Registrable Securities with respect to any required registration (other than under the Securities Act) or other qualification of such Registrable Securities under any federal or state law or regulation of any governmental

authority.

7.5. Indemnification Payments. Any indemnification required to be made by an indemnifying party pursuant to this Section 7 shall be made by periodic payments to the indemnified party during the course of the action or proceeding, as and when bills are received by such indemnifying party, with respect to an indemnifiable loss, claim, damage, liability or expense incurred by such indemnified party.

7.6. Other Remedies. If for any reason the foregoing indemnity is unavailable, or is insufficient to hold harmless an indemnified party, other than by reason of the exceptions provided therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such losses, claims, damages, liabilities, actions, proceedings or expenses in such proportion as is appropriate to reflect the relative benefits to and faults of the indemnifying party on the one hand and the indemnified party on the other in connection with the offering of Registrable Securities and the statements or omissions or alleged statements or omissions which resulted in such loss, claim, damage, liability, action, proceeding or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statements or omissions. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. No party shall be liable for contribution under this Section 7.6 except to the extent as such party would have been liable to indemnify under this Section 7 if such indemnification were enforceable under applicable law.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 7.6 were determined by *pro rata* allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph.

8. Representations and Warranties. Each Stockholder, severally and not jointly, represents and warrants to the Company and each other Stockholder that:

(i) such Stockholder has the power, authority and capacity (or, in the case of any Stockholder that is a corporation or limited partnership, all corporate or limited partnership power and authority, as the case may be) to execute, deliver and perform this Agreement;

(ii) in the case of a Stockholder that is a corporation or limited partnership, the execution, delivery and performance of this Agreement by such Stockholder has been duly and validly authorized and approved by all necessary corporate or limited partnership action, as the case may be;

(iii) this Agreement has been duly and validly executed and delivered by such Stockholder and constitutes a valid and legally binding obligation of such Stockholder, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to creditors' rights generally and general principles of equity; and

(iv) the execution, delivery and performance of this Agreement by such Stockholder does not and will not violate the terms of or result in the acceleration of any obligation under (A) any

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material contract, commitment or other material instrument to which such Stockholder is a party or by which such Stockholder is bound, (B) in the case of a Stockholder that is a corporation or limited partnership, the certificate of incorporation, certificate of limited partnership, by-laws or limited partnership agreement, as the case may be, or (C) any law, statute, regulation, order or decree applicable to such Stockholder.

9. Definitions. For purposes of this Agreement, the following terms shall have the following respective meanings:

Affiliate: (i) with respect to any Person, a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and (ii) with respect to any natural Person, (A) the spouse, parents and direct descendants of such Person, (B) the estate, testamentary trust, trustees, executors, administrators, legatees or testamentary beneficiaries of such Person, and (C) any trust established by such Person for the exclusive benefit of any of the foregoing Persons.

Affiliated Stockholder: with respect to [***], each of its Affiliates if and so long as it owns any Warrants or Registrable Securities and has agreed in writing to be bound by the terms and conditions of this Agreement, a copy of which agreement shall have been delivered to the Company.

Board: the board of directors of the Company.

Commission: the Securities and Exchange Commission.

Common Stock: the Common Stock of the Company, par value $.01 per share, and any securities into which such Common Stock shall have been changed or any securities resulting from any reclassification of such Common Stock.

Credit Agreement: as defined in the recitals of this Agreement.

Exchange Act: the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

Majority Holders: as defined in Section 2(c).

NASD: National Association of Securities Dealers, Inc.

NASDAQ: the Nasdaq National Market.

Permitted Transferee: as defined in Section 10.2.

Person: an individual, corporation, partnership, limited liability company, joint venture, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality, thereof.

Prior Registration Rights Agreements: as defined in Section 6.

Registrable Securities: the 621,576 shares of Common Stock issued or issueable upon exercise of the Warrants issued to [***] pursuant to the Warrant Agreement and any other shares of

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

Common Stock issued as a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares of Common Stock when issued. As to any particular shares of Common Stock, such securities shall cease to be Registrable Securities when (i) a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (ii) such securities shall have been sold to the public pursuant to Rule 144 under the Securities Act or are eligible for resale by the holder thereof without regard to volume limitation pursuant to paragraph (k) of Rule 144 under the Securities Act, (iii) such securities shall have been otherwise transferred other than to a Permitted Transferee and subsequent disposition of them shall not require registration or qualification of them under the Securities Act or any similar state law then in force or (iv) such securities shall have ceased to be outstanding.

Registration Expenses: all expenses incident to the Company's performance of or compliance with any registration pursuant to this Agreement, including, without limitation, (i) registration, filing and NASD fees, (ii) fees and expenses of complying with securities or blue sky laws, (iii) fees and expenses associated with listing securities on an exchange or NASDAQ, (iv) word processing, duplicating and printing expenses, (v) messenger and delivery expenses, (vi) transfer agents', trustees', depositories', registrars' and fiscal agents fees, (vii) reasonable fees and disbursements of counsel for the Company and of its independent public accountants, including the expenses of any special audits or "cold comfort" letters, (viii) reasonable fees and disbursements of any one counsel retained by the sellers of Registrable Securities, which counsel shall be designated in the manner specified in Section 2 and (ix) any fees and disbursements of underwriters customarily paid by issuers or sellers of securities, but excluding underwriting discounts and commissions and transfer taxes, if any.

Securities Act: the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

Stockholders: [***] and each of its Affiliated Stockholders, in each case if and so long as such Stockholder owns any Warrants or Registrable Securities.

Warrant Agreement: as defined in the recitals of this Agreement.

Warrants: the warrants to purchase 621,576 shares of Common Stock issued under the Warrant Agreement.

10. Miscellaneous.

10.1. Rule 144, etc. The Company will file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder, and will take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144 under the Securities Act, as such rule may be amended from time to time or (b) any successor rule or regulation hereafter adopted by the Commission. Upon the request of any holder of Registrable Securities, the Company will deliver to such holder a written statement as to whether it has complied with such requirements.

10.2. Successors. Assigns and Transferees. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective predecessors and permitted assigns under this Section 10.2. Provided that an express assignment shall have been made, a copy of which shall have been delivered to the Company, the provisions of this Agreement which are for the benefit of a holder of Registrable Securities and/or Warrants shall be for the benefit of and enforceable by any subsequent holder of any Registrable Securities and/or Warrants to which such Registrable Securities and/or Warrants are transferred in compliance with the provisions of such Registrable Securities and/or Warrants **("Permitted Transferees"),** subject to the provisions respecting the minimum numbers or percentages of shares of Registrable Securities required in order to be entitled to certain rights, or to take certain actions, contained herein.

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

10.3. Amendment and Modification. This Agreement may be amended, modified or supplemented by the Company with the written consent of a majority (by number of shares) of the holders of Registrable Securities, provided that all Stockholders shall be notified of such amendment, modification or supplement.

10.4. Governing Law. This Agreement and the rights and obligations of the parties hereunder and the persons subject hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of Delaware, without giving effect to the choice of law principles thereof.

10.5. Invalidity of Provision. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

10.6. Notices. All notices, requests, demands, letters, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows:

(i) If to the Company, to it at:

MCM Capital Group, Inc.
5775 Roscoe Court
San Diego, California 92123
Attention: Chief Executive Officer
Telecopier No.: (858)309-6999

with a copy to:

MCM Capital Group, Inc.
5775 Roscoe Court
San Diego, California 92123
Attention: General Counsel
Telecopier No.: (858)309-6999

(ii) If to [***], to it at:

CFSC Capital Corp. VIII
12700 Whitewater Drive Minnetonka, MN
55343 Attention: Jon Taxdahl
Telephone: (952) 984-3469
Telecopy: (952)984-3898

with a copy to:

Faegre & Benson LLP
2200 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402-3901
Telecopier No.: (612)336-3026

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

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or to such other person or address as any party shall specify by notice in writing to the Company. All such notices, requests, demands, letters, waivers and other communications shall be deemed to have been received (w) if by personal delivery on the day after such delivery, (x) if by certified or registered mail, on the eighth business day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered or (z) if by fax, on the next day following the day on which such fax was sent, provided that a copy is also sent by certified or registered mail.

10.7. Headings; Execution in Counterparts. The headings and captions contained herein are for convenience and shall not control or affect the meaning or construction of any provision hereof. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and which together shall constitute one and the same instrument.

10.8. Injunctive Relief. Each of the parties recognizes and agrees that money damages may be insufficient and, therefore, in the event of a breach of any provision of this Agreement the aggrieved party may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin the continuing breach of this Agreement. Such remedies shall, however, be cumulative and not exclusive, and shall be in addition to any other remedy which such party may have.

10.9. Term. This Agreement shall be, effective as of the date hereof and shall continue in effect thereafter until the earlier of (a) its termination by the consent of the parties hereto or their respective successors in interest, (b) the date on which no Registrable Securities remain outstanding, and (c) the date on which all remaining Registrable Securities are subject to immediate resale by the holder thereof without regard to volume limitation pursuant to paragraph (k) of Rule 144 under the Securities Act.

10.10. Further Assurances. Subject to the specific terms of this Agreement, each of the Company and the Stockholders shall make, execute, acknowledge and deliver such other instruments and documents, and take all such other actions, as may be reasonably required in order to effectuate the purposes of this Agreement and to consummate the transactions contemplated hereby.

10.11. Entire Agreement. This Agreement is intended by the parties hereto as a final expression of their agreement and intended to be a complete and exclusive statement of their agreement and understanding in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF this Agreement has been signed by each of the parties hereto, and shall be effective as of the date first above written.

MCM CAPITAL GROUP, INC.

By: /S/ Carl C. Gregory, III

Name: Carl. C Gregory III
Title: President

CFSC CAPITAL CORP. VIII

BY: /S/ Greggory S. Haugen

Name: Greggory S. Haugen
Title: V.P.

AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

MCM CAPITAL GROUP, INC.

Dated as of October 31, 2000

TABLE OF CONTENTS

AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

This AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (the "Agreement") is dated as of the 31st day of October, 2000, among MCM Capital Group, Inc., a Delaware corporation (the "Company"), C.P. International Investments Limited, a Bahamian company (together with its Affiliated Stockholders (as herein defined), if any, "CPII"), CTW Funding, LLC, a Delaware limited liability company (together with its Affiliated Stockholders, if any, "CTW"), and the MCM Holding Distributees Majority (together with each of the persons whose names are listed on Schedule A hereto and their respective Affiliated Stockholders, if any, the "MCM Holding Distributees"). This Agreement amends and restates in its entirety the First Registration Rights Agreement (as defined below). Capitalized terms used but not otherwise defined herein have their respective meanings set forth in Section 11.

WHEREAS, Midland Credit Management, Inc., a Kansas Corporation and wholly owned subsidiary of the Company ("Midland"), desires to enter into that certain Credit and Security Agreement, dated as of October 31, 2000 (the "Credit Agreement"), between Midland and CTW, pursuant to which CTW will make available to Midland a $2,000,000 credit facility; and

WHEREAS, to induce CTW to enter into the Credit Agreement, the Company has agreed (i) to issue to CTW, warrants (the "Warrants") to purchase up to 100,000 shares of Common Stock, pursuant to a Warrant Agreement, dated as of October 31, 2000 (the "Warrant Agreement"), and (ii) to grant certain registration rights to CTW with respect to the Common Stock underlying the Warrants; and

WHEREAS, the Company, CPE, MCM Holding Company LLC, a New York limited liability company, and the MCM Holding Distributees, entered into that certain Registration Rights Agreement, dated as of June 30, 1999 (the "First Registration Rights Agreement"): and

WHEREAS, MCM Holding Company LLC was dissolved on December 2,1999; and

WHEREAS, pursuant to Section 12.3 of the First Registration Rights Agreement, the First Registration Rights Agreement may be amended, modified or supplemented by the Company with the written consent of CPU and the MCM Holding Distributees Majority; and

WHEREAS, the Company desires to amend and restate the First Registration Rights Agreement; and

WHEREAS, the parties acknowledge that Nelson Peltz, Peter W. May and Triarc Companies, Inc. are the direct or indirect beneficial owners of at least 51% of the Registrable Securities owned by the MCM Holding Distributees as of the date hereof, and constitute the MCM Holding Distributees Majority, and are executing this Agreement in such capacity regardless of the legal ownership pursuant to which such shares are beneficially owned; and

WHEREAS, the Company, CPU, and the MCM Holding Distributees Majority, have to consent to, and into, this Agreement, under which the Company will grant to CTW substantially the same registration rights granted to CPII, MCM Holding Company LLC and the MCM Holding Distributees under the First Registration Rights Agreement, and which Agreement will amend, restate and supercede in its entirety the First Registration Rights Agreement; and

WHEREAS, it is a condition of the execution and delivery by CTW of the Credit Agreement, that the Company enter into this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to and on the terms and conditions herein set forth, the parties hereto agree as follows:

1. Registrations Upon Request.

1.1. Requests by Stockholders. At any time, the MCM Holding Distributees (as a group), CPII and CTW shall each have the right to make requests that the Company effect up to two separate registrations under the Securities Act of all or part of the Registrable Securities owned by them, respectively; provided that

(i) in the case of the MCM Holding Distributees, such right to request up to two registrations will be exercisable by any MCM Holding Distributees owning singly or in the aggregate at least 25% of the then outstanding Registrable Securities then owned by all MCM Holding Distributees (the "Qualified MCM Stockholders"), and

(ii) at any time when CPII or CTW owns fewer Registrable Securities than its Permitted Transferees, such right of CPII and CTW to request up to two registrations will be exercisable by those entities or individuals (whether acting individually or as a group), in each case, owning in excess of 50% of the outstanding Registrable Securities then owned by CPII and its Permitted Transferees, or by CTW and its Permitted Transferees, as applicable. For purposes of this Section 1.1 (ii), each holder of a Warrant shall be deemed the owner and holder of the Registrable Securities issuable upon the exercise thereof.

A request made by any of the Qualified MCM Stockholders, CPII or its Permitted Transferees, or CTW or its Permitted Transferees, pursuant to the immediately preceding sentence (in any such case, the "Requesting Party") shall not be counted for purposes of the request limitations set forth above if (a) the Requesting Party determines in its good faith judgment to withdraw the proposed registration of any Registrable Securities requested to be registered pursuant to this Section 1.1 due to marketing or regulatory reasons, (b) the registration statement relating to any such request is not declared effective within 90 days of the date such registration statement is first filed with the Commission and the Requesting Party determines to withdraw the proposed registration, (c) within 180 days after the registration relating to any such request has become effective, such registration is interfered with by any stop order, injunction or other order or requirement of the Commission or other governmental agency or court for any reason and the Company fails to have such stop order, injunction or other order or requirement removed, withdrawn or resolved to the Requesting Party's reasonable satisfaction within 30 days, (d) more 10% of the Registrable Securities requested by the Requesting Party to be included in the registration are not so included pursuant to Section 1.4, (e) the conditions to closing specified in the underwriting agreement or purchase agreement entered into in connection with the registration relating to any such request are not satisfied (other than as a result of a default or breach thereunder by the Requesting Party), or (f) the registration relating to such request is preempted by a proposed Company registration, notice of which is given by the Company to the Requesting Party pursuant to Section 1.5(b)(iii), and the Requesting Party determines to withdraw its registration request prior to a registration statement relating thereto becoming effective.

Upon any such registration request, the Company will promptly, but in any event within 10 days, give written notice of such request to all holders of Registrable Securities and thereupon the Company will, subject to Sections 1.4 and 1.5, use its best efforts to effect the prompt registration under the Securities Act of:

(i) the Registrable Securities which the Company has been so requested to register by the Requesting Party, and

(ii) all other Registrable Securities which the Company has been requested to register by the holders thereof by written request given to the Company by such holders within 10 days after the giving of such written notice by the Company to such holders,

all to the extent required to permit the disposition of the Registrable Securities so to be registered in accordance with the intended method or methods of disposition of each seller of such Registrable Securities.

1.2. Registration Statement Form. A registration requested pursuant to Section 1.1 shall be effected by the filing of a registration statement on a form reasonably acceptable to the Requesting Party, it being understood that the Company shall, where permitted under the Securities Act, seek to qualify for registration on Form S-3 (or any other comparable form hereinafter adopted).

1.3. Expenses. The Company will pay all Registration Expenses in connection with any registration requested under Section 1.1; provided that (a) each seller of Registrable Securities shall pay all Registration Expenses to the extent required to be paid by such seller under applicable law and all underwriting discounts and commissions and transfer taxes, if any, and (b) if, pursuant to clause (a) of Section 1.1, a Requesting Party determines in its good faith judgment to withdraw the proposed registration of any Registrable Securities requested to be registered pursuant to Section 1.1 due to marketing reasons after the filing of a registration statement with respect to such Registrable Securities, the Requesting Party shall reimburse the Company for its reasonable out-of-pocket expenses incurred in connection with the preparation and filing of such registration statement unless the Requesting Party agrees in writing to have the withdrawn registration treated as one of its two registration requests permitted pursuant to Section 1.1.

1.4. Priority in Demand Registrations. If a registration pursuant to Section 1.1 involves an underwritten offering, and the managing underwriter (or, in the case of an offering which is not underwritten, a nationally recognized investment banking firm) shall advise the Company in writing (with a copy to each Person requesting registration of Registrable Securities) that, in its opinion, the number of securities requested and otherwise proposed to be included in such registration exceeds the number which can be sold in such offering without materially and adversely affecting the offering price or the market price of the Common Stock or would otherwise jeopardize the offering, the Company will include in such registration to the extent of the number which the Company is so advised can be sold in such offering without such material adverse effect, first, the Registrable Securities of all Stockholders (including the Requesting Party), on a pro rata basis (based on the number of shares of Registrable Securities owned by each such Stockholder), second the securities, if any, being sold by the Company, and third, the securities, if any, of any other securities holder of the Company ..entitled to incidental registration rights with respect thereto, subject to the limitations of Section 7.

1.5. No Company or Other Stockholder Initiated Registration; Deferral of Registration.

(a) After receipt of notice of a requested registration pursuant to Section 1.1, neither the Company nor any other Stockholder shall initiate, without the consent of the Requesting Party, a registration of any Company securities for its own account until 90 days after such registration has been effected or such registration has been terminated.

(b) Notwithstanding the foregoing, the Company shall have the right to delay the filing or effectiveness, but not the preparation, of a registration statement for any requested registration pursuant to Section 1.1 during one or more periods aggregating not more than 90 days in any 12-month period during the term of this Agreement in the event that (i) the Company would, in accordance with the written advice of its counsel, be required to disclose in the prospectus contained in such registration statement information not otherwise required by law to be publicly disclosed and (ii) the Company has pending or in process a material transaction, the disclosure of which would, in the good "faith judgment of the Company's Board of Directors, materially and adversely affect the Company or the transaction, or (iii) at the time of receipt of notice of a requested registration pursuant to Section 1.1 the Company was in the process of contemplating a registration of equity securities for its own account and (A) the Company gives written notice thereof to the Requesting Party within 10 days after receipt of such registration request and (B) a registration statement with respect to such Company initiated offering is filed within 60 days of receipt of such notice from the Requesting Party.

2. Incidental Registrations. If the Company at any time proposes to register any of its equity securities under the Securities Act for its own account (other than pursuant to a registration on Form S-4 or S-8 or any successor form) it shall give written notice thereof to each Stockholder. If within 10 days after the receipt of any such notice, any Stockholder requests that the company include all or any portion of the Registrable Securities owned by such Stockholder in such registration (for purposes of this Section 2, each holder of a Warrant shall be deemed the owner and holder of the Registrable Securities issuable upon the exercise thereof), then, subject to subsection (a) below, the Company will give prompt written notice to all Stockholders. Upon the written request of any Stockholder made within 10 days after the receipt of any such notice (which request shall specify the number of Registrable Securities intended to be disposed of by such holder and the intended method or methods of disposition thereof), the Company will use its best efforts to effect the registration under the Securities Act of such Registrable Securities on a pro rata basis (based on the number of shares of Registrable Securities owned by each such requesting Stockholder) in accordance with such intended method or methods of disposition, provided that:

(a) without the prior written consent of the Stockholders holding at least 50% of the then outstanding Registrable Securities, the Company shall not include any Registrable Securities of holders of Registrable Securities other than the Stockholders in such proposed registration if it believes in good faith that inclusion of such securities would not be in the best interests of the Company, provided that the Company will include in such registration that number of Registrable Securities of the holders of Registrable Securities that such managing underwriter and the Company determine would not be adverse to the best interests of the Company and provided further that the Company shall give the holders of Registrable Securities prompt notice after any such determination has been made (in lieu of the notice otherwise required under the second sentence of this Section 2);

(b) if, at any time after giving written notice (pursuant to this Section 2) of its intention to register equity securities and prior to the effective date of the registration statement filed in connection with such registration, the Company shall determine for any reason not to register such equity securities, the Company may, at its election, give written notice of such determination to each holder of Registrable Securities and, thereupon, shall not be obligated to register any Registrable Securities in connection with such registration (but shall nevertheless pay the Registration Expenses in connection therewith), without prejudice, however, to the rights of the Stockholders to request that a registration be effected under Section 1.1; and

(c) if in connection with a registration pursuant to this Section 2, the managing underwriter of such registration (or, in the case of an offering that is not underwritten, a nationally recognized investment banking firm) shall advise the Company in writing (with a copy to each holder of Registrable Securities requesting registration thereof) that, in its opinion, the number of securities requested and otherwise proposed to be included in such registration exceeds the number which can be sold in such offering without materially and adversely affecting the offering price or the market price of the Common Stock or would otherwise jeopardize the offering, then in the case of any registration pursuant to this Section 2, the Company will include in such registration to the extent of the number which the Company is so advised can be sold in such offering without such material adverse effect, first the securities, if any, being sold by the Company, second, the Registrable Securities of the Stockholders, on a pro rata basis (based on the number of shares of Registrable Securities owned by each such Stockholder), third, the Registrable Securities of any other holder, on a pro rata basis (based on the number of shares of Registrable Securities owned by each such holder), and fourth the securities, if any, of any other securities holder of the Company entitled to incidental registration rights with respect thereto, subject to the limitations of Section 7.

Notwithstanding the foregoing, the holders of Registrable Securities other than the Stockholders will not be entitled to participate in any registration pursuant to this Section 2 to the extent that the managing underwriter (or, in the case of an offering that is not underwritten, a nationally recognized investment banker) determine in good faith and in writing (with a copy to each affected Person requesting registration of Registrable Securities) that the participation of any such holder would adversely affect the marketability or offering price of the securities being sold by the Company or any Stockholder in such registration.

The Company will pay all Registration Expenses in connection with each registration of Registrable Securities requested pursuant to this Section 2, provided that each seller of Registrable Securities shall pay all Registration Expenses to the extent required to be paid by such seller under applicable law and all underwriting discounts and commissions and transfer taxes, if any. No registration effected under this Section 2 shall relieve the Company from its obligation to effect registrations under Sections 1.1.

3. Registration Procedures. If and whenever the Company is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act as provided in Sections 1.1 and 2, the Company will promptly:

(a) prepare, and as soon as practicable, but in any event within 60 days thereafter, file with the Commission, a registration statement with respect to such Registrable Securities, make all required filings with the NASD and use its reasonable best efforts to cause such registration statement to become effective as soon as practicable;

(b) prepare and promptly file with the Commission such amendments and post-effective amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for so long as is required to comply with the provisions of the Securities Act and to complete the disposition of all securities covered by such registration statement in accordance with the intended method or methods of disposition thereof, but in no event for a period of more than six months after such registration statement becomes effective;

(c) furnish copies of all documents proposed to be filed with the Commission in connection with such registration to

(i) in the case of a registration pursuant to Section 1.1 or 2 in which CPII or CTW is participating, counsel selected by CPII or CTW, or, at any time when CPII or CTW owns fewer Registrable Securities than its Permitted Transferees, counsel selected by those entities or individuals (whether acting individually or as a group), in each case, owning in excess of 50% of the outstanding Registrable Securities then owned by CPII and its Permitted Transferees, or by CTW and its Permitted Transferees, as applicable (for purposes of this Section 3(c)(i), each holder of a Warrant shall be deemed the owner and holder of the Registrable Securities issuable upon the exercise thereof), and

(ii) in the case of a registration pursuant to Section 1.1 or 2 in which MCM Holding Distributees are participating, counsel selected by the holders of at least 51% of the Registrable Securities proposed to be sold by such MCM Holding Distributees in connection with such registration (such holders, the "Majority Holders"),

and such documents shall be subject to the review of such counsel and CPII, CTW, or their Permitted Transferees or the Majority Holders, as the case may be, and the Company shall not file any registration statement or amendment or post-effective amendment or supplement to such registration statement or the prospectus used in connection therewith to which either such counsel or CPII, or CTW, or their Permitted Transferees or the Majority Holders, as the case may be, shall have reasonably objected in writing on the grounds that such amendment or supplement does not comply (explaining why) in all material respects with the requirements of the Securities Act or of the rules or regulations thereunder.

(d) furnish to each seller of Registrable Securities, without charge, such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits and documents filed therewith) and such number of copies of the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, in conformity with the requirements of the Securities Act, and such other documents, as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller in accordance with the intended method or methods of disposition thereof;

(e) use its reasonable best efforts to register or qualify such Registrable Securities covered by such registration statement under the securities or blue sky laws of such jurisdictions as each seller shall reasonably request, and do any and all other acts and things which may be necessary or advisable to enable such seller to consummate the disposition of such Registrable Securities in such jurisdictions in accordance with the intended method or methods of disposition thereof, provided that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it is not so qualified, subject itself to taxation in any jurisdiction wherein it is not so subject, or take any action which would subject it to general service of process in any jurisdiction wherein it is not so subject;

(f) use its reasonable best efforts to cause all Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies, authorities or self-regulatory bodies as may be necessary by virtue of the business and operations of the Company to enable the seller or sellers thereof to consummate the disposition of such Registrable Securities in accordance with the intended method or methods of disposition thereof;

(g) furnish to each seller of Registrable Securities a signed counterpart, addressed to the sellers, of

(i) an opinion of outside counsel for the Company experienced in securities law matters, dated the effective date of the registration statement (or, if such registration includes an underwritten public offering, the date of the closing under the underwriting agreement), and

(ii) a "comfort" letter (unless the registration is pursuant to Section 2 and such a letter is not otherwise being furnished to the Company), dated the effective date of such registration statement (and if such registration includes an underwritten public offering, dated the date of the closing under the underwriting agreement), signed by the independent public accountants who have issued an audit report on the Company's financial statements included in the registration statement, covering such matters as are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to the underwriters in underwritten public offerings of securities, subject to such qualifications as are customary in opinions and accountants' letters delivered in such circumstances;

(h) notify each seller of any Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event or existence of any fact as a result of which the prospectus included in such registration statement as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and, as promptly as is practicable, prepare and furnish to such seller a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(i) otherwise comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement of the Company (in form complying with the provisions of Rule 158 under the Securities Act) covering the period of at least 12 months, but not more than 18 months, beginning with the first month after the effective date of such registration statement;

(j) notify each seller of any Registrable Securities covered by such registration statement (i) when the prospectus or any prospectus supplement or post-effective amendment has been filed, and, with respect to such registration statement or any post-effective amendment, when the same has become effective, (ii) of any request by the Commission for amendments or supplements to such registration statement or to amend or to supplement such prospectus or for additional information, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for that purpose and (iv) of the suspension of the qualification of such securities for offering or sale in any jurisdiction, or of the institution of any proceedings for any of such purposes;

(k) use every reasonable effort to obtain the lifting of any stop order that might be issued suspending the effectiveness of such registration statement as soon as practicable;

(l) use its reasonable best efforts (i) (A) to list such Registrable Securities on any securities exchange on which the equity securities of the Company are then listed or, if no such equity securities are then listed, on an exchange selected by the Company, if such listing is then permitted under the rules of such exchange, or (a) if such listing is not practicable, to secure designation of such securities as a NASDAQ "national market system security" within the meaning of Rule IIAa2-l under the Exchange Act or, failing that, to secure NASDAQ authorization for such Registrable Securities, and, without limiting the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with the NASD, and (ii) to provide a transfer agent and registrar for such Registrable Securities not later than the effective date of such registration statement and to instruct such transfer agent (A) to release any stop transfer order with respect to the certificates with respect to the Registrable Securities being sold and (B) to furnish certificates without restrictive legends representing ownership of the shares being sold, in such denominations requested by the sellers of the Registrable Securities or the lead underwriter;

(m) enter into such agreements and take such other actions as the sellers of Registrable Securities or the underwriters reasonably request in order to expedite or facilitate the disposition of such Registrable Securities, including, without limitation, preparing for, and participating in, such number of "road shows" and all such other customary selling efforts as the underwriters reasonably request in order to expedite or facilitate such disposition;

(n) furnish to any holder of such Registrable Securities such information and assistance as such holder may reasonably request in connection with any "due diligence" effort which such seller deems appropriate; and

(o) use its best efforts to take all other steps necessary to effect the registration of such Registrable Securities contemplated hereby.

As a condition to its registration of Registrable Securities of any prospective seller, the Company may require such seller of any Registrable Securities as to which any registration is being effected to furnish to the Company such information regarding such seller, its ownership of Registrable Securities and the disposition of such Registrable Securities as the Company may from time to time reasonably request in writing and as shall be required by law in connection therewith, together with such certificates, if any, as may be required to permit the delivery of the opinions and comfort letters contemplated by Section 3(g) and the execution of the underwriting agreement and the delivery of the documents required to be delivered thereunder. Each such holder agrees to furnish promptly to the Company all information required to be disclosed in order to make the information previously furnished to the Company by such holder not materially misleading.

The Company agrees not to file or make any amendment to any registration statement with respect to any Registrable Securities, or any amendment of or supplement to the prospectus used in connection therewith, which refers to any seller of any Registrable Securities covered thereby by name, or otherwise identifies such seller

as the holder of any Registrable Securities, without the consent of such seller, such consent not to be unreasonably withheld or delayed, unless such disclosure is required by law.

By acquisition of Registrable Securities, each holder of such Registrable Securities shall be deemed to have agreed that upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3(h), such holder will promptly discontinue such holder's disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such holder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 3(h). If so directed by the Company, each holder of Registrable Securities will deliver to the Company (at the Company's expense) all copies, other than permanent file copies, in such holder's possession of the prospectus covering such Registrable Securities at the time of receipt of such notice. In the event that the Company shall give any such notice, the period mentioned in Section 3(b) shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of any Registrable Securities covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by Section 3(h).

4. Underwritten Offerings.

4.1. Underwriting Agreement. If requested by the underwriters for any underwritten offering pursuant to a registration requested under Section 1.1 or 2, the Company shall enter into an underwriting agreement with the underwriters for such offering, such agreement to be reasonably satisfactory in substance and form to the underwriters and to a majority of the Stockholders participating in such registration. Any such underwriting agreement shall contain such representations and warranties by the Company and such other terms and provisions as are customarily contained in agreements of this type, including, without limitation and unless waived by all Stockholders participating in such registration, indemnities to the effect and to the extent provided in Section 9. The holders of Registrable Securities to be distributed by such underwriter shall be parties to such underwriting agreement and may, at their option, require that any or all of the representations and warranties by, and the agreements on the part of, the Company to and for the benefit of such underwriters be made to and for the benefit of such holders of Registrable Securities and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement shall also be conditions precedent to the obligations of such holders of Registrable Securities. No underwriting agreement (or other agreement in connection with such offering) shall require any Stockholder, in its capacity as stockholder or controlling Person, to make any representations or warranties to, or agreements with, the Company or the underwriters other than representations, warranties or agreements regarding such holder, the ownership of such holder's Registrable Securities and such holder's intended method or methods of disposition and any other representation required by law or to finish any indemnity to any Person which is broader than the indemnity furnished by such holder pursuant to Section 9.2.

4.2. Selection of Underwriters. If the Company at any time proposes to register any of its securities under the Securities Act for sale for its own account pursuant to an underwritten offering in which holders of Registrable Securities are participants, the Company will have the right to select the managing underwriter (which shall be of nationally recognized standing) to administer the offering; provided, the Company must obtain the prior approval of its selection of a managing underwriter, such approval not to be unreasonably withheld, from any Stockholder who, individually or acting with a group, owns at least 20% of the aggregate number of shares (or rights to acquire shares) of common stock proposed to be registered in the registration.

Notwithstanding the foregoing sentence, whenever a registration requested pursuant to Section 1.1 is for an underwritten offering, the Requesting Party will have the right to select the managing underwriter (which shall be of nationally recognized standing) to administer the offering, but only with the approval of the Company, such approval not to be unreasonably withheld.

5. Holdback Agreements.(a) If and whenever the Company proposes to register any of its equity securities under the Securities Act for its own account (other than on Form S-4 or S-8 or any successor form) or is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act pursuant to Section 1.1 or 2, each holder of Registrable Securities agrees by acquisition of such Registrable Securities not to request registration under Section 1.1 of any Registrable Securities and, if it is then an officer, director or the beneficial owner (determined in accordance with Rule 13d-3 under the Exchange Act) of more than 5% of any class of the Company's equity securities (or any securities convertible into or exchangeable or exercisable for any of such securities), not to effect any public sale or distribution of the Company's equity securities (other than pursuant to such registration), within seven days prior to and 90 days (unless advised in writing by the managing underwriter that a longer period, not to exceed 180 days, is required, or such shorter period as the managing underwriter for any underwritten offering may agree) after the effective date of the registration statement relating to such registration, except its part of such registration.

(b) The Company agrees not to effect any public sale or distribution of its equity securities or securities convertible into or exchangeable or exercisable for any of such securities within seven days prior to and 90 days (unless advised in writing by the managing underwriter that a longer period, not to exceed 180 days, is required, or such shorter period as the managing underwriter for any underwritten offering may agree) after the effective date of any registration statement filed pursuant to Section 1.1 (except as part of such registration or pursuant to a registration on Form S-4 or S-8 or any successor form). In addition, upon the request of the managing underwriter, the Company shall use its reasonable best efforts to cause each officer, director or beneficial owner (determined in accordance with Rule 13d-3 under the Exchange Act) of more than 5% of any class of the Company's equity securities (or any securities convertible into or exchangeable or exercisable for any of such securities), other than any such securities acquired in a public offering, to agree not to effect any such public sale or distribution of such securities during such period, except as part of any such registration if permitted, and to cause each such officer, director and beneficial holder to enter into a similar agreement to such effect with the Company.

6. Preparation; Reasonable Investigation. In connection with the preparation and filing of each registration statement registering Registrable Securities under the Securities Act, the Company will give the holders of such Registrable Securities so to be registered and their underwriters, if any, and their respective counsel and accountants the opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Commission, and each amendment thereof or supplement thereto, and will give each of them such access to the financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries and such opportunities to discuss the business of the Company with its officers and the independent public accountants who have issued audit reports on its financial statements as shall be reasonably requested by such holders in connection with such registration statement.

7. No Grant of Future Registration Rights. The Company shall not, during the term of this Agreement, grant to any Person (a) any other demand registration rights, or (b) any incidental registration rights that are of a higher priority to the rights granted to the holders of Registrable Securities under Section 2 hereof, in each case, without the prior written consent of the MCM Holding Distributees Majority, CPII and CTW, so long as the MCM Holding Distributees (as a group), CPII and CTW respectively, continue to own at least 10% of the number of shares of Common Stock owned thereby (or, in the case of CTW, shares of common stock Warrants, or a combination of both, that represent, in any case and in the aggregate, at least 10% of the number of shares of Common Stock issuable upon exercise of the Warrants owned thereby), respectively, on the date hereof. For purposes of this Section 7, prior written consent required under this Section 7 must also be obtained from any of the Permitted Transferees of the MCM Holding Distributees Majority, CPII and CTW, respectively, who at the time consent is required, own at least 10% of the aggregate number of shares of Common Stock owned thereby (or, in the case of a CTW Permitted Transferee, shares of common stock, Warrants, or a combination of both, that represent, in any case and in the aggregate, at least 10% of the number of shares of Common Stock issuable upon exercise of the Warrants owned thereby), respectively, on the date hereof.

8. [Reserved)
9. Indemnification.

9 1 Indemnification by the Company. In the event of any registration of any Registrable Securities pursuant to this Agreement, the Company agrees to indemnify, defend and hold harmless (a) each seller of such Registrable Securities, (b) the directors, members, stockholders, officers partners, employees, agents and Affiliates of such seller, (c) each Person who participates as an underwriter in the offering or sale of such securities, and (d) each person, if any who controls (within the meaning of Section 15 of the Securities Act or

Section 20 of the Exchange Act) any of the foregoing, against any and all losses, claims, damages, expenses or other liabilities (or actions or proceedings in respect thereof), jointly or severally, directly or indirectly based upon or arising out of (i) any untrue statement or alleged untrue statement of a fact contained in any registration statement under which such Registrable Securities were registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein or used in connection with the offering of securities covered thereby or any amendment or supplement thereto, or (ii) any omission or alleged omission to state a fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as any such loss, claim, damage, liability, action, proceeding or expense arises out of or is based upon (A) an untrue statement or omission made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to the Company by such seller expressly for use in the preparation thereof, or (B) any preliminary prospectus to the extent that any such loss claim, damage, liability, action or proceeding results solely from the fact that the seller sold Registrable Securities to a person as to whom the Company shall establish that there was not sent by commercially reasonable means, at or prior to the written confirmation of such sale, a copy of the final prospectus in any case where such delivery is required by the Securities Act, if the Company has previously furnished copies thereof in sufficient quantity to the seller or the underwriters for such offering and the loss, claim, damage, liability, action or proceeding results from an untrue statement or omission of a material fact contained in the preliminary prospectus that was corrected in the final prospectus. The Company will reimburse each such indemnified party for any legal or any other expenses reasonably incurred by them in connection with enforcing its rights hereunder or under the underwriting agreement entered into in connection with such offering or investigating, preparing, pursuing or defending any such loss, claim, damage, liability, action or proceeding. Such indemnity shall remain in full force and effect regardless of any investigation made by such indemnified party and shall survive the transfer of such Registrable Securities by such seller. If the Company is entitled to, and does, assume the defense of the related action or proceedings provided herein, then the indemnity agreement contained in this Section 9.1 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, action or proceeding if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld or delayed). The Company shall also indemnify any underwriters of the Registrable Securities, their officers, directors and employees, and each person who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) to the same extent as provided above with respect to indemnification of the seller of Registrable Securities.

9.2. Indemnification by the Sellers. The Company may require, as a condition to including any Registrable Securities in any registration statement filed pursuant to Section 1.1 or 2 that the Company shall have received an undertaking reasonably satisfactory to it from each of the prospective sellers of such Registrable Securities to indemnify and hold harmless, severally, not jointly, in the same manner and to the same extent as set forth in Section 9.1, the Company, its directors, officers, employees, agents and each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Company, but only with respect to any written information furnished to the Company by such seller expressly for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement. (The Company and the holders of the Registrable Securities hereby acknowledge and agree that unless otherwise expressly agreed to in writing by such holders, the only information furnished or to be furnished to the Company for use in any registration statement or prospectus relating to the Registrable Securities or in any amendment, supplement or preliminary materials associated therewith are statements specifically relating to (a) transactions between such holder and its Affiliates, on the one hand, and the Company, on the other hand, (b) the beneficial ownership of shares of Common Stock by such holder and its Affiliates and (c) the name and address of such holder. If any additional information about such holder or the plan of distribution (other than for an underwritten offering) is required by law to be disclosed in any such document, then such holder shall not unreasonably withhold its agreement referred to in the immediately preceding sentence of this Section 9.2.) Such indemnity shall remain in full force and effect, regardless of any investigation made by or on behalf of the Company or any such director, officer or controlling Person and shall survive the transfer of such Registrable Securities by such seller. The indemnity agreement contained in this Section 9.2 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, action or proceeding if such settlement is effected without the consent of such seller (which consent shall not be unreasonably withheld or delayed). The indemnity provided by each seller of Registrable Securities under this Section 9.2 shall be limited in amount to the net amount of proceeds actually received by such seller from the sale of Registrable Securities pursuant to such registration statement giving rise to such liability.

9.3. Notices of Claims, etc. Promptly after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding paragraphs of this Section 9, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the indemnifying party of the commencement of such action or proceeding, provided that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 9, except to the extent that the indemnifying party is materially prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, the indemnifying party will be entitled to participate therein and to assume the defense thereof jointly with any other indemnifying party similarly notified, to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof except for the reasonable fees and expenses of any counsel retained by such indemnified party to monitor such action or proceeding. Notwithstanding the foregoing, if such indemnified party reasonably determines, based upon advice of independent counsel, that either a conflict of interest may exist between the indemnified party and the indemnifying party with respect to such action and that it is advisable for such indemnified party to be represented by separate counsel or that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party, such indemnified party may retain other counsel, reasonably satisfactory to the indemnifying party, to represent such indemnified party, and the indemnifying party shall pay all reasonable fees and expenses of such counsel. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of such indemnified party, which consent shall not be unreasonably withheld, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation. The rights accorded to any indemnified party hereunder shall be in addition to any rights that such indemnified party may have at common law, by separate agreement or otherwise.

9.4. Other Indemnification. Indemnification similar to that specified in the preceding paragraphs of this Section 9 (with appropriate modifications) shall be given by the Company and each seller of Registrable Securities with respect to any required registration (other than under the Securities Act) or other qualification of such Registrable Securities under any federal or state law or regulation of any governmental authority.

9.5. Indemnification Payments. Any indemnification required to be made by an indemnifying party pursuant to this Section 9 shall be made by periodic payments to the indemnified party during the course of the action or proceeding, as and when bills are received by such indemnifying party, with respect to an idemnifiable loss, claim, damage, liability or expense incurred by such indemnified party.

9.6. Other Remedies. If for any reason the foregoing indemnity is unavailable, or is insufficient to hold harmless an indemnified party, other than by reason of the exceptions provided therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such losses, claims, damages, liabilities, actions, proceedings or expenses in such proportion as is appropriate to reflect the relative benefits to and faults of the indemnifying party on the one hand and the indemnified party on the other in connection with the offering of Registrable Securities and the statements or omissions or alleged statements or omissions which resulted in such loss, claim, damage, liability, action, proceeding or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statements or omissions. No person guilty of fraudulent misrepresentation (within the meaning of Section 1 l(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. No party shall be liable for

contribution under this Section 9.6 except to the extent as such party would have been liable to indemnify under this Section 9 if such indemnification were enforceable under applicable law.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 9.6 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph.

10. Representations and Warranties. Each Stockholder, and in the case of the MCM Holding Distributees, the MCM Holding Distributees Majority acting on behalf of the MCM Holding Distributees, severally and not jointly, represents and warrants to the Company and each other Stockholder that:

(i) such Stockholder has the power, authority and capacity, (on in the case of any Stockholder that is a corporation, limited liability company or limited partnership, all corporate, limited liability company or limited partnership power and authority, as the case may be) to execute, deliver and perform this Agreement;

(ii) in the case of a Stockholder that is a corporation, limited liability company or limited partnership, the execution, delivery and performance of this Agreement by such Stockholder has been duly and validly authorized and approved by all necessary corporate, limited liability company or limited partnership action, as the case may be;

(iii) this Agreement has been duly and validly executed and delivered by such Stockholder and constitutes a valid and legally binding obligation of such Stockholder, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to creditors' rights generally and general principles of equity; and

(iv) the execution, delivery and performance of this Agreement by such Stockholder does not and will not violate the terms of or result in the acceleration of any obligation under (A) any material contract, commitment or other material instrument to which such Stockholder is a party or by which such Stockholder is bound, (B) in the case of a Stockholder that is a corporation, limited liability company or limited partnership, the certificate of incorporation, certificate of formation, certificate of limited partnership, by-laws, operating agreement or limited partnership agreement, as the case may be, or (C) any law, statute, regulation, order or decree applicable to such Stockholder.

11. Definitions. For purposes of this Agreement, the following terms shall have the following respective meanings:

Affiliate: (i) with respect to any Person, a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and (ii) with respect to any natural Person, (A) the spouse, parents and direct descendants of such Person, (B) the estate, testamentary trust, trustees, executors, administrators, legatees or testamentary beneficiaries of such Person, and (C) any trust established by such Person for the exclusive benefit of any of the foregoing Persons.

Affiliated Stockholder: with respect to CPII, CTW and the MCM Holding Distributees, each of their respective Affiliates, in each case, if and so long as it owns any Registrable Securities and has agreed in writing to be bound by the terms and conditions of this Agreement, a copy of which agreement shall have been delivered to the Company.
Board: the board of directors of the Company. Commission: the
Securities and Exchange Commission.

Common Stock: the Common Stock of the Company, par value $.01 per share, and any securities into which such Common Stock shall have been changed or any securities resulting from any reclassification of such Common Stock.

Exchange Act: the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

Majority Holders: as defined in Section 3(c).

MCM Holding Distributees Majority: at any time, the owners of at least 51% of the Registrable Securities then owned by the MCM Holding Distributees.
NASD: National Association of Securities Dealers, Inc. NASDAQ:
the Nasdaq National Market.

Permitted Transferee: as defined in Section 12.2 (and specifically including the distributees, if any, of CTW, upon a dissolution, termination or other disposition of CTW which results in a distribution of Registrable Securities or Warrants of CTW).

Person: an individual, corporation, partnership, limited liability company, joint venture, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality, thereof.

Registrable Securities: (i) with respect to CPII, the MCM Holding Distributees or their respective Permitted Transferees, the shares of Common Stock beneficially owned (within the meaning of Rule 13d-3 of the Exchange Act) by each of them (A) on June 30, 1999, and (B) issuable under, or issued upon exercise of, the warrants issued pursuant to that certain Warrant Agreement dated as of January 12, 2000, by and between the Company and Triarc Companies, Inc., and (ii) with respect to CTW or its Permitted Transferees, the shares of Common Stock, issued or issuable, under the Warrants. As to any particular shares of Common Stock, such securities shall cease to be Registrable Securities when (i) a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (ii) they shall have been sold to the public pursuant to Rule 144 under the Securities Act, (iii) they shall have been otherwise transferred other than to a Permitted Transferee and subsequent disposition of them shall not require registration or qualification of them under the Securities Act or any similar state law then in force or (iv) they shall have ceased to be outstanding.

Registration Expenses: all expenses incident to the Company's performance of or compliance with any registration pursuant to this Agreement, including, without limitation, (i) registration, filing and NASD fees, (ii) fees and expenses of complying with securities or blue sky laws, (iii) fees and expenses associated with listing securities on an exchange or NASDAQ, (iv) word processing, duplicating and printing expenses, (v) messenger and delivery expenses, (vi) transfer agents', trustees', depositories', registrars' and fiscal agents fees, (vii) fees and disbursements of counsel for the Company and of its independent public accountants, including the expenses of any special audits or "cold comfort" letters, (viii) reasonable fees and disbursements of any one counsel retained by the sellers of Registrable Securities, which counsel shall be designated in the manner specified in Section 3 and (ix) any fees and disbursements of underwriters customarily paid by issuers or sellers of securities, but excluding underwriting discounts and commissions and transfer taxes, if any.

Securities Act: the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

Stockholders: (i) CPII, CTW and each MCM Holding Distributee, in each case, (ii) each Affiliated Stockholder, and (iii) each Permitted Transferee, in any case, if and so long as it owns any Registrable Securities or Warrants.
Warrants: as defined in the Recitals to this Agreement.

12. Miscellaneous.

12.1. Rule 144. etc. If the Company shall have filed a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act relating to any class of securities, the Company will file the reports required to be filed by it under the

Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder, and will take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144 under the Securities Act, as such rule may be amended from time to time or (b) any successor rule or regulation hereafter adopted by the Commission. Upon the request of any holder of Registrable Securities, the Company will deliver to such holder a written statement as to whether it has complied with such requirements.

12.2. Successors. Assigns and Transferees. This Agreement shall be binding upon and insure to the benefit of the parties hereto and their respective predecessors and permitted assigns under this Section 12.2. Provided that an express assignment shall have been made, a copy of which shall have been delivered to the Company;, the provisions of this Agreement which are for the benefit of a holder of Registrable Securities or Warrants shall be for the benefit of and enforceable by any subsequent holder of any Registrable Securities or Warrants ("Permitted Transferees"), subject to the provisions respecting the minimum numbers or percentages of shares of Registrable Securities required or Warrants in order to be entitled to certain rights, or to take certain actions, contained herein.

12.3. Amendment and Modification. This Agreement may be amended, modified or supplemented by the Company with the written consent of CPII, CTW, the MCM Holding Distributees Majority and a majority (by number of shares) of any other holder of Registrable Securities whose interests would be adversely affected by such amendment in a manner different from the effect thereof on other Registrable Securities, provided that all Stockholders shall be notified of such amendment, modification or supplement.

12.4. Governing Law. This Agreement and the rights and obligations of the parties hereunder and the persons subject hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York, without giving effect to the choice of law principles thereof.

12.5. Invalidity of Provision. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision, in any other jurisdiction.

12.6. Notices. All notices, requests, demands, letters, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duty given if (a) delivered personally, (b) mailed, certified or registered mail with postage prepaid, (c) sent by next-day or overnight mail or delivery or (d) sent by fax, as follows:

(i) If to the Company, to it at:

MCM Capital Group, Inc.
5775 Roscoe Court
San Diego, California 92123
Attention: Chief Executive Officer
Telecopier No.: (858)309-6977

with a copy to:

MCM Capital Group, Inc.
5775 Roscoe Court
San Diego, California 92123
Attention: General Counsel
Telecopier No.: (858)309-6977

and a copy to:

Squire, Sanders & Dempsey L.L.P.
40 North Central Avenue, Suite 2700
Phoenix, Arizona 85004
Attention: Timothy W. Moser
Telecopier No.: (602) 253-8129

(ii) If to CPH, to it at:

C.P. International Investments Limited
2nd Floor, Block A, Russell Court
St. Stephen's Green
Dublin 2, Ireland
Attention: Managing Director
Telecopier No.: (011) (353) 475-6605

with a copy to:

Consolidated Press Holdings Limited
54-58 Park
Sydney, NSW 2000 Australia
Attention: Corporate Secretary
Telecopier No.: (011) (61) (2) 9267-2150

and a copy to

Debevoise & Plimpton
875 Third Avenue
New York, NY 10022
Attention: John M. Allen, Jr.
Telecopier No.: (212) 909-6836

(iii) If to any MCM Holding Distributee, to it at:

c/o Triarc Companies, Inc.
280 Park Avenue
New York, NY 10017
Attention: General Counsel
Telecopier No.: (212) 451 -3216

with a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison
1285 Avenue of the Americas
New York, NY 10019
Attention: Neale Albert, Esq. and Paul Ginsberg, Esq.
Telecopier No.: (212) 757-3990

(iv) If to CTW, to it at:

CTW Funding LLC
c/o Triarc Companies, Inc.
280 Park Avenue
New York, NY 10017
Attention: Brian Schorr
Telecopier No.: (212) 451 -3216

with a copy to:

Triarc Companies, Inc.
280 Park Avenue
New York, NY 10017
Attention: General Counsel
Telecopier No.: (212) 451-3216

and a copy to:

Debevoise & Plimpton
875 Third Avenue New York, NY 10022
Attention: John M. Allen, Jr.
Telecopier No.: (212) 909-6836

or to such other person or address as any party shall specify by notice in writing to the Company. All such notices, requests, demands, letters, waivers and other communications shall be deemed to have been received (w) if by personal delivery on the day after such delivery, (x) if by certified or registered mail, on the eighth business day after the mailing thereof, (y) if by next-day or overnight mail or delivery, on the day delivered or (z) if by fax, on the next day following the day on which such fax was sent, provided that a copy is also sent by certified or registered mail.

12.7. Headings; Execution in Counterparts. The headings and captions contained herein are for convenience and shall not control or affect the meaning or construction of any provision hereof. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and which together shall constitute one and the same instrument.

12.8. Injunctive Relief. Each of the parties recognizes and agrees that money damages may be insufficient and, therefore, in the event of a breach of any provision of this Agreement the aggrieved party may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin the continuing breach of this Agreement. Such remedies shall, however, be cumulative and not exclusive, and shall be in addition to any other remedy which such party may have.

12.9. Term. This Agreement shall be effective as of the date hereof and shall continue in effect thereafter until the earlier of (a) its termination by the consent of the parties hereto or their respective successors in interest, (b) the date on which no Registrable Securities remain outstanding, and (c) the date on which the Requesting Parties have collectively exhausted their respective rights to request registrations under Section 1.1 and all remaining Registrable Securities are subject to immediate resale by the holder thereof without regard to volume limitation pursuant to paragraph (k) of Rule 144 under the Securities Act; provided, that after the date on which the Requesting Parties have collectively exhausted their respective rights to request registrations under Section 1.1, the rights and obligations under this Agreement of any individual holder of Registrable Securities shall terminate if and when all of such holder's Registrable Securities are subject to immediate resale without regard to volume limitation pursuant to paragraph (k) of Rule 144 under the Securities Act.

12.10. Further Assurances. Subject to the specific terms of this Agreement, each of the Company and the Stockholders shall make, execute, acknowledge and deliver such other instruments and documents, and take all such other actions, as may be reasonably required in order to effectuate .the purposes of this Agreement and to consummate the transactions contemplated hereby.

12.11. Restatement of First Registration Rights Agreement: Entire Agreement. This Agreement amends and restates in its entirety the First Registration Rights Agreement. This Agreement is intended by the parties hereto as a final expression of their agreement and intended to be a complete and exclusive statement of their agreement and understanding in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

(Remainder of Page Intentionally Left Blank)

IN WITNESS WHEREOF this Agreement has been signed by each of the parties hereto, and shall be effective as of the date first above written.

MCM CAPITAL GROUP, INC.

By: /s/ Carl C. Gregory, III

Name: Carl C. Gregory III
Title: President

MCM HOLDING DISTRIBUTEES MAJORITY Triarc Companies, Inc.

By: /s/ John L. Barnes, Jr
Name: John L. Barnes, Jr.
Its: EVP and CFO

By: /s/ Nelson Peltz
Name: Nelson Peltz

By: /s/ Peter W. May
Name: Peter W. May

C.P. INTERNATIONAL INVESTMENTS LIMITED

By: /s/David John Barnett
Name: David John Barnett
Title: Director

CTW FUNDING, LLC

By: /s/ Brian L.Schorr
Name: Brian L.Schorr Title: Manager

SCHEDULE A
MCM HOLDING DISTRIBUTEES

Madison West Associates Corp. Nelson Peltz Children's Trust Jonathan P. May 1998 Trust Leslie A. May 1998 Trust
Eric D. Kogan
Edward Garden
John L. Barnes, Jr.
JPAH Holdings, LLC
Brian L. Schorr
Stuart 1. Rosen
James A. Knight
Alex Lemond

Exhibit 4.3

FIRST AMENDMENT TO AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

This FIRST AMENDMENT TO AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT ("Amendment") is dated as of March 13, 2001, among MCM CAPITAL GROUP, INC., a Delaware corporation ("Company"). C.P. INTERNATIONAL INVESTMENTS LIMITED, a Bahamian company (together with its Affiliated Stockholders, "CPII"). CTW FUNDING, LLC, a Delaware limited liability company ("CTW"), and the MCM Holding Distributees Majority (together with each of the persons whose names are listed on Schedule A hereto and their respective Affiliated Stockholders, if any, the "MCM Holding Distributees").

FACTUAL BACKGROUND

A. Under the Credit and Security Agreement dated as of October 31, 2000 (the "Credit Agreement"). CTW agreed to make available to Midland Credit Management, Inc., a Kansas corporation ("Midland") a revolving credit facility upon the terms and conditions set forth therein.

B. To induce CTW to enter into the Credit Agreement, Company and CTW entered into the Warrant Agreement dated as of October 31, 2000 (the "Warrant Agreement") by and between Company and CTW.

C. To induce CTW to enter into the First Amendment to Credit Agreement, dated as of March 13, 2001 (the "Credit Amendment"), among Midland, CTW, Company and Midland Acquisition Corporation, Company has agreed (i) to issue to CTW, warrants to purchase up to an additional 200,000 shares of Common Stock; 50,000 to be issued on the date of each Renewal Notice (as defined in the Credit Amendment) and (ii) to grant certain registration rights to CTW with respect to the Common Stock underlying the Warrants.

D. The parties to this Amendment are parties to that certain Amended and Restated Registration Rights Agreement, dated as of October 31, 2000 (the "Registration Rights Agreement"), and it is a condition of the execution and delivery by CTW of the Credit Amendment that the Company enter into this Amendment. (Capitalized terms used herein without definition have the meanings given to them in the Registration Rights Agreement.)

AGREEMENT

Therefore, the parties hereto agree as follows:

1. Modification of Registration Rights Agreement. The Registration Rights Agreement is hereby amended as follows:

(a) Warrant Agreement. Section 11 of the Registration Rights Agreement is hereby amended by adding the following definition:

> "Warrant Agreement" means, notwithstanding the definition contained in the Recitals of this Agreement, that certain Warrant Agreement, dated October 31, 2000 between the Company and CTW, as amended, supplemented or otherwise modified from time to time.

(b) Warrants. The definition of 'Warrants" in Section 11 is hereby amended by replacing such definition with the following definition:

> "Warrants" means, notwithstanding the definition contained in the Recitals of this Agreement, the warrants to purchase Common Stock issued by the Company to CTW pursuant to the Warrant Agreement.

2. Incorporation. This Amendment shall form a part of the Registration Rights Agreement, and all references hereafter to the Registration Rights Agreement in any document executed in connection with the Registration Rights Agreement shall mean the Registration Rights Agreement as hereby modified.

3. No Impairment. Except as specifically hereby amended, the Registration Rights Agreement shall remain unaffected by this Amendment and shall remain in full force and effect.

4. Integration. The Registration Rights Agreement and this Amendment: (a) integrate all the terms and conditions mentioned in or incidental to the Registration Rights Agreement and this Amendment; (b) supersede all oral negotiations and prior and other writings with respect to their subject matter; and (c) are intended by the parties as the final expression of the agreement with respect to the terms and conditions set forth in those documents and as the complete and exclusive statement of the terms agreed to by the parties. If there is any conflict between the terms, conditions and provisions of this Amendment and

those of any other agreement or instrument, including any of the Loan Documents (as defined in the Credit Agreement), the terms, conditions and provisions of this Amendment shall prevail.

5. Miscellaneous. This Amendment and any attached consents or exhibits requiring signatures may be executed in counterparts, and all counterparts shall constitute but one and the same document. If any court of competent jurisdiction determines any provision of this Amendment or the Registration Rights Agreement to be invalid, illegal or unenforceable, that portion shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal or unenforceable portion had never been a part of this Amendment or the Registration Rights Agreement. As used here, the word "include(s)" means "includes(s), without limitation," and the word "including" means "including, but not limited to."

6. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to its principles or rules of conflict of laws to the extent such principles or rules would require or permit the application of the laws of another jurisdiction.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

MCM CAPITAL GROUP, INC.

By: /s/ Timothy W. Moser
Name: Timothy W. Moser
Title: Executive Vice President

CTW FUNDING, LLC

By: /s/ Brian L. Schorr
Name: Brian L. Schorr
Title: Manager

MCM HOLDING DISTRIBUTEES MAJORITY

Triarc Companies, Inc.

By: /s/ John L. Barnes, Jr.
Name: John L. Barnes, Jr.
Title: Executive Vice President

By: /s/____Nelson Peltz_____
Name: Nelson Peltz

By: /s/____Peter W. May_____
Name: Peter W. May

C.P. INTERNATIONAL INVESTMENTS LIMITED

By: /s/ David John Barnett
Name: David John Barnett
Title: Director

SCHEDULE A
MCM HOLDING DISTRIBUTEES

Madison West Associates Corp.

Nelson Peltz Children's Trust

Jonathan P. May 1998 Trust

Leslie A. May 1998 Trust

Eric D. Kogan

Edward Garden

John L. Barnes, Jr.

JPAH Holdings, LLC

Brian L. Schorr

Stuart 1. Rosen

James A. Knight

Alex Lemond

WARRANT AGREEMENT

dated as of December 20, 2000

between

MCM CAPITAL GROUP, INC.

and

CFSC CAPITAL CORP. VIII

for
Warrants to Purchase up to
621,576 shares of Common Stock

WARRANT AGREEMENT

This WARRANT AGREEMENT, dated as of December 20, 2000 (this "Agreement"), is entered into by and between MCM Capital Group, Inc., a Delaware corporation (the "Company"), and CFSC Capital Corp. VIII, a Delaware corporation ("Lender").

RECITALS:

A. MRC Receivables Corporation, a Delaware corporation ("Midland"), and a wholly-owned subsidiary of the Company, has requested a $75,000,000 revolving credit facility from Lender pursuant to terms of that certain Credit Agreement dated as of December 20, 2000 (the "Credit Agreement") in order to acquire certain consumer debt accounts.

B. To induce Lender to enter into the Credit Agreement, the Company has agreed to issue to Lender, warrants to purchase up to 621,576 shares of common stock, $0.01 par value per share, of the Company (the "Common Stock"), exercisable in accordance with the terms and provisions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements and covenants hereinafter set forth and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01. CERTAIN DEFINED TERMS. Unless the context otherwise requires, the following terms, when used in this Agreement, shall have the respective meanings specified below:

"Affiliate" shall mean (i) with respect to any Person, a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and (ii) with respect to any natural Person, (A) the spouse, parents and direct descendants of such Person, (B) the estate, testamentary trust, trustees, executors, administrators, legatees or testamentary beneficiaries of such Person, and (C) any trust established by such Person for the exclusive benefit of any of the foregoing Persons.

"Agreement" or "this Agreement" shall have the meaning specified in the preamble to this Agreement.

"Board" shall mean the board of directors of the Company.

"Borrowing Date" shall have the meaning specified in the Credit Agreement.
"Closing Date" shall have the meaning specified in the Credit Agreement.
"Common Stock" shall have the meaning specified in the recitals to this Agreement. "Company" shall have the meaning specified in the preamble to this Agreement.
"Credit Agreement" shall have the meaning specified in the recitals to this Agreement.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"Exercise Price" shall have the meaning specified in Section 3.01.

"Expiration Date" shall mean sixty (60) months following the date on which any Warrants first become exercisable pursuant to Section 3.02 in this Agreement.

"Facility" shall have the meaning specified in the Credit Agreement.

"Fair Market Value" shall mean, with respect to any shares of Common Stock as of any date of determination: (i) if such shares of Common Stock are not Publicly Traded, the fair value of such shares of Common Stock (A) as determined reasonably and in good faith in the most recently completed arm's-length transaction between the Company and an unaffiliated third party in which such determination is necessary and the closing of which shall have occurred within the six months preceding such date of determination, or (B) if no such transaction shall have occurred within such six-month period, then as determined in accordance with the Valuation Criteria reasonably and in good faith by an Independent Financial Expert appointed by the Board and consented to by Lender (such consent not to be unreasonably withheld); or (ii) if such shares of Common Stock are Publicly Traded, the Market Price of such shares of Common Stock on the trading day immediately preceding such date of determination.

"Holders" shall mean the registered holders from time to time of the Warrants and, unless otherwise provided or indicated herein, the registered holders from time to time of the Underlying Common Stock.

"Independent Financial Expert" shall mean a nationally recognized investment banking firm (i) that does not (and whose directors, officers, employees and affiliates do not) have a direct or indirect financial interest in the Company or any of its Affiliates, and (ii) that is not, and none of whose directors, officer, employees or Affiliates are, at the time it is called upon to render independent financial advice to the Company, a promoter, director or officer of the Company or any of its Affiliates or an underwriter or placement agent with respect to any of the securities of the Company or any of its Affiliates, nor have the Company or any such directors, officers, employees or Affiliates acted in such capacity during the three year period prior thereto.

"Lender" shall have the meaning specified in the preamble to this Agreement.

"Market Price" shall mean, with respect to any shares of Common Stock that are Publicly Traded, for any specified trading day, (i) in the case of shares of Common Stock listed or admitted to trading on any securities exchange or on the Nasdaq National Market or the Nasdaq SmallCap Market, the average closing price, or if no sale takes place on that day, the average of the closing bid and asked prices, for the ten (10) trading days prior to the specified date, (ii) in the case of shares of Common Stock not then listed or admitted to trading on any securities exchange or on the Nasdaq National Market or the Nasdaq SmallCap Market, the average last reported sale price, or if no sale takes place on that day, the average of the closing bid and asked prices, for the ten (10) trading days prior to the specified date, as reported by a reputable quotation source designated by the Company, and (iii) if there are no bid and asked prices reported during the ten (10) trading days prior to the specified date, the Fair Market Value of such shares of Common Stock as determined as if such shares of Common Stock were not Publicly Traded.

"Person" shall mean any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization or other entity or any government or political subdivision, agency or instrumentality thereof, as well as any syndicate or group that would be deemed to be a person under Section 13(d)(3) of the Exchange Act.

"Publicly Traded" shall mean, relative to any security, that such security is (i) listed on a domestic securities exchange, (ii) quoted on the Nasdaq National Market or the Nasdaq SmallCap Market, or (iii) traded in the domestic over-the-counter market, which trades are reported on the OTC Bulletin Board or reported by the National Quotation Bureau, Incorporated.

"Rights" shall mean any "poison pill" or similar shareholder rights issued pursuant to a "poison pill" shareholder rights plan or similar plan.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"Taxes" shall mean all transfer, stamp, documentary and other similar taxes, assessments or charges levied by any governmental or revenue authority in respect hereof in respect of any Warrant or any Warrant Certificate, excluding, however, franchise taxes and taxes, assessments or charges levied or imposed on or measured by the net income or receipts of any Person.

"Underlying Common Stock" shall mean the shares of Common Stock issuable or issued upon the exercise of the Warrants.

"Valuation Criteria" shall mean one or more valuation methods that the Independent Financial Expert or the Board, as the case may be, in its professional or reasonable business judgment, as the case may be, determines to be most appropriate for use in determining the Fair Market Value of any securities for which such determination is required pursuant to this Agreement.

"Warrant Certificates" shall have the meaning specified in Section 2.01 of this Agreement.

"Warrants" shall mean the warrants issued to Lender as contemplated by this Agreement and the Credit Agreement.

ARTICLE II
ORIGINAL ISSUE OF WARRANTS; TRANSFER

Section 2.01. FORM OF WARRANT CERTIFICATES. The Warrants shall be evidenced by certificates in registered form only and substantially in the form attached hereto as Exhibit A (the "Warrant Certificates"). The Warrant Certificates shall be dated the date on which such certificates were signed by the Company and may have such legends and endorsements typed, stamped, printed, lithographed or engraved thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law or with any rule or regulation applicable thereto, with any rule or regulation of any securities exchange or association on which the Warrants may be listed, or to conform to customary usage.

Section 2.02. EXECUTION AND DELIVERY OF WARRANT CERTIFICATES. A Warrant Certificate evidencing Warrants to purchase up to 621,576 shares of Common Stock, subject to Section 3.02 herein, shall be executed by the Company and delivered to Lender on the Closing Date. The Warrant Certificates shall be executed on behalf of the Company by one or more duly authorized officers of the Company.

Section 2.03. TRANSFER OF WARRANTS.

(a) Subject to clause (b) of this Section 2.03 and provided that all other conditions regarding the transfer of the Warrants set forth in this Agreement have been satisfied, each Warrant and the rights thereunder may be transferred by the Holder thereof by delivering to the Company the Warrant Certificate evidencing such Warrant accompanied by a properly completed assignment form (a form of which is attached to the form of Warrant Certificate attached as Exhibit A to this Agreement). Within ten (10) Business Days of receipt of such assignment form, the Company shall issue and deliver to the transferee, subject to clause (b) below, a Warrant Certificate of like kind and tenor representing the transferred Warrants and to the transferor a Warrant Certificate of like kind and tenor representing any Warrants evidenced by such original certificate that are not being transferred. Each Warrant Certificate issued pursuant to this Section 2.03 shall be substantially in the form of Exhibit A to this Agreement and shall bear the restrictive legends set forth thereon (unless, with respect to the legend regarding transfer under applicable securities laws, the Holder or transferee thereof supplies to the Company an opinion of counsel, reasonably satisfactory to the Company, that the restrictions described in such legend are no longer applicable to such Warrants).

(b) The transfer of Warrants shall be permitted only pursuant to a transaction that complies with, or is exempt from, the provisions of the Securities Act and any applicable

provisions of state securities laws. The Company may require an opinion of counsel, reasonably satisfactory to the Company, to such effect prior to the transfer of any Warrant.

ARTICLE III
EXERCISE PRICE; EXERCISE OF WARRANTS GENERALLY

Section 3.01. EXERCISE PRICE. The Holder of each Warrant Certificate, subject to the provisions of this Agreement, is entitled to purchase one share of Common Stock for each Warrant represented thereby at an exercise price of $1.00 per share, subject to adjustment as set forth in Article IV hereof (the "Exercise Price").

Section 3.02. EXERCISE OF WARRANTS. Subject to the terms and conditions set forth herein, the Warrants to purchase 621,576 shares of Common Stock are not immediately exercisable, but will become exercisable, if ever, in four tranches in the following manner:

(a) Warrants to purchase 155,394 shares of Common Stock become immediately exercisable on the first Borrowing Date;

(b) Warrants to purchase an additional 155,394 shares of Common Stock become immediately exercisable on the date on which Midland has drawn an aggregate of at least $22,500,000 against the Facility;

(c) Warrants to purchase an additional 155,394 shares of Common Stock become immediately exercisable on the date on which Midland has drawn an aggregate of at least $45,000,000 against the Facility; and

(d) Warrants to purchase an additional 155,394 shares of Common Stock become immediately exercisable on the date on which Midland has drawn an aggregate of at least $67,500,000 against the Facility.

Section 3.03. EXPIRATION OF WARRANTS. The Warrants shall terminate and become void as of the close of business on the Expiration Date.

Section 3.04. METHOD OF EXERCISE.

(a) To exercise a Warrant, the Holder thereof must surrender the Warrant Certificate evidencing such Warrant to the Company, with a duly executed Form of Election to Purchase, a form of which is attached hereto, and pay the Exercise Price for each share of Underlying Common Stock as to which Warrants are then being exercised in full to the Company (i) by wire transfer of immediately available funds, or (ii) by certified or official bank check, or (iii) by any combination of the foregoing. A Holder may exercise such Warrant for the number of shares of Underlying Common Stock issuable upon exercise thereof as set forth in Section 3.02, or any lesser number of whole shares of Underlying Common Stock. In the alternative, the Holder of a Warrant Certificate may exercise its right to purchase all or a portion of the shares of Underlying Common Stock subject to such Warrant Certificate, on a net basis,

such that, without the exchange of any funds, such Holder receives that number of shares of Common Stock subscribed to pursuant to such Warrant Certificate less that number of shares of Common Stock having an aggregate Fair Market Value at the time of exercise equal to the aggregate Exercise Price that would otherwise have been paid by such Holder for the number of shares of Common Stock or fraction thereof subscribed to pursuant to such Warrant Certificate (hereinafter, a "Net Cashless Exercise").

(b) Not later than the fifth Business Day following the later of (i) surrender of any of the Warrant Certificates in conformity with the foregoing provisions, or (ii) payment by the Holder of the full Exercise Price for the shares of Underlying Common Stock as to which such Warrants are then being exercised, the Company shall transfer to the Holder of such Warrant Certificate appropriate evidence of ownership of any shares of Underlying Common Stock or other securities or property (including any money) to which the Holder is entitled, registered or otherwise placed in, or payable to the order of, such name or names as may be directed in writing by the Holder, and shall deliver such evidence of ownership and any other securities or property (including any money) to the person or persons entitled to receive the same, together with an amount in cash in lieu of any fraction of a share as provided in Section 4.04. If such Warrant Certificate is not exercised in full, the Company will issue to the Holder a new Warrant Certificate exercisable for the number of shares of Underlying Common Stock as to which such Warrant has not been exercised. Underlying Common Stock issued upon exercise of a Warrant in the name of any person other than the registered holder of the Warrant shall be subject to Sections 5.03 and 5.04 of this Agreement.

(c) Each person in whose name any certificate representing shares of Underlying Common Stock is issued shall for all purposes be deemed to have become the holder of record of such shares of Underlying Common Stock on the date on which the Warrant Certificate was surrendered to the Company and payment of the Exercise Price therefor was received by the Company, irrespective of the date of delivery of such certificate representing shares of Underlying Common Stock.

Section 3.05. CANCELLATION OF WARRANTS. The Company shall cancel any Warrant Certificate delivered to it for exercise, in whole or in part, or delivered to it for transfer, exchange or substitution, and no Warrant Certificates shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Agreement. The Company shall destroy canceled Warrant Certificates. If the Company shall acquire any of the Warrants, such acquisition shall not operate as a redemption or termination of the right represented by such Warrants unless and until the Warrant Certificates evidencing such Warrants are surrendered to the Company for cancellation.

ARTICLE IV
ADJUSTMENTS

Section 4.01. ADJUSTMENTS. The Exercise Price and the number of shares of Common Stock issuable upon exercise of each Warrant shall be subject to adjustment from time to time as follows:

(a) Stock Dividends; Stock Splits; Reverse Stock Splits; Reclassifications. In the event that the Company shall (i) pay a dividend or make any other distribution with respect to its Common Stock in shares of its capital stock, (ii) subdivide its outstanding Common Stock, (iii) combine its outstanding Common Stock into a smaller number of shares, or (iv) issue any shares of its capital stock in a reclassification of the Common Stock (including any such reclassification in connection with a merger, consolidation or other business combination in which the Company is the continuing corporation), then immediately prior to the record date for such dividend or distribution, or the effective date of such subdivision or combination, the Exercise Price and the number of shares of Common Stock issuable upon exercise of each Warrant shall be adjusted so that the Holder of each Warrant shall thereafter be entitled to receive the kind and number of shares of Common Stock or other securities of the Company that such Holder would have owned or have been entitled to receive after the happening of any of the events described above had such Warrant been exercised immediately prior to the happening of such event or any record date with respect thereto, at an Exercise Price at which the Holder would pay, in the aggregate, for the adjusted number of shares of Common Stock, the same amount the Holder would have had to pay prior to the adjustment for the unadjusted number of shares of Common Stock. An adjustment made pursuant to this Section 4.01 (a) shall become effective immediately after the effective date of such event retroactive to the record date, if any, for such event,

(b) Issuance of Common Stock, Rights, Options or Warrants at Lower Values.

(i) In the event that the Company shall issue or sell shares of Common Stock, or rights, options, warrants or other securities convertible or exchangeable into shares of Common Stock, or containing the right to subscribe for or purchase shares of Common Stock, at a price per share of Common Stock (determined in the case of such rights, options, warrants or convertible or exchangeable securities, by dividing (x) the total amount of Consideration receivable by the Company in respect of the issuance and sale of such rights, options, warrants or convertible or exchangeable securities, plus the total Consideration, if any, payable to the Company upon exercise, conversion or exchange thereof, by (y) the total number of shares of Common Stock covered by such rights, options, warrants or convertible or exchangeable securities) that is lower than the then Fair Market Value per share of the Common Stock immediately prior to such sale or issuance, then the Exercise Price shall be adjusted immediately thereafter by multiplying the Exercise Price in effect immediately prior to such issuance or sale by a fraction, of which:

(1) the numerator shall be the number of shares of Common Stock outstanding immediately prior to such issuance or sale plus the number of additional shares of Common Stock the aggregate Consideration receivable by or payable to the Company as described in 4.01(b)(i) above would purchase at the Fair Market Value per share on the date of such issuance or sale; and

(2) the denominator shall be the number of shares Common Stock outstanding immediately prior to such issuance or sale plus the number of additional shares of Common Stock offered for subscription or purchase (including, in the case of rights, options, warrants or convertible or exchangeable securities, the total number of

shares of Common Stock covered by such rights, options, warrants or convertible or exchangeable securities).

(ii) Upon an adjustment of the Exercise Price pursuant to 4.01(b)(i) above, each Warrant shall then be exercisable for that number of shares of Common Stock (calculated to the nearest hundredth of a share) equal to the product of the number of shares of Common Stock purchasable immediately prior to such adjustment multiplied by the Exercise Price in effect immediately prior to such adjustment and dividing that product by the Exercise Price in effect immediately after such adjustment.

(iii) In the event that the Company shall issue or sell shares of Common Stock or rights, options, warrants or convertible or exchangeable securities containing the right to subscribe for or purchase shares of Common Stock, for consideration consisting in whole or in part, of property other than cash or its equivalent, then in determining the "price per share of Common Stock" and the "Consideration" receivable by or payable to the Company for purposes of this Section 4.01, the Board shall determine, in good faith, the fair value of such property. In the event that the Company shall issue and sell rights, options, warrants or convertible or exchangeable securities containing the right to subscribe for or purchase shares of Common Stock, together with one or more other securities as part of a unit at a price per unit, then to determine the "price per share of Common Stock" and the "Consideration" receivable by or payable to the Company for purposes of this Section 4.0 1, the Board shall determine, in good faith, the fair value of the rights, options, warrants or convertible or exchangeable securities then being sold as part of such unit.

(iv) Notwithstanding anything herein to the contrary, the provisions of this Section 4.01(b) shall not apply to any of the following:

(A) the grant or issuance of restricted stock, options or other similar rights issued pursuant to employee stock option plans, directors stock option plans or similar plans providing for options or other similar rights to purchase Common Stock covering in the aggregate not in excess of 20% of the fully-diluted shares of Common Stock issued and outstanding from time to time, or the issuance of shares upon exercise of any such options or other similar rights;

(B) the issuance of shares upon the exercise of options, warrants, convertible or exchangeable securities, or similar securities that are convertible into Common Stock in accordance with their terms, that are issued and outstanding as of the date of this Agreement;

(C) the issuance of any additional Warrants under this Agreement;

(D) the issuance of any Rights;

(E) the issuance of shares of capital stock pursuant to any stock dividend, stock split or other distribution in respect of outstanding shares; and

(F) the issuance of Common Stock or securities convertible into Common Stock pursuant to an underwritten offering (including, without limitation, any such securities issued pursuant to the underwriters' overallotment option).

(c) Issuance of Rights. In the event that the Company shall distribute any Rights prior to the exercise or expiration of the Warrants, the Company shall make proper provision so that each Holder who exercises a Warrant after the record date for such distribution and prior to the expiration or redemption of the Rights shall be entitled to receive upon such exercise, in addition to the shares of Common Stock issuable upon such exercise, a number of Rights determined as follows: (A) if such exercise occurs on or prior to the date fixed for the distribution to the holders of Rights of separate securities evidencing such Rights, the same number of Rights to which a holder of a number of shares of Common Stock equal to the number of shares of Underlying Common Stock issuable upon such exercise would have been entitled at the time of such exercise in accordance with the terms and provisions applicable to the Rights, and (B) if such exercise occurs after such distribution date, the same number of Rights to which a holder of the number of shares of Underlying Common Stock into which the Warrant so exercised was exercisable immediately prior to such distribution date would have been entitled on the distribution date in accordance with the terms and provisions applicable to the Rights.

(d) Expiration Of Rights, Options and Conversion Privileges. Upon the expiration of any rights, options, warrants or conversion or exchange privileges that have previously resulted in an adjustment pursuant to Section 4.01(b), if any thereof shall not have been exercised, the Exercise Price and the number of shares of Common Stock issuable upon the exercise of each Warrant, upon such expiration, will be readjusted and shall thereafter, upon any future exercise, be such as they would have been had they been originally adjusted (or had the original adjustment not been required, as the case may be) as if (i) the only shares of Common Stock so issued were the shares of Common Stock, if any, actually issued or sold upon the exercise of such rights, options, warrants or conversion or exchange rights and (ii) such shares of Common Stock, if any, were issued or sold for the Consideration actually received by the Company upon such exercise plus the Consideration, if any, actually received by the Company for issuance, sale or grant of all such rights, options, warrants or conversion or exchange rights whether or not exercised.

(e) De Minimis Adjustments. No adjustment in the number of shares of Common Stock issuable hereunder shall be required unless such adjustment would require an increase or decrease of at least one percent in the number of shares of Common Stock purchasable upon an exercise of each Warrant; provided, however, that any adjustments which by reason of this Section 4.01(e) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations shall be made to the nearest one-tenth of a share.

Section 4.02. DETERMINATION OF ADJUSTMENT. Whenever there is an adjustment to the Exercise Price or the number of shares of Common Stock issuable upon the exercise of each Warrant, as herein provided, a certificate of an officer of the Company setting forth the number of shares of Common Stock issuable upon the exercise of each Warrant, and the adjusted Exercise Price, if applicable, after such adjustment, setting forth a brief statement of the facts requiring such adjustment and setting forth the computation by which such adjustment was

made (in reasonable detail), shall, absent demonstrable error, be conclusive evidence of such adjustment. The Company shall be entitled to rely on such for the provisions of this Section 4.04, be issuable on the exercise of any Warrant (or specified portion thereof), the Company shall pay an amount in cash calculated by it to be equal to the certificate and shall exhibit the same from time to time to any Holder desiring an inspection thereof during normal business hours.

Section 4.03. STATEMENT ON WARRANTS. Irrespective of any adjustment in the Exercise Price or the number

or kind of shares issuable upon the exercise of the Warrants, certificates evidencing Warrants theretofore or thereafter issued may continue to express the same price and number and kind of shares as are stated in the Warrants initially issuable pursuant to this Agreement.

Section 4.04. FRACTIONAL INTEREST. The Company shall not be required to issue fractional shares of Common Stock on the exercise of Warrants. If more than one Warrant shall be presented for exercise in full at the same time by the same Holder, the number of full shares of Common Stock which shall be issuable upon such exercise thereof shall be computed on the basis of the aggregate number of shares of Common Stock issuable on exercise of the Warrants so presented. If any fraction of a share of Common Stock would, except then Fair Market Value per share of Common Stock multiplied by such fraction computed to the nearest whole cent.

ARTICLE V
ADDITIONAL AGREEMENTS

Section 5.01. WARRANT TRANSFER BOOKS.

(a) The Warrant Certificates shall be issued in registered form only. The Company shall keep at its executive office a register in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Warrant Certificates and of transfers or exchanges of Warrant Certificates as herein provided.

(b) Every Warrant Certificate surrendered for registration of transfer or exchange shall (if so required by the Company) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company, duly executed by the Holder thereof or his attorney duly authorized in writing.

Section 5.02. NO STOCKHOLDER RIGHTS. Prior to the exercise of the Warrants, no holder of a Warrant Certificate, as such, shall be entitled to vote or be deemed the holder of Common Stock or any other securities of the Company which may at any time be issuable on the exercise hereof, nor shall anything contained herein be construed to confer upon any holder of a Warrant Certificate, as such, the rights of a stockholder of the Company or the right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action, to exercise any preemptive right, to receive notice of meetings or other actions affecting stockholders (except as specifically provided herein), or to receive dividends or subscription rights or otherwise.

Section 5.03. RESTRICTIONS ON TRANSFER. The Holder of any Warrant Certificate, by acceptance thereof, acknowledges and agrees that without limitation of the obligations set forth in Section 5.07, it shall be a condition precedent to any transfer of the Warrant that each proposed transferee execute and deliver to the Company the documentation required by such Section 5.07.

Section 5.04. NO REGISTRATION OF WARRANTS OR UNDERLYING COMMON STOCK UNDER SECURITIES LAWS; OTHER REGULATORY FILINGS.

(a) Neither the Warrants nor the Underlying Common Stock have been registered under the Securities Act or any state securities laws.

(b) The Holder of any Warrant Certificate, by acceptance thereof, represents that it is acquiring the Warrants to be issued to it for its own account and not with a view to the distribution thereof, and agrees not to sell, transfer, pledge or hypothecate any Warrants or any Underlying Common Stock unless (i) such transfer is made in connection with an effective registration statement under the Securities Act and any applicable state securities laws or (ii) such transaction is exempt from the registration requirements of the Securities Act, the rules and regulations in effect thereunder and any applicable state securities laws and, if requested by the Company, the Holder thereof has furnished the Company a satisfactory opinion of counsel for such Holder to such effect.

(c) Each Holder of Warrants also hereby acknowledges that any exercise of the Warrants may be subject to the filing requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and agrees to make any such required filings prior to any such exercise.

Section 5.05. RESERVATION OF COMMON STOCK FOR ISSUANCE ON EXERCISE OF WARRANTS. The Company shall at all times reserve and keep available, out of its authorized but unissued Common Stock, solely for the purpose of issue upon exercise of Warrants as herein provided, such number of shares of Common Stock as shall then be issuable upon the exercise of all outstanding Warrants. All shares of Common Stock which shall be so issuable shall, upon such issue and upon payment of the exercise price therefor as provided herein and in the applicable Warrant Certificate, be duly and validly issued and fully paid and non-assessable.

Section 5.06. PAYMENT OF TAXES. The Company shall pay all Taxes that may be imposed on the Company or on the Warrants or on any securities deliverable upon exercise of Warrants with respect thereto. The Company shall not be required, however, to pay any Taxes or other charges imposed in connection with any transfer of any certificate for shares of Common Stock or other securities underlying the Warrants or payment of cash, to any person other than the Holder of a Warrant Certificate surrendered upon the exercise or purchase of a Warrant.

Section 5.07. CERTAIN PERSONS TO EXECUTE AGREEMENT. Without in any way limiting any transfer restrictions contained elsewhere herein, no Holder shall sell or

otherwise transfer any Warrants held by such Holder, unless, prior to the consummation of any such sale or other disposition, the person to whom such sale or other disposition is proposed to be made executes and delivers to the Company an agreement, in form and substance satisfactory to the Company, whereby such prospective transferee confirms that, with respect to the Warrants that are the subject of such sale or other disposition, it shall be deemed to be a "Holder" for the purposes of this Agreement and agrees to be bound by all the terms of this Agreement. Upon the execution and delivery by such prospective transferee of such agreement, and subject to all applicable transfer restrictions, such prospective transferee shall be deemed a "Holder" for the purposes of this Agreement, and shall have the rights and be subject to the obligations of a Holder hereunder with respect to the Warrants held by such prospective transferee.

Section 5.08. PRIOR NOTICE OF DIVIDENDS. If the Company declares a dividend distribution to the holders of the Company's Common Stock at any time there are outstanding Warrants held by the Holder that are then exercisable, the Company will give the Holders notice of the declaration of the dividend at least thirty days prior to the date on which the Company determines the dividend is to be paid. Such notice shall be sent to the Holders in accordance with Section 6.02 below.

Section 5.09. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company represents and warrants to the

Holders that as of the date of this Agreement:

(i) The Company is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its incorporation, and has the requisite corporate power and authority to own and operate its properties and to carry on its business as now conducted.

(ii) The Company has full power and authority (including full corporate power and authority) to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement has been duly authorized by all necessary action on the part of Company. This Agreement has been duly executed and delivered by the Company. This Agreement constitutes the valid and legally binding obligation of the Company, enforceable in accordance with its terms and conditions, except as such enforceability may be limited by applicable laws relating to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting creditors' rights generally or by general equitable principles and rules of law governing specific performance or estoppel, and except to the extent that injunctive or other equitable relief is within the discretion of a court of competent jurisdiction.

(iii) The Company is authorized to issue 50,000,000 shares of Common Stock, $0.01 par value, and 5,000,000 shares of preferred stock, $.01 par value. As of December 19, there were outstanding 7,191,131 shares of Common Stock, no shares of preferred Stock, and warrants to purchase 578,571 shares of Common Stock, excluding the Warrants.

(iv) The Underlying Common Stock, when issued in accordance with the terms and provisions of this Agreement, will be duly authorized, validly issued, fully paid and nonassessable.

. ARTICLE VI
MISCELLANEOUS

Section 6.01. EXPENSES. All costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Company.

Section 6.02. NOTICES. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, or by courier service, cable, telecopy, telegram, or registered or certified mail (postage prepaid, return receipt requested) to the respective parties hereto at their addresses set forth on the signature pages to this Agreement (or at such other address for a party hereto as shall be specified in a notice given in accordance with this Section 6.02).

Section 6.03. HEADINGS. The descriptive headings contained in this Agreement are for convenience of reference only and shall not affect in any way the meaning, construction or interpretation of this Agreement.

Section 6.04. SEVERABILITY. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

Section 6.05. MUTILATED OR MISSING WARRANT CERTIFICATES. If any Warrant Certificate is lost, stolen, mutilated or destroyed, the Company in its discretion may issue, in exchange and substitution for and upon cancellation of the mutilated Warrant Certificate, or in lieu of and substitution for the Warrant Certificate lost, stolen or destroyed, and upon receipt of a proper affidavit or other evidence satisfactory to the Company (and surrender of any mutilated Warrant Certificate) and bond of indemnity in form and amount and with corporate surety satisfactory to the Company in each instance protecting the Company, a new Warrant Certificate of like tenor and exercisable for an equivalent number of shares of Common Stock as the Warrant Certificate so lost, stolen, mutilated or destroyed. Any such new Warrant Certificate shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant Certificate at any time shall be enforceable by anyone. An applicant for such a substitute Warrant Certificate also shall comply with such other reasonable regulations and pay such other reasonable charges as the Company may prescribe. All Warrant Certificates shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement of lost, stolen, mutilated or destroyed Warrant Certificates, and shall preclude any and all other rights or remedies

notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement of negotiable instruments or other securities without their surrender.

Section 6.06. ENTIRE AGREEMENT. This Agreement and the documents referred to herein constitute the entire agreement of the parties hereto with respect to the subject matter hereof and supersede all prior agreements and undertakings, both written and oral, between or among the parties with respect to the subject matter hereof.

Section 6.07. NO THIRD PARTY BENEFICIARIES. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, whether express or implied, is intended to or shall confer upon any person other than the parties hereto and their respective successors and permitted assigns, any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Agreement.

Section 6.08. AMENDMENT; WAIVER. This Agreement may not be amended, modified, supplemented or waived except by an instrument in writing signed by, or on behalf of, the Company and holders of more than 50% of the outstanding Warrants or, in the case of a waiver, the party to be bound thereby (which, in the case of the Holders of the Warrants, shall require Holders of more than 50% of the outstanding Warrants).

Section 6.09. GOVERNING LAW. IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS AGREEMENT AND THE OBLIGATIONS OF EACH PARTY ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO CONTRACTS EXECUTED IN AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICT OF LAWS.

Section 6.10. COUNTERPARTS. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

Section 6.11. SPECIFIC PERFORMANCE. Each Holder shall have the right to specific performance by the Company of the provisions of this Agreement, in addition to any other remedies that it may have at law or in equity. The Company hereby irrevocably waives, to the extent that it may do so under applicable law, any defense based on the adequacy of a remedy at law which may be asserted as a bar to the remedy of specific performance in any action brought against the Company for specific performance of this Agreement by the Holders of the Warrants or the Underlying Common Stock.

Section 6.12. FILINGS. The Company shall, at its own expense and to the extent it is reasonably able to do so, promptly execute and deliver, or cause to be executed and delivered, to any Holder of Warrants all applications, certificates, instruments and other documents that such Holder may reasonably request in connection with the obtaining of any consent, approval.

qualification or authorization of any Federal, state or local government (or any agency or commission thereof) necessary or appropriate in connection with, or for the effective exercise of, any Warrants then held by such Holder, in each case subject to such confidentiality obligations as the Company may reasonably impose on such Holder; provided, however, that the Company shall not be required to qualify to do business in, or provide a general consent to service of process in, any jurisdiction in which it is not already qualified to do business and shall not be required to register the Warrants or the Underlying Common Stock under any Federal or state securities laws except as otherwise required under any registration rights agreement (or similar agreement) to which the Company may be a party from time to time.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

MCM CAPITAL GROUP, INC.

By: /s/ Carl C. Gregory III
Name: Carl C. Gregory III,
Title: President

CFSC CAPITAL CORP. VIII

By: /s/ Greggory S. Haugen
Name:____Greggory S. Haugen_____
Title:_____Vice President_____

EXHIBIT A
[FORM OF WARRANT CERTIFICATE]

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF, AND NO REGISTRATION OF TRANSFER OF SUCH SECURITIES WILL BE MADE ON THE BOOKS OF THE ISSUER, UNLESS (i) SUCH TRANSFER IS MADE IN CONNECTION WITH AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT

AND ANY APPLICABLE STATE SECURITIES LAWS OR (ii) SUCH TRANSACTION IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED, THE RULES AND REGULATIONS IN EFFECT THEREUNDER AND ANY APPLICABLE STATE SECURITIES LAWS AND, IF REQUESTED BY THE COMPANY, THE HOLDER THEREOF HAS FURNISHED THE COMPANY A SATISFACTORY OPINION OF COUNSEL FOR SUCH HOLDER TO SUCH EFFECT.

THE SECURITIES EVIDENCED BY THIS CERTIFICATE AND THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS SET FORTH IN A WARRANT AGREEMENT, DATED AS OF DECEMBER _, 2000, AS THEREAFTER AMENDED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME, COPIES OF WHICH ARE ON FILE AT THE PRINCIPAL EXECUTIVE OFFICES OF THE ISSUER. NO REGISTRATION OF TRANSFER OF SUCH SECURITIES WILL BE MADE ON THE BOOKS OF THE ISSUER UNLESS AND UNTIL SUCH RESTRICTIONS SHALL HAVE BEEN COMPLIED WITH.

MCM CAPITAL GROUP, INC.

WARRANT CERTIFICATE
Dated as of_____,_____

WARRANTS TO PURCHASE _____ SHARES OF COMMON STOCK

Certificate No._____
Number of Warrants: _____

MCM CAPITAL GROUP, INC., a corporation organized and existing under the laws of the State of Delaware (the "Company"), hereby certifies that, for value received, CFSC CAPITAL CORP. VIII or its registered assigns, is the registered holder of the number of Warrants set forth above (the "Warrants"). Each Warrant shall entitle the registered holder thereof (the "Holder"), subject to the provisions contained herein and in the Warrant Agreement
dated as of December_____, 2000 (as thereafter amended, modified or supplemented, the "Warrant Agreement") by and between the Company and the Lender (as defined therein), to receive from

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the Company one share of Common Stock, par value $0.01 per share, of the Company ("Common Stock") at an exercise price of $1.00 per share, subject to adjustment upon the occurrence of certain events as more fully described in Article IV of the Warrant Agreement. The Warrants shall be exercisable in the manner described in Article III of the Warrant Agreement and shall terminate and become void as of the close of business on the Expiration Date, as such term is defined in the Warrant Agreement.

This Warrant Certificate is issued under and in accordance with the Warrant Agreement, and is subject to the terms and provisions contained in the Warrant Agreement, to all of which terms and provisions the Holder of this Warrant Certificate consents by acceptance hereof, which applicable terms and provisions are hereby incorporated herein by reference and made a part hereof. Reference is hereby made to the Warrant Agreement for a full statement of the respective rights, limitations of rights, duties and obligations thereunder of the Company and the Holders of the Warrants.

The Exercise Price and the number of shares of Common Stock issuable upon the exercise of each Warrant, is subject to adjustment as provided in the Warrant Agreement.

All shares of Common Stock issuable by the Company upon the exercise of Warrants shall, upon such issuance and upon payment of the Exercise Price in accordance with the terms set forth in the Warrant Agreement, be duly and validly issued and fully paid and non-assessable.

In order to exercise a Warrant, the Holder hereof must surrender this Warrant Certificate at the office of the Company, with the Form of Election to Purchase attached hereto appropriately completed and duly executed by the Holder hereof, all subject to the terms and conditions hereof and of the Warrant Agreement.

All capitalized terms used in this Warrant Certificate that are not defined herein shall have the meanings assigned to them in the Warrant Agreement.

Copies of the Warrant Agreement are on file at the office of the Company and may be obtained by writing to the Company at MCM Capital Group, Inc., 5775 Roscoe Court, San Diego, California 92123, Attention: Secretary.

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IN WITNESS WHEREOF, the Company has caused this Warrant Certificate to be executed by its officers thereunto duly authorized as of the date first written above.

MCM CAPITAL GROUP, INC.

By:_____
Name: Carl C. Gregory III
Title: President

FIFTH AMENDMENT TO NET INDUSTRIAL LEASE

THIS FIFTH AMENDMENT TO NET INDUSTRIAL LEASE (the "First Amendment") is made and entered into as of the 14th day of November, 2000, by and between SOFI IV-SPM PORTFOLIO VII, L.L.C., a Delaware limited liability company, hereinafter referred to as "Landlord", and MIDLAND CREDIT MANAGEMENT, INC., a Kansas corporation, hereinafter referred to as "Tenant".

WITNESSETH:

WHEREAS, Landlord, and Tenant entered into that certain Net Industrial Lease dated as of November 19, 1997, as amended by the First Amendment to Net Industrial Lease dated September 1, 1998, the Second Amendment to Net Industrial Lease dated September 1, 1998, the Third Amendment to Net Industrial Lease dated September 1, 1998, and the Fourth Amendment to Net Industrial Lease dated February 1, 1999 (collectively the "Lease"), for the lease of certain space located at the Premises known as 4310 East Broadway Road, Phoenix, Arizona 85040;

WHEREAS, Tenant has caused to be constructed that certain wall on the north side of the Premises (the "Wall"), as depicted in Exhibit "A" attached hereto and by this reference incorporated herein, for the purposes of establishing a playground for a children's day-care center;

WHEREAS, the Wall encroaches upon a right-of-way and an easement;

WHEREAS, Landlord and Tenant intend to amend the Lease to reflect that any and all liability resulting from the Wall is the liability of the Tenant; and

NOW, THEREFORE, in consideration of One Dollar ($1.00) and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. Recitals. The recitals as stated above are incorporated herein and made a binding part of this Fifth Amendment and the Lease hereof.

2. Tenant Liability. Tenant assumes all risk of loss and liability associated or related to the Wall whether direct or indirect, including without limitation, any and all damages incurred by third parties as a result of or related to the presence of the Wall. Further, in the event the Wall is requested by Landlord or its successors and assigns, to be removed or is otherwise required to be removed, or Tenant vacates or abandons the Premises (collectively the "Removal Event"), Tenant shall, within thirty (30) days, remove the Wall and restore the Premises to its pre-existing condition at Tenant's sole cost and expense. In the event Tenant fails or refuses to remove the Wall within thirty (30) days of a Removal Event, Tenant shall pay Landlord Twenty Five Thousand Dollars ($25,000.00) to cover Landlord's costs and expenses incurred in removal of the Wall. Failure by Tenant to make such payment to Landlord for the removal of the Wall shall be an Event of Default under the Lease. Tenant assumes all risk of damage to property, including without limitation the Premises, or injury to persons, in or about the Premises arising from any cause directly or indirectly related to the Wall and Tenant waives all such claims against Landlord.

3. Indemnification. Tenant shall indemnify and hold harmless Landlord, its agents and employees, for, from and against any and all liabilities, losses, and claims arising from or in connection with (a) Tenant's use of the Premises and the Wall; and (b) any liability or damages incurred by Tenant, whether direct or indirect, or third parties relating to or resulting from the construction of the Wall. Tenant shall defend Landlord against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim, action or proceeding. In case any action or proceeding is brought against Landlord by reason of a claim, Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel satisfactory to Landlord in Landlord's sole discretion.

4. Effective Date. The effective date of this Fifth Amendment shall be November 14, 2000.

5. All capitalized words not defined herein shall have the same meaning as set forth in the Lease.

6. Remaining Lease Terms. Except as expressly amended by this Fifth Amendment, all terms, covenants, provisions, and conditions of the Lease as amended shall remain in full force and effect. In the event of any conflict between the provisions of this Fifth Amendment and the Lease, the provisions of the Fifth Amendment shall control.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the day and year first above written.

LANDLORD:

SOFI IV-SPM PORTFOLIO VII,
a Delaware limited liability company

By: SOFI IV-SPM MARICOPA, L.P.,
a Delaware limited partnership,
its sole member

By: SOFI IV ARIZONA, INC.,
a Maryland corporation,
as General Partner

_____

Mark Grumley
Vice President

TENANT:

MIDLAND CREDIT MANAGEMENT, INC.,
a Kansas corporation

By: /s/ J. Brandon Black

_____

J. Brandon Black
Its Executive Vice President

ACKNOWLEDGMENT OF LIMITED GUARANTY

The undersigned refers to (i) the Limited Guaranty, dated August 28, 1998, executed by the undersigned in favor of Bank of America, N.A., formerly known as NationsBank, N.A., and (ii) the Limited Guaranty, dated September 25, 1998, executed by the undersigned in favor of Bank of America, N.A., formerly known as NationsBank, N.A. (collectively, the "Guaranties"), pursuant to which the undersigned guaranteed the repayment of the Liabilities (as defined in the Guaranties) with respect to certain Notes (as defined in each of the Guaranties) executed by Midland Credit Management Inc. to the order of NationsBank, N.A. and in the aggregate original principal amount of $15,000,000. The undersigned acknowledges and confirms that (A) the Seventh Amended and Restated Promissory Note, dated April 10, 2003, executed by Midland Credit Management Inc. to the order of Bank of America, N.A. and in the original principal amount of $5,000,000 (the "New Note"), constitutes a renewal and extension of the Notes, (B) any reference to "Note" in a Guaranty shall mean the New Note, as amended or otherwise modified from time to time, and (C) each Guaranty shall remain in full force and effect with respect to the New Note and is hereby ratified and confirmed in all respects. For the avoidance of doubt, this Acknowledgment and all other substantially similar acknowledgments by additional guarantors dated on or about the date hereof relating to the New Note collectively acknowledge guaranties of an aggregate of $5,000,000 plus accrued and unpaid interest.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment to be executed as of and effective as of the 15 day of April, 2003.

Witnessed By:

/s/ Stuart Rosen_____
Stuart Rosen
_____
Print Name and Title

Guarantor:

/s/ Peter W. May_____ (Seal)
Peter W. May
_____
Print Individual's Name

Individual Acknowledgment

State of New York_____)
)
County of New York_____)

This instrument was acknowledged before me on April 15, 2003, by _____Peter W. May_____.
(Guarantor)

(Seal)

/s/ Stefanie A. Firtell_____
_____
Notary Public
in and for the State of New York

June 10, 2006
_____
My Commission Expires

Stefanie A. Firtell
_____
Print Name of Notary

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment to be executed as of and effective as of the __ day of April, 2003.

Witnessed By:
_____

_____
Print Name and Title

Guarantor:
_____ (Seal)

_____
Print Individual's Name

Corporate or Partnership Guarantor:

TRIARC COMPANIES, INC.
(Name of Corporation, Partnership, etc.)

By: /s/ Francis T. McCarron_____(Seal)

Name: Francis T. McCarron_____

Title: Senior Vice President Chief Financial Officer

/s/ Stuart Rosen
_____
Attest (If Applicable)

[Corporate Seal]

Corporate Acknowledgment

State of New York _____)
)
County of New York _____)

This instrument was acknowledged before me on _April 15_____, 2003, by Francis T. McCarron, Senior V.P.-Chief Financial Officer of Triarc Companies, Inc., a ___Delaware_____ corporation, on behalf of said corporation.

(Seal)

/s/ Stefanie A. Firtell_____
_____
Notary Public
in and for the State of New York

June 10, 2006
_____
My Commission Expires

Stefanie A. Firtell
_____
Print Name of Notary

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment to be executed as of and effective as of the 15 day of April, 2003.

Witnessed By:

/s/ Stuart Rosen_____
Stuart Rosen

_____
Print Name and Title

Guarantor:

/s/ Nelson Peltz_____ (Seal)
Nelson Peltz

_____
Print Individual's Name

Individual Acknowledgment

State of New York_____)
)
County of New York _____)

This instrument was acknowledged before me on April 15, 2003, by _____Nelson Peltz_____.
(Guarantor)

(Seal)

/s/ Stefanie A. Firtell_____
Notary Public
in and for the State of New York

June 10, 2006
My Commission Expires

Stefanie A. Firtell
Print Name of Notary

ACKNOWLEDGMENT OF LIMITED GUARANTY

The undersigned refers to the Limited Guaranty, dated September 25, 1998, executed by the undersigned in favor of Bank of America, N.A., formerly known as NationsBank, N.A. (the "Guaranty"), pursuant to which the undersigned guaranteed the repayment of the Liabilities (as defined in the Guaranty) with respect to certain Notes (as defined in the Guaranty) executed by Midland Credit Management Inc. in favor of NationsBank, N.A. in the aggregate original principal amount of $15,000,000, in each case subject to the limitations set forth in paragraph 1 of the Guaranty (the "Guaranty Limit"). The undersigned acknowledges and confirms that (A) the Seventh Amended and Restated Promissory Note, dated April 10, 2003, executed by Midland Credit Management Inc. to the order of Bank of America, N.A. and in the original principal amount of $5,000,000 (the "New Note"), constitutes a renewal and extension of the Notes, (B) any reference to "Note" in the Guaranty shall mean the New Note, as amended or otherwise modified from time to time, and (C) the Guaranty shall remain in full force and effect with respect to the New Note and is hereby ratified and confirmed in all respects. For the avoidance of doubt, this Acknowledgment and all other substantially similar acknowledgments by additional guarantors dated on or about the date hereof relating to the New Note collectively acknowledge guaranties of an aggregate of $5,000,000 plus accrued and unpaid interest.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment to be executed as of and effective as of the __ day of April, 2003.

Witnessed By:

_____
_____
Print Name and Title

Guarantor:

_____(Seal)
_____
Print Individual's Name

Corporate or Partnership Guarantor:

CONSOLIDATED PRESS HOLDINGS LTD.
(Name of Corporation, Partnership, etc.)

By: /s/ G. A. Cubben_____ (Seal)

Name: G. A. Cubben

Title: Director

/s/ R. B. Davis, Company Secretary_____

_____
Attest (If Applicable)

[Corporate Seal]

Corporate Acknowledgment

State of _____)
)
County of _____)

This instrument was acknowledged before me on _____, 2003, by _____, _____ of _____, a _____ corporation, on behalf of said corporation.

(Seal)

_____
Notary Public
in and for the State of

_____
My Commission Expires

_____
Print Name of Notary

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment to be executed as of and effective as of the __ day of April, 2003.

Witnessed By:

/s/ D. Ward

D. Ward, P.A. to Major Frazer

Print Name and Title

Guarantor:

/s/ Peter Nigel Stewart Frazer_____(Seal)

Peter Nigel Stewart Frazer

Print Individual's Name

Individual Acknowledgment

State of_____)
)
County of _____)

This instrument was acknowledged before me on _____, 2003, by .
(Guarantor)

(Seal)

_____
Notary Public
in and for the State of_____

My Commission Expires

Print Name of Notary

ACKNOWLEDGMENT OF LIMITED GUARANTY

The undersigned refers to the Limited Guaranty, dated July 15, 1999, executed by the undersigned in favor of Bank of America, N.A. (the "Guaranty"), pursuant to which the undersigned guaranteed the repayment of the Liabilities (as defined in the Guaranty) with respect to a Note (as defined in the Guaranty) executed by Midland Credit Management Inc. in favor of Bank of America, N.A. in the aggregate original principal amount of $15,000,000. The undersigned acknowledges and confirms that (A) the Seventh Amended and Restated Promissory Note, dated April 10, 2003, executed by Midland Credit Management Inc. to the order of Bank of America, N.A. and in the original principal amount of $5,000,000 (the "New Note"), constitutes a renewal and extension of the Note, (B) any reference to "Note" in the Guaranty shall mean the New Note, as amended or otherwise modified from time to time, and (C) the Guaranty shall remain in full force and effect with respect to the New Note and is hereby ratified and confirmed in all respects. For the avoidance of doubt, this Acknowledgment and all other substantially similar acknowledgments by additional guarantors dated on or about the date hereof relating to the New Note collectively acknowledge guaranties of an aggregate of $5,000,000 plus accrued and unpaid interest.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment to be executed as of and effective as of the __ day of April, 2003.

Witnessed By:

_____
_____
Print Name and Title

Guarantor:

_____ (Seal)
_____
Print Individual's Name

Corporate or Partnership Guarantor:

ENCORE CAPITAL GROUP, INC.
(Name of Corporation, Partnership, etc.)

By: /s/ Barry R. Barkley_____(Seal)

Name: Barry R. Barkley_____

Title: EVP and CFO_____

_____
Attest (If Applicable)

[Corporate Seal]

Corporate Acknowledgment

State of California_____)
)
County of San Diego_____)

This instrument was acknowledged before me on April 10____, 2003, by _Barry Barkley_____, EVP & CFO_____ of Encore Capital Group, Inc._____, a ___Delaware_____ corporation, on behalf of said corporation.

/s/ Siobhan MacIver
_____
Notary Public
in and for the State of California

(Seal)

July 13, 2008
_____
My Commission Expires

_____

ACKNOWLEDGMENT OF LIMITED GUARANTY

The undersigned refers to the Limited Guaranty, dated July 15, 1999, executed by the undersigned in favor of Bank of America, N.A. (the "Guaranty"), pursuant to which the undersigned guaranteed the repayment of the Liabilities (as defined in the Guaranty) with respect to a Note (as defined in the Guaranty) executed by Midland Credit Management Inc. in favor of Bank of

America, N.A. in the aggregate original principal amount of $15,000,000. The undersigned acknowledges and confirms that (A) the Seventh Amended and Restated Promissory Note, dated April 10, 2003, executed by Midland Credit Management Inc. to the order of Bank of America, N.A. and in the original principal amount of $5,000,000 (the "New Note"), constitutes a renewal and extension of the Note, (B) any reference to "Note" in the Guaranty shall mean the New Note, as amended or otherwise modified from time to time, and (C) the Guaranty shall remain in full force and effect with respect to the New Note and is hereby ratified and confirmed in all respects. For the avoidance of doubt, this Acknowledgment and all other substantially similar acknowledgments by additional guarantors dated on or about the date hereof relating to the New Note collectively acknowledge guaranties of an aggregate of $5,000,000 plus accrued and unpaid interest.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment to be executed as of and effective as of the 16th day of April, 2003.

Witnessed By:

/s/ Lydia Jasso_____
_____
_____
Print Name and Title

Guarantor:

/s/ Franklin I. Chandler_____ (Seal)
_____
Franklin I. Chandler
_____
Print Individual's Name

Corporate or Partnership Guarantor:

CHANDLER FAMILIY LIMITED PARNERSHIP
(Name of Corporation, Partnership, etc.)

By:_____ (Seal)

Name:_____

Title: Partner_____

_____
Attest (If Applicable)

[Corporate Seal]

Corporate Acknowledgment

State of_____)
)
County of_____)

This instrument was acknowledged before me on April 16_____, 2003, by _____, _____ of _____, a _____ corporation, on behalf of said corporation.

(Seal)

/s/ Lydia Jasso_____
Notary Public
in and for the State of Kansas

10-30-03
_____
My Commission Expires
My Commission Expires

Lydia Jasso
_____
Print Name of Notary
Print Name of Notary

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgment to be executed as of and effective as of the __ day of April, 2003.

Witnessed By:
_____
_____
Print Name and Title

Guarantor:
_____ (Seal)
Frankllin Chandler_____
Print Individual's Name

Individual Acknowledgment

State of _____)
)
County of _____)

This instrument was acknowledged before me on _____, 2003, by .
(Guarantor)

(Seal)

_____
Notary Public
in and for the State of_____

_____
My Commission Expires

_____
Print Name of Notary

Exhibit 10.3

[***] TEXT OMITTED AND FILED SEPARATELY
CONFIDENTIAL TREATMENT REQUESTED

- ---

SERVICING AGREEMENT

Dated as of January 29, 1998

Among

WEST CAPITAL FINANCIAL SERVICES CORP.

As the Servicer

WEST CAPITAL RECEIVABLES CORPORATION I

As the Borrower

And

NORWEST BANK MINNESOTA, NATIONAL ASSOCATION

As the Collateral Agent

- ---

[***] Omitted pursuant to a request for confidential treatment. The omitted material
has been filed separately with the Securities and Exchange Commission.

SERVICING AGREEMENT

Dated as of January 29, 1998

WEST CAPITAL FINANCIAL SERVICES CORP., a California corporation ("WestCap", and, in its capacity as servicer hereunder, together with its successors and permitted assigns, the "Servicer"), WEST CAPITAL RECEIVABLES CORPORATION I, a California corporation (the "Borrower"), and NORWEST BANK MINNESOTA, NATIONAL ASSOCIATION, a national banking association, as collateral agent (in such capacity, together with its successors and permitted assigns, the "Collateral Agent") agree as follows:.

W I T N E S S E T H:

WHEREAS, the Borrower has entered into a Credit Agreement, dated as of January 29, 1998 (as it may from time to time be amended, supplemented, or modified, the "Credit Agreement") with Daiwa Finance Corporation (the "Lender") and WestCap, pursuant to which the Lender will make advances ("Advances") to the Borrower from time to time secured, in part by the Designated Receivables (as hereinafter defined); and

WHEREAS, the Borrower has requested the Servicer to undertake the collection and servicing responsibilities in respect of the Designated Receivables, all upon the terms and subject to the conditions hereinafter set forth; and

WHEREAS, it is a condition precedent to the obligation of the Lender to make Advances under the Credit Agreement that the Borrower, the Servicer and the Collateral Agent shall have executed and delivered this Servicing Agreement;

NOW, THEREFORE, to induce the Lender to make the Advances, the Borrower and the Servicer hereby agree with the Collateral Agent for the benefit of the Secured Parties (as hereinafter defined) as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. Unless otherwise defined herein, terms used herein shall have the meanings specified in the Credit Agreement or the Security Agreement; as used in this Agreement, the following terms shall have the following meanings:

"Account Agreement" means an agreement pursuant to which a Receivable was incurred.

"Agreement" means this Servicing Agreement, as it may from time to time be amended, supplemented or otherwise modified in accordance with the terms hereof

"Indemnified Amount" has the meaning specified in Section 5.09.

"Indemnified Parties" has the meaning specified in Section 5.09.

"Monthly Servicer Report" means a report of the Servicer in the form of Exhibit A hereto.

"Put-Back Period" means, with respect to any Portfolio, the time period (as specified in the Bank Agreement pursuant to which such Portfolio was purchased) during which the Borrower may require the Selling Bank to repurchase Designated Receivables in such Portfolio as a result of a breach of representations or warranties or because they do not meet eligibility standards.

"Servicing Fee'' has the meaning specified in Section 2.02. The Servicing Fee shall be reduced by the applicable percentage (as set forth in Section 2.02) of any Collections with respect to which the Servicing Fee has already been paid which Collections are subsequently reversed for insufficient funds or similar reasons.

"Servicer Termination Event" has the meaning specified in Section 4.01.

Section 1.02 General. The words "herein," "hereof," "hereunder," and other words of similar import refer to this Agreement as a whole, including the Schedules and Exhibits hereto, as the same may from time to time be amended or supplemented, and not to any particular section, subsection or clause contained in this Agreement. References herein to an Exhibit, Schedule, Section, subsection or clause refer to the appropriate Exhibit or Schedule to, or Section, subsection or clause in this Agreement. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, the feminine and the neuter.

ARTICLE II

SERVICING AND ADMINISTRATION

Section 2.01 Servicing.

(a) The Servicer shall manage, collect and administer all Designated Receivables, shall exercise all discretionary powers involved in such management, collection and administration and shall, except as otherwise specified in this Agreement, bear all costs and expenses incurred in connection therewith that may be necessary or advisable and permitted for carrying out the transactions contemplated by this Agreement, all in accordance with the Collection Policies and

Procedures and the other terms and conditions of this Agreement, including, without limitation, determining whether and where to bring legal actions against Obligors, including arranging with appropriate attorneys for the bringing of such legal action and collecting judgments secured by such attorneys. The Servicer shall have full power and authority, acting alone or through any party properly designated by it, to do any and all things in connection with such servicing, and administration which it may deem necessary or desirable; provided, however, that the Servicer shall exercise the same degree of care that it exercises in handling similar matters for its own account and will create and administer policies and practices consistent with the policies and practices applied with respect to its own receivables. The Servicer shall comply at all times in all material respects with its policies, practices, procedures and internal controls in effect at such time with respect to the servicing and collection of the Designated Receivables. The Servicer's management, collection and administration of the Designated Receivables hereunder shall comply in all material respects with all applicable Requirements of Laws. All servicing activities hereunder by the Servicer and its employees shall be conducted from the Servicer's offices at 5775 Roscoe Court, San Diego, CA or at such other locations as to which the Collateral Agent is provided 30 days' advance written notice.

(b) On the Initial Closing Date, the Lockbox, the Lockbox Account, the Receivables Revenue Account and the Receivables Purchase Account shall each have been established to the satisfaction of the Collateral Agent. Except as set forth in the Collection Policies and Procedures, the Servicer shall instruct Obligors making payments on Designated Receivables to direct all such payments to the Lockbox.

(c) Except during the continuance of a Servicer Termination Event, the Servicer shall deposit all Collections received by it from time to time in the Lockbox Account as promptly as possible following receipt thereof, but in no event later than the Business Day following such receipt. All Collections received by the Servicer will, pending remittance to the Lockbox Account, be held in trust by the Servicer for the benefit of the Collateral Agent.

(d) Funds representing Collections on deposit in the Lockbox Account shall be disbursed by the Lockbox Bank in accordance with the Security Agreement. In no event shall the Servicer have any right to make any withdrawals or transfers of Collections from the Lockbox Account except as specified in this Agreement.

(e) Subject to Article IV, the obligation of the Servicer to service the Designated Receivables is personal to the Servicer

and shall not be assignable by the Servicer without the prior written consent of the Lender, which approval the Lender may withhold in its sole and absolute discretion, and the parties recognize that it would be difficult for any other Person to perform such obligations. Accordingly, the Servicer's obligation to service the Designated Receivables hereunder shall be specifically enforceable and shall be absolute and unconditional in all circumstances, including, without limitation, after any termination of this Agreement until the appointment of a successor servicer.

(f) The Servicer's method of compensating its employees who will be assigned to collection of the Designated Receivables (including any incentive programs) is set forth on Exhibit B hereto. The Servicer shall notify the Borrower and the Lender at least seven days prior to any change in such method. Compensation levels shall be set by the Servicer in its sole discretion.

(g) The Servicer shall maintain, at its sole expense, an errors and omissions policy and a general comprehensive liability policy, each with a financially sound and reputable insurer acceptable to the Lender. Such errors and omissions policy shall insure the Servicer for not less than $ 1,000,000 per occurrence and $5,000,000 in the aggregate and shall name the Collateral Agent for the benefit of the Secured Parties as an additional insurer or loss payee with respect to the Servicer's indemnification obligations hereunder. The Servicer shall provide to the Collateral Agent and the Lender, on the Initial Closing Date and from time to time thereafter upon any change in or renewal of such errors and omissions policy, an original certificate of insurance evidencing such policy. The Servicer shall not take any action to cancel or terminate such policy unless a substantially similar policy is in effect providing the same coverage. The Servicer shall instruct its insurance carrier to notify the Borrower, the Lender and the Collateral Agent concurrently with the delivery of any notice regarding the termination or cancellation by the issuer of such policy.

(h) The Servicer shall create, on its system, computerized records for all of the Designated Receivables, which records shall include all of the information delivered to the Servicer by the Borrower or a Selling Bank on each Closing Date and which records, from and after the Closing Date, shall become the property of the Borrower, subject to the lien and security interest of the Collateral Agent (for the benefit of the Secured Parties) under the Security Agreement, and shall be updated by the Servicer from time to time. When a Portfolio is delivered by the Borrower to the Servicer for servicing hereunder, the Servicer shall, by not later than the end of the Put-Back Period, identify Designated Receivables which are subject to repurchase under the Bank Agreement related to such Portfolio and promptly deliver to the Selling Bank, with copies to the Borrower, the Lender and the Collateral Agent, a magnetic tape or diskette (accompanied by a hard-copy printout) identifying such Designated Receivables and all other documentation required to effectuate such repurchase under such Bank Agreement. In addition, the Servicer shall handle all correspondence and communications from Obligors in a manner similar to that in which it handles the same with respect to its own receivables.

(i) In performing its services hereunder, the Servicer shall (a) use the name of the Selling Bank only to the extent permitted under the relevant Bank Agreement and (b) report all Designated Receivables to the relevant credit bureau as being owned by the Borrower.

(j) In accordance with the Collection Policies and Procedures, the Servicer shall offer Obligors the opportunity to enter into Rewritten Receivables as a means of repaying their obligations. Notwithstanding that the Servicer shall be the nominal party to the Rewritten Receivables, all right, title and interest thereto shall be the exclusive property of the Borrower subject to the lien and security interest of the Collateral Agent. Immediately upon execution of any Rewritten Receivable, the Servicer shall affix thereto a legend clearly stating that all right, title and

interest thereto shall be the exclusive property of the Borrower subject to the lien and security interest of the Collateral Agent. On the last Business Day of each month, or at such other time as is requested by the Lender, the Servicer shall deliver the original of each Rewritten Receivable to the Collateral Agent.

Section 2.02 Servicing Compensation. As sole compensation (except as specifically set forth herein) for its servicing activities hereunder and reimbursement (except as specifically set forth herein) for certain of its expenses as set forth herein, the Servicer shall be entitled to receive a servicing fee (the “Servicing Fee”) in an amount equal to [***%] of all Collections received by the Servicer and deposited into the Lockbox Account; provided, however, that the Servicing Fee shall not be payable with respect to (a) any Collections to the extent that they are a result of repurchase of Designated Receivables by a Selling Bank or indemnity payments from a Selling Bank, (b) the proceeds of any Disposition of Designated Receivables deemed to be “uncollectible” under the Collection Policies and Procedures or (c) the proceeds of any Securitization Transaction involving Designated Receivables. The Servicing Fee shall be paid solely as and to the extent set forth in Section 6 of the Security Agreement.

Except as otherwise specified herein, the Servicer's expenses include all expenses
incurred by the Servicer in connection with its activities hereunder. The Servicer shall be required to pay such expenses for its own account and shall not be entitled hereunder to any payment or reimbursement therefore other than the Servicing Fee.

Section 2.03 Representations and Warranties. The Servicer hereby makes the following representations and warranties on which the Lender has relied in making the Advances to the Borrower:

(a) Organization and Good Standing. The Servicer is a corporation duly organized, validly existing and in good standing under the laws of the State of California, and has full corporate power, authority and the legal right to own its properties and conduct its business as now conducted, and to execute, deliver and perform its obligations under this Agreement and each other Program Document to which it is a Party.

(b) Due Qualification. The Servicer (i) is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction where such qualification is necessary in order to perform its duties hereunder if the failure to be so qualified would have a Material Adverse Effect, (ii) has obtained all licenses and approvals as required under federal and state law that are necessary to perform its duties hereunder, except where the failure to obtain such license or approval does not materially adversely affect its ability to perform its obligations hereunder and has no reasonable likelihood of resulting in any material liability to the Borrower, the Lender or the Collateral Agent and (iii) is in compliance with its certificate of incorporation and bylaws.

(c) Due Authorization. The execution, delivery and performance of this Agreement and each Program Document to which it is a party by the Servicer have been duly

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

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authorized by all necessary corporate action on its part and do not and will not contravene any provision of its certificate of incorporation or bylaws.

(d) Binding Obligation. This Agreement and each Program Document to which it is a party constitutes the legal, valid and binding obligation of the Servicer, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency or other similar laws affecting creditors' rights generally and to general principles of equity (whether considered in a proceeding in equity or at law).

(e) No Conflict. The execution and delivery of this Agreement and each Program Document to which it is a party by the Servicer, the performance by the Servicer of the transactions contemplated by this Agreement and each Program Document to which it is a party and the fulfillment of the terms hereof and thereof applicable to the Servicer do not and will not conflict with, violate, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, any Requirement of Law applicable to the Servicer or any indenture, contract, agreement, mortgage, deed of trust or other instrument to which it is a party or by which it or any of its properties is bound.

(f) No Litigation. Except as otherwise disclosed in writing to the Lender, there are no lawsuits, administrative proceedings or investigations pending or, to the best knowledge of the Servicer, threatened against the Servicer before any court, regulatory body, administrative agency or other tribunal or governmental instrumentality relating to the Servicer's collection activities which have a reasonable likelihood of resulting in liability to the Servicer in excess of $ 10,000.

(g) All Consents Required. All approvals, authorizations, consents, orders, licenses or other actions of any Person or of any Governmental Authority required in connection with the execution and delivery by the Servicer of this Agreement and each Program Document to which it is a party, the performance by the Servicer of the transactions contemplated by this Agreement and each Program Document to which it is a party and the fulfillment by the Servicer of the terms hereof and thereof have been obtained (or will be obtained prior to the time required) and are in full force and effect.

(h) Taxes. The Servicer has filed all federal, state and local tax returns, in each case required to be filed and has paid or made adequate provision for the payment of all taxes, assessments and other governmental charges shown due thereon except where such taxes, assessments or charges are being contested in good faith.

(i) Compliance. The Servicer has complied with all Requirements of Law in respect of the conduct of its business and ownership of its property, except where the failure to comply does not materially adversely affect its ability to perform its obligations hereunder or has no reasonable likelihood of resulting in any material liability for the Borrower, the Lender and the Collateral Agent.

(j) Servicing. Since December 3 1, 1997, there has been no material adverse change in the ability of the Servicer to manage, collect or administer the Designated Receivables. The Servicer has delivered to the Lender a true and complete copy of the Collection Policies and Procedures.

Each of the representations and warranties set forth in this Section 2.03(a) shall be deemed to be restated on each day on which Advances

are made under the Credit Agreement and shall survive execution and delivery of this Agreement.

Section 2.04 Covenants of the Servicer. From and after the Closing Date until this Agreement is terminated:

(a) Compliance with Requirements of Law. The Servicer shall (i) duly satisfy its obligations in all material respects on its part to be fulfilled under or in connection with each Designated Receivable, including, without limitation, all of its obligations under each Bank Agreement, (ii) maintain in effect all material qualifications required under Requirements of Law in order to service properly each Designated Receivable and (iii) comply in all material respects with all other Requirements of Law in connection with servicing each Designated Receivable.

(b) No Rescission or Cancellation. The Servicer shall not consent to any rescission or cancellation of any Designated Receivable except as ordered by a court of competent jurisdiction or other Governmental Authority or in accordance with the Collection Policies and Procedures.

(c) Protection of Rights. The Servicer shall not take any action, nor omit to take any action, which would materially impair the rights of the Borrower, the Lender or the Collateral Agent in any Designated Receivable, nor shall it reschedule, revise or defer payments due on any Designated Receivable, except in accordance with the Collection Policies and Procedures.

(d) Custodian, Further Assurances. The Servicer shall, at its own cost and expense, (i) maintain books and records with respect to the Designated Receivables and copies of all documents relating to each of the foregoing, as well as all documents received from the Selling Bank, as custodian for the Borrower and the Collateral Agent and (ii) indicate clearly on the electronic records relating to the Designated Receivables, including, without limitation, all such records received from any Selling Bank, that the Designated Receivables have been transferred and assigned to the Borrower and are subject to the lien and security interest of the Collateral Agent and that all moneys payable thereunder have been assigned to the Collateral Agent. The Servicer shall take all actions requested by the Lender or the Collateral Agent in order to effectuate the intentions of the parties hereto that the Collateral Agent be entitled to all Collections and that the Designated Receivables be the sole property of the Borrower subject to the lien and security interest of the Collateral Agent.

(e) Information Furnished. All information furnished by the Servicer to the Borrower, the Lender or the Collateral Agent with respect to the Designated Receivables and the Collections will be true and correct in all material respects at the time such information is furnished and will not omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading under the circumstances made.

(f) Taxes. The Servicer will file all federal, state and local tax returns, in each case required to be filed by the Servicer and pay or make adequate provision for the payment of all taxes, assessments and other governmental charges shown due thereon except where such taxes, assessments or charges are being contested in good faith.

(g) Collection Policies and Procedures. The Servicer shall not amend or modify the Collection Policies and Procedures without the prior written consent of the Lender.

(h) Servicer Not to Resign. The Servicer shall not resign from the duties and obligations imposed upon it pursuant hereto except upon its determination that its continued performance hereunder will no longer be permissible under applicable law, as evidenced by an opinion of counsel delivered to the Lender. No such resignation shall be effective until the appointment of a successor servicer under Section 4.02.

Section 2.05 Monthly Servicer Reporting Requirements. The Servicer shall provide the following reports and information to the Lender and (with respect to subsection (a) below, to the Collateral Agent):

(a) Within 15 days following the end of each calendar month, the Monthly Servicer Report with respect to all Designated Receivables as of the end of such calendar month, and a magnetic medium containing a copy of the Servicer's central data file pertaining to the Designated Receivables.

(b) Within 60 days following the end of each fiscal quarter of the Servicer, unaudited financial statements for the Servicer, including a balance sheet as of the end of such fiscal quarter and an income statement for such fiscal quarter, all certified by the chief financial officer of the Servicer as having been prepared in accordance with GAAP consistently applied.

(c) Within 120 days following the end of the Servicer's fiscal year, financial statements for the Servicer, including a balance sheet as of the end of such fiscal year and an income statement for such fiscal year, prepared in accordance with GAAP consistently applied and certified by the Servicer's independent certified public accountants as having been so prepared.

(d) Upon the reasonable request of the Lender, such lists, records, statistics and credit information regarding the Designated Receivables and the Collections as shall be requested by the Lender.

(e) Promptly (but in any event not later than two Business Days) after the Servicer's learning thereof, notice to the Borrower, the Lender and the Collateral Agent of all litigation or administrative proceedings commenced or threatened against the Servicer by Governmental Authorities where the same has a reasonable likelihood of having a Material Adverse Effect and of all other material litigation or administrative proceedings commenced or threatened against the Servicer by Obligors, including any and all written communications questioning the Servicer's compliance, in any material respect, with any Requirement of Law, together with regular (but not less frequently than monthly) updates as to material developments regarding such litigation, proceedings or communications.

ARTICLE III

OTHER MATTERS RELATING TO THE SERVICER.

Section 3.01 Access to Certain Documentation and Information Regarding the Designated Receivables. The Servicer shall provide to the Borrower, the Lender and the Collateral Agent and each of their respective agents and representatives full access to its books and records relating to the Designated Receivables and to all documentation and other computer records regarding the Designated Receivables, such access being afforded without charge but only during normal business hours upon reasonable advance notice, subject to the Servicer's normal security and confidentiality procedures and at offices designated by the Servicer. Such access shall include the ability to monitor telephone calls made to or received from Obligors by employees of the Servicer.

Section 3.02 Merger. Consolidation or Transfer of Assets. The Servicer shall not consolidate with or merge with or into any other Person or convey or transfer its properties and assets substantially as an entirety to any Person; provided, however, that the Servicer may merge or consolidate with any Person if (a) after giving effect to such merger, no Event of Default or Incipient Event of Default shall have occurred, (b) the Person surviving such merger or consolidation agrees in writing to be bound by the terms hereof and (c) the Servicer provides the Borrower, the Lender and the Collateral Agent with prior written notice of such merger or consolidation not less than 30 days prior thereto.

ARTICLE IV

SERVICER TERMINATION EVENTS

Section 4.01 Servicer Termination Events. If any one of the following events (each, a “Servicer Termination Event”) shall occur:

(a) any failure by the Servicer to make any payment, transfer or deposit required pursuant to this Agreement within three Business Days after it is due or to give instructions or notice within one Business Day after it is required pursuant to this Agreement;

(b) any failure on the part of the Servicer duly to observe or perform in any material respect any of its other covenants or agreements (not described in paragraph (a) above or (e) below) set forth in this Agreement, or any provision of the Collection Policies and Procedures, which failure materially adversely affects the rights of the Borrower, the Lender or the Collateral Agent and continues unremedied for a period of 10 Business Days following the date of such failure provided, however, that if any such default is, in the reasonable judgment of the Lender, remediable within 180 days after its occurrence, such default shall not be an Event of Default hereunder for such period of time (but not longer than 180 days following the occurrence thereof) as the Servicer is attempting to remedy it;

(c) any representation, warranty or certification made by the Servicer in this Agreement or in any certificate or report delivered pursuant to this Agreement shall prove to have been incorrect in any material respect when made provided, however, that if any such breach is, in the reasonable judgment of the Lender, remediable within 180 days after its occurrence, such breach shall not be an Event of Default hereunder for such period of time (but not longer than 180 days following the occurrence thereof) as the Servicer is attempting to remedy it;

(d) there shall occur a change in the stockholders of the Servicer in which the majority control of the Servicer shall be transferred to another Person or group of Persons (other than the Note Purchaser and its Affiliates) acting in concert;

(e) the Servicer shall (i) fail to maintain insurance as required pursuant to Section 2.0 1 (g), (ii) fail to follow any instructions given by the Lender or the Collateral Agent in accordance herewith within a reasonable period of time, (iii) fail to deliver any Monthly Servicer Report required to be delivered under Section 2.05 within three Business Days after the time set forth in such Section or (iv) be unable to perform its responsibilities hereunder for 10 consecutive Business Days due to any reason, including force majeure;

(f) the Servicer shall consent to the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to it or of or relating to all or substantially all of its property, or a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Servicer and such decree or order shall have remained in force undischarged or unstayed for a period of 60 days; or the Servicer shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any

applicable insolvency or reorganization statute, make any assignment for the benefit of its creditors or voluntarily suspend payment of its obligations;

then, the Collateral Agent, upon receipt of instructions from the Lender, by notice then given in writing to the Servicer, shall terminate all of the rights and obligations of the Servicer under this

Agreement; provided, however, that upon the occurrence of an event described in subsection (f) above, such termination shall be automatic without notice thereof by any party.

Section 4.02 Consequence of Termination or Resignation. Upon the effectiveness of any termination hereof, all authority and power of the Servicer under this Agreement shall terminate; and, without limitation, the Lender or its designee is hereby authorized and empowered (upon the failure of the Servicer to cooperate) to execute and deliver, on behalf of the Servicer, as attorney-in fact or otherwise, all documents and other instruments upon the failure of the Servicer to execute or deliver such documents or instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer of servicing rights. The Servicer agrees that no termination of this Agreement shall be effective until such time as a successor servicer shall have been appointed and that it will cooperate with the Collateral Agent and any successor servicer in effecting the termination of the responsibilities and rights of the Servicer to conduct servicing hereunder, including, without limitation, the transfer to such successor servicer of all authority of the Servicer to service the Designated Receivables provided for under this Agreement, including, without limitation, all authority over all Collections which shall on the date of transfer be held by the Servicer for deposit, or which have been deposited by the Servicer in the Lockbox Account or the Receivables Revenue Account, or which shall thereafter be received with respect to the Designated Receivables. Upon any termination of the Servicer hereunder, the Servicer shall promptly transfer its electronic records relating to the Designated Receivables to the successor servicer in such electronic form as such successor servicer may reasonably request and shall promptly deliver to such successor servicer all other records, correspondence -and documents necessary for the continued servicing of the Designated Receivables in the manner and at such times as such successor servicer shall reasonably request.

ARTICLE V

MISCELLANEOUS

Section 5.01 Notices, etc. All notices and other communications hereunder shall, unless otherwise stated herein, be in writing (which shall include facsimile communication) and be faxed or delivered, to each party hereto, at its address set forth under its name on the signature pages hereof or at such other address as shall be designated by such party in a written notice to the other parties hereto. Notices and communications by facsimile shall be effective when sent (and shall be followed by hard copy sent by regular mail), and notices and communications, sent by other means shall be effective when received.

Section 5.02 Complete Agreement, Successors and Assigns. Relationship of Parties. This Agreement constitutes the complete agreement between the parties hereto with respect to the subject matter hereof and supersedes all existing agreements and all oral, written or other communications between them concerning its subject matter. This Agreement shall be binding upon

the parties hereto and their respective successors and permitted assigns and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided that the Servicer shall not assign any of its rights or obligations hereunder without the prior written consent of the. Lender. The parties are entering into this Agreement as independent contractors. In no event shall either party be deemed an agent, employee, joint venturer or partner of the other.

Section 5.03 No Waiver. None of the undertakings, agreements, warranties, covenants or representations of the Servicer contained in this Agreement and no Servicer Termination Event shall be deemed to have been suspended or waived unless such suspension or waiver is by an instrument in writing signed by an officer of the Collateral Agent. Any failure by the Borrower, the Lender or the Collateral Agent, at any time or times, to require strict performance by any other party of any provision of this Agreement shall not waive, affect or diminish its respective right thereafter to demand strict compliance and performance therewith. Any suspension or waiver by the Collateral Agent of a Servicer Termination Event shall not suspend, waive or affect any other Servicer Termination Event, whether the same is prior or subsequent thereto and whether of the same or of a different type.

Section 5.04 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.

Section 5.05 Amendments: Governing Law.This Agreement and the rights and obligations of the parties hereunder (a) may not be changed orally but only by an instrument in writing signed by the party against which enforcement is sought and (b) shall be construed in accordance with and governed by the laws of the State of New York.

Section 5.06 Setoff: The Servicer hereby irrevocably and unconditionally waives all right of set-off that it may have under contract (including this Agreement), applicable law or otherwise with respect

to any funds or monies of the Borrower, the Lender or the Collateral Agent at any time held by or in the possession of the Servicer.

Section 5.07 Further Assurances. The Servicer agrees to do such further acts and things and to execute and deliver to the Borrower, the Lender and the Collateral Agent such additional assignments, agreements, powers and instruments as are reasonably required by such Person to carry into effect the purposes of this Agreement or to better assure and confirm unto each such Person its rights, powers and remedies hereunder.

Section 5.08 Counterparts. This Agreement may be executed in any number of copies (including copies sent by facsimile or other electronic transmission), and by the different

parties hereto on the same or separate counterparts, each of which shall be deemed to be an original instrument.

Section 5.09 Indemnity by the Servicer.Without limiting any other rights which the Borrower, the Lender or the Collateral Agent may have hereunder or under applicable law, the Servicer hereby agrees to indemnify the Borrower, the Lender-and the Collateral Agent and each of their respective assigns, transferees, participants, employees and officers (each, an "Indemnified Party") from and against any and all damages, claims, losses, liabilities and related costs and expenses, including reasonable attorneys' fees and disbursements (all of the foregoing being collectively referred to as "Indemnified Amounts"), awarded against or incurred by any Indemnified Party arising out of or as a result of:

(a) the characterization in any Monthly Servicer Report or other statement made by the Servicer of any Designated Receivable as an Eligible Receivable which is not an Eligible Receivable as of the date of such Monthly Servicer Report or statement;

(b) any representation or warranty or statement made or deemed made by the Servicer (or any of its officers) under or in connection with this Agreement which shall have been incorrect in any material respect when made;

(c) the failure by the Servicer to comply with any applicable law, rule or regulation with respect to any Designated Receivable; or the failure of any Designated Receivable to conform to any such applicable law, rule or regulation;

(d) any failure of the Servicer to perform its duties or obligations in accordance with the provisions hereof,

(e) the commingling of Collections of Designated Receivables by the Servicer at any time with other funds of the Servicer or any of its Affiliates;

(f) any investigation, litigation or proceeding related to this Agreement or in respect of any Designated Receivable or Related Security, except to the extent any such investigation, litigation or proceeding relates to a possible matter involving an Indemnified Party for which neither the Servicer nor any of its Affiliates (other than the Borrower) is at fault;

(g) any failure of the Servicer to comply with its covenants contained herein; or

(h) any claim brought by any Person other than an Indemnified Party arising from any activity by the Servicer or any of its Affiliates or any subservicer in servicing, administering or collecting any Designated Receivable;

It is expressly agreed and understood by the parties hereto (a) that the foregoing indemnification is not intended to, and shall not, constitute a guarantee of the collectibility or payment of the Designated Receivables and (b) that nothing in this Section 3.02 shall require the Servicer to indemnify any Person (A) for Designated Receivables which are not collected, not paid or uncollectable on account of the insolvency, bankruptcy or financial inability to pay of the applicable Obligor (except to the extent that any Designated Receivable was not an Eligible Receivable on the Closing Date related thereto), (B) for damages, losses, claims or liabilities or related costs or expenses resulting from such Person's gross negligence or willful misconduct or (C) for any income taxes or franchise taxes incurred by such Person arising out of or as a result of this Agreement or in respect of any Designated Receivable. The obligations of the Servicer to indemnify the Indemnified Parties hereunder shall survive the termination of this Agreement or the resignation or removal of the Servicer. Following payment of Indemnified Amounts hereunder by the Servicer, the Servicer shall be entitled to assert any claims against any Selling Bank pursuant to the applicable Bank Agreement that the Borrower would be entitled to assert in relation to the matters in respect of which the Indemnified Amounts were paid.

If any Indemnified Party shall become aware of any even or occurrence whereby it claims, or may claim or desire, indemnity hereunder, such Indemnified Party shall notify the Servicer in writing promptly upon becoming aware of such event or occurrence; provided, however, that failure to provide such notice shall not relieve the Servicer of any of its responsibilities under this Section 5.10. The Servicer at the request of any Indemnified Party shall have the obligation to contest or defend against any such event or occurrence, including any investigation, litigation, proceeding or action giving rise to a claim for an Indemnified Amount, and the Servicer

in any event may participate in the defense thereof with legal counsel of its choice. If any Indemnified Party requests the Servicer to defend against such investigation, litigation, proceeding or action, the Servicer shall promptly do so and the Indemnified Party shall have the right to participate in such defense, at its expense, with legal counsel of its own choice. The Servicer shall not settle, or enter into an agreement to settle, any such investigation, litigation, proceeding or action without the prior written consent of such Indemnified Party. Any and all amounts payable by the Servicer as indemnification under this Section 5. 10 shall be due and payable within ten days following the entry of a final non-appealable judgment in respect of such amount, except that, if prior to such entry an Indemnified Party at any time is required to pay such amount, the Servicer shall pay such amount at such time.

Section 5.10 Headings. Section headings used in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

WEST CAPITAL RECEIVABLES
CORPORATION I

By: _____/s/ Carl C. Gregory, III _
Name: Carl C. Gregory, III
Title: President/CEO

5775 Roscoe Ct.
San Diego, CA 92123

WEST CAPITAL FINANCIAL SERVICES CORP.

By: _____/s/ Carl C.Gregory, III _
Name: Carl C. Gregory, III
Title: President/CEO

5775 Roscoe Ct.
San Diego, CA 92123

NORWEST BANK MINNESOTA, N.A.,
as Collateral Agent

By: _____/s/ Thomas D. Wraalstad___
Name: Thomas D.Wraalstad
Title: Corporate Trust Officer

Sixth Street and Marquette Avenue
Minneapolis, MN 55479-0070

[***] TEXT OMITTED AND FILED SEPARATELY
CONFIDENTIAL TREATMENT REQUESTED

SUPPLEMENT TO SERVICING AGREEMENT

(With Consent and Agreement)

This SUPPLEMENT TO SERVICING AGREEMENT "Supplement") is entered into this 22nd day of May 2000, by and among WEST CAPITAL FINANCIAL SERVICES CORP. ("West"), a California corporation, as servicer (as servicer, the "Current Servicer"), WEST CAPITAL RECEIVABLES CORPORATION I, a California corporation (the "Borrower"), NORWEST BANK MINNESOTA, NATIONAL ASSOCIATION, as collateral agent (the "Collateral Agent"), and MIDLAND CREDIT MANAGEMENT, INC., a Kansas corporation (individually "MCM" or as the successor servicer, the "Servicer").

RECITALS

A. The Current Servicer, the Borrower and the Collateral Agent are parties to that certain Servicing Agreement, dated as of January 29, 1998 (the "Current Servicing Agreement"). Pursuant to the Current Servicing Agreement, the Current Servicer services, on behalf of the Borrower and the Collateral Agent, a pool of charged-off consumer accounts that are owned by the Borrower (the "Pool"). The Pool is pledged by the Borrower to the Collateral Agent as security for the obligations of the Borrower pursuant to that certain Credit Agreement, dated as of January 29, 1998, by and among the Borrower, Daiwa Finance Corporation ("Daiwa"), as the lender (the "Lender"), and West, as the seller and the servicer (as amended, the "Credit Agreement"), and pursuant to the Note (as defined below). Pursuant to the Credit Agreement, the Borrower issued a certain Note to the Lender, dated January 29, 1998, in the original principal amount of Sixty Million Dollars ($60,000,000.00) (the "Note"). The Lender has participated a portion of the Note to SunAmerica Inc., a Delaware Corporation ("SunAmerica"), and may further participate the Note to third parties (SunAmerica, as such participant, and such additional participants, collectively, the "Participants"). The Credit Agreement has been amended by that certain First Amendment to Credit Agreement, dated June 28, 1999.

B. There are currently one or more Events of Default, as defined in, and pursuant to, the Credit Agreement, and Servicer Termination Events, as defined in, and pursuant to, the Current Servicing Agreement, which give the Collateral Agent on behalf of the Lender the current right to terminate the Current Servicer as servicer under and pursuant to the Current Servicing Agreement. Additionally, the Current Servicer is having liquidity difficulties and has advised the Lender that it likely will not be able to continue to service the Pool.

C. West has agreed to sell its servicing platform and certain other assets to an affiliate of MCM pursuant to that certain Asset Purchase Agreement, dated as of May 11, 2000, by and between Midland Acquisition Corporation, a Delaware corporation, and West (the "Purchase Agreement"). MCM is willing to assume the obligations as successor servicer to the Current Servicer, pursuant to the terms and conditions of this Supplement. The Borrower, the Lender, the Collateral Agent and the Participants are willing to accept MCM as the successor servicer.

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties and covenants contained herein, the parties agree as follows:

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

ARTICLE I

DEFINITIONS

1.1 Definitions. The following terms shall have the meaning set forth in this Section 1.1. Any capitalized term in this Supplement that is not defined in this Supplement shall have the meaning set forth in the Current Servicing Agreement, either directly or by reference to another document or agreement.

"Additional Servicing Fee" means, for any Payment Date, a fee in the amount of [***%] of the Servicing Fee Collections and the proceeds from the sale of Bankruptcy Receivables to the extent included in Net Collections during the preceding Measurement Period; provided, that, the Additional Servicing Fee shall only be payable on any Payment Date if (a) with respect to each Payment Date occurring in July, 2000 and August, 2000, the Lender Net Collections for the immediately preceding Measurement Period exceed 100 percent (100%) of the aggregate Projected Lender Net Collections for such Measurement Period, and (b) with respect to all Payment Dates thereafter, both (A) the Lender Net Collections for the immediately-preceding Measurement Period were equal to or exceeded 100 percent (100%) of the aggregate Projected Lender Net Collections for such Measurement Period, and (B) the aggregate Lender Net Collections for the immediately preceding three (3) Measurement Periods exceed 100 percent (100%) of the aggregate Projected Lender Net Collections for such three (3) Measurement Periods; provided that, if any sale of Designated Receivables occurs pursuant to Section 4.6 below during a Measurement Period, the Projected Lender Net Collections for such shortened Measurement Period will be calculated on a per diem basis based on the number of Business Days of such month.

"Advance Date" means each Friday or such other agreed-upon day of each week during which the Servicer (or the Trustee by a sweep of the Lockbox Account) remits Net Collections to the Receivables Revenue Account, provided, that, if any Friday or other agreed- upon day is not a Business Day, then the Advance Day shall be the first Business Day occurring thereafter.

"Applicable Hourly Rate" means the hourly rate of the officers and employees of the Servicer as set forth on Exhibit A.

"Bankruptcy Receivable" means a Designated Receivable with respect to which the obligor is the debtor in a bankruptcy proceeding.

"Base Servicing Fee" means for any Advance Date, an amount equal to the aggregate of (i) [***%] of the Servicing Fee Collections, (ii) [***%] of the proceeds from the sale of Bankruptcy Receivables pursuant to Section 4.5 that, in the aggregate, do not exceed $250,000 (or with the prior written consent of the Lender, such greater amount in a month), and (iii) [***%] of all Third Party Collections received since the immediately-preceding Advance Date, or, with respect to the first Advance Date, since the Effective Date; provided, that the Base Servicing Fee payable with respect to Third Party Collections shall only be payable to the extent such Third Party Collections (net of the amount of collection or contingency fee paid to or deducted by any Person arising from Designated Receivables for which there is a collection or contingency fee that is payable to any person other than the Servicer) that are deposited in the Receivable Revenue Account. The Base Servicing Fee shall also include the reimbursements (as additional servicing fee) as provided for and pursuant to the penultimate paragraph of Section 4.6 and Section 4.12.

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

"Collection Measurement Period" means, on any Payment Date, for purposes of Section 6.1(f), the three (3) Measurement Periods immediately preceding the applicable Payment Date.

"Collection Policies" means the Servicer's written collection policies and procedures applicable to the collection of the Designated Receivables, updated as of May 22, 2000, a certified copy of which has been delivered to the Lender.

"Current Service" means West Capital Financial Services Corp., a California corporation.

"Current Servicer Liabilities" has the meaning given in Section 2.1.

"Current Servicing Agreement" means the Current Servicing Agreement without reference to this Supplement.

"Effective Date" means May 22, 2000.

"Exhausted Receivable" means a Designated Receivable (or the obligor thereof) that fall into one of the following groupings:

1. Expiration of the 7 year Federal Credit Bureau Reporting Period, no payment activity and a bad address and/or phone.

2. Expiration of the legal statute for a particular state, no payment activity, balance <$1,000, low credit bureau scores and a bad address and/or phone.

3. Chapter 7 Bankruptcy.

4. Death of all parties on the account and no verifiable estate.

5. Cease and Desist requests from customers that are out of the state legal statute or in states where litigation is not prudent.

6. Balance <$300 that did not respond to a direct mail solicitation.

7. No calls, skip tracing, mailing or other efforts to collect for any period of seven months from and after January 1, 2000.

"Existing Defaults" means the existing Events of Default and Servicer Termination Events as defined in and pursuant to the Credit Agreement or Current Servicing Agreement respectively, or any other event, occurrence or set of facts existing before or as of the Effective Date that could, or with the passage of time or the giving of notice would, allow the Collateral Agent or the Lender to exercise any rights or remedies against or with respect to the Designated Accounts, the Current Servicer or the Borrower as a result thereof.

"Expiration Date" means the earliest of (i) the end of the Servicing Term, (ii) the effective date the Servicer is removed as the Servicer pursuant to the second sentence of Section 4. 1, as a result of a Servicer Termination Event, or (iii) the Collateral Agent, at the direction of the Lender, delivers to the Borrower and the Servicer a written notice of the

Collateral Agent's election, at the direction of the Lender, to sell all, or substantially all, of the then remaining Designated Receivables after and during the continuation of a Servicer Termination Event.

"Forbearance Period" means the period of time commencing on the Effective Date and ending on the Expiration Date.

"Lender Net Collections" means, for any Payment Date, the amount of Net Collections received in the immediately preceding Measurement Period less the amount of Base Servicing Fees and Additional Servicing Fees paid in respect of such immediately preceding Measurement Period.

"Liguidity Event" means any of the following transactions occurring on or prior to the Expiration Date (i) any transaction, sale, conveyance or transfer of any of the Designated Receivables, or any interest directly or indirectly therein, other than the sale of Bankruptcy Receivables pursuant to Section 4.5 of this Supplement or the sale by the Lender of Exhausted Receivables, whereby the Lender (or any Participant) receives or has a right to receive, any cash proceeds or other monetary payment, or (ii) either (A) any securitization of any of the Designated Receivables, or (B) any structured finance transaction that is secured by any of the Designated Receivables and that receives not less than an investment grade rating from the Standard & Poor's Rating Services, Moody's Investor Services, Inc., Duff & Phelps, Fitch IBCA, or any other nationally-recognized rating agency.

"Measurement Period" means a calendar month.

"Net Collections" means the aggregate of (i) all monies (other than Third Party Collections) deposited in the Receivables Revenue Account representing collected available funds, net of checks returned for insufficient funds, received or otherwise recovered from or for the account of a Designated Receivable, other than in connection with a sale thereof (the "Servicing Fee Collections''), and (ii) all Third Party Collections (net of the amount of collection or contingency fee paid to or deducted by any Person arising from Designated Receivables for which there is a collection or contingency fee that is payable to any person other than the Servicer), but only to the extent such amounts are deposited in the Receivables Revenue Account, provided that, proceeds from the sale of Bankruptcy Receivables pursuant to Section 4.5 that, in the aggregate, do not exceed $250,000 (or with the prior written consent of the Lender, such greater in a month) in a month shall be included as Net Collections.

"Payment Date" means the 20th day of each calendar month, commencing on June 20, 2000, provided that if the 20th day of any calendar month is not a Business Day, then the Payment Date shall be the first occurring Business Day thereafter.

"Protected Lender Net Collections" means for any Measurement Period the amount set forth for such period in the column entitled "Projected Net Cash to Daiwa" in Exhibit B attached to this Supplement.

"Responsible Officer" means the president or the chief financial officer of the Servicer or any

officer or employee who has management responsibility with respect to the deposit or transfer of any Net Collections of Designated Receivables.

"Servicer" means MCM, as the successor servicer.

"Servicer Report" means a report of the Servicer in the form of Exhibit C hereto.

"Servicer Termination Event" has the meaning set forth in Article VI of this Supplement.

"Servicing Agreement" means from and after the Effective Date, the Current Servicing Agreement as supplemented and amended by this Supplement.

"Servicing Term" means period of time commencing on the Effective Date and ending two years thereafter, or, if earlier, the date on which the Servicer ceases to be the Servicer by termination without cause, pursuant to the second sentence of Section 4.1 of this Supplement.

"Third Party Collections" means the gross collections, net of checks returned for insufficient funds, on Designated Receivables for which there is a collection or contingent fee payable to any party other than the Servicer, including without limitation National Attorney Network (NAN) or any third party collection agency.

1.2 General. The words "herein," "hereof," "hereunder," and other words of similar import refer to this Supplement as a whole, including the Schedules and Exhibits hereto, as the same may from time to time be amended or supplemented, and not to any particular section, subsection or clause contained in this Supplement. References herein to an Exhibit, Schedule, Section, subsection or clause refer to the appropriate Exhibit or Schedule to, or Section, subsection or clause in this Supplement. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, the feminine and the neuter.

ARTICLE 11

TERMINATION OF CURRENT SERVICER; OTHER MATTERS

2.1 The Current Servicer is terminated as the "Servicer" effective on the Effective Date. Neither such termination nor this Supplement, as to the Servicer, shall in any way reduce, or limit or release the Current Servicer from, any of the duties, obligations, responsibilities, indemnities or liabilities arising out of actions, omissions, events or facts that exist before or as of the Effective Date, whether provided by the terms of the Current Servicing Agreement, or arising by operation of law or otherwise (the "Current Servicer Liabilities"). The Current Servicer, at the Servicer's sole cost and expense, shall use commercially reasonable efforts to cooperate with the Lender, the Collateral Agent and the Servicer with the orderly transition of the servicing obligations and responsibilities from and after the Effective Date to the Servicer, including without limitation the transfer to the Servicer for administration by it of all cash amounts that at the Effective Date are held or should have been held for deposit, or shall thereafter be received with respect to a Designated Receivable and the delivery to the Servicer of copies of all files and records concerning the Designated Receivables. The Current Servicer shall not be required to maintain the current errors and omissions insurance policy of the Current Servicer required pursuant to Section 2.01(g) of the Current Servicing Agreement. Nothing in this Supplement or the Servicing Agreement is intended to or shall be read that the Servicer is in any way assuming any of the Current Servicer Liabilities or any other obligation,

responsibility or liability for any acts or omissions (i) of the Current Servicer, or (ii) of any person or events occurring prior to the Effective Date or on or after the Expiration Date.

2.2 Notwithstanding anything to the contrary contained herein, in the Credit Agreement or any of the Program Documents, the parties hereto acknowledge that after the Effective Date, West, the Current Servicer, intends to wind down its activities and shall not take any actions to collect the Pool. Accordingly, the parties hereto agree (a) that from and after the Effective Date, the Current Servicer shall have no further obligations under the Servicing Agreement, (b) that each of West and the Borrower (each of West and Borrower, in any capacity, the "West Parties") will have no liability to any of the parties hereto resulting from or arising out of actions or omissions taken by any person (other than such West Party) from and after the Effective Date and (c) that the Collateral Agent, the Servicer and the Lender covenant not to sue any West Party for any such action.

2.3 The parties hereto agree that the West Parties shall not be required to comply with or perform under the covenants contained in (i) Sections 5.01(c)(second sentence only), 5.01(d)(provisions relating compliance with Collection Policies and Procedures only), 5.01(e)(ii), 5.01(h), 5.01(i), 5.01(j), 5.01 (m) and 5.01(o) and Article 6 of the Credit Agreement (ii) Sections 5(d)(last sentence only, which shall be an obligation of the Servicer), 5(e), 6.02(a)(clause (ii) of which shall be an obligation of the Servicer), 6.02(d), 6.03(second sentence only, which shall be an obligation of the Servicer) and 6.05(which investment direction shall be provided by the Lender) of the Security Agreement and (iii) Sections 5.01(b)(second and third sentences only), 5.01(c), 5.01(e), 5.01(f), 5.01(h), 5.01(i), 5.01(k), 6.01, 6.02, 6.03, 6.04, 6.05, 6.06 and 9.04 and Article 8 of the Receivable Acquisition Agreement. Lender acknowledges that the principal place of business and chief executive office of the West Parties shall be moved to the address set forth under the Borrowers signature on this Supplement. Lender acknowledges that any action taken by Servicer is not an action taken by Borrower.

2.4 The Borrower, the Lender, the Servicer and the Participants further agree
that at any time after the Effective Date the Borrower may, at its option, transfer to the Lender (and the Participants) all of its right, title and interest in and to the Pool in satisfaction of all of the Borrower's obligations to the Lender under the Program Documents. Upon any such Transfer, the Lender, the Servicer and the Participants shall enter into a new servicing agreement containing provisions substantially similar (but with the same economic terms) to the
Servicing Agreement.

2.5 All obligations and liabilities of the West Parties under the Credit Agreement, all Program Documents and this Supplement from and after the Effective Date shall be limited to the proceeds of the Pool, and the Servicer and the Lender agree to look solely to such proceeds for any recourse for reimbursement of any fees, expenses, damages, losses, obligations, liabilities or breaches under such documents; provided, however, that recourse for the obligations and liabilities of the Current Servicer existing prior to the Effective Date under the Current Servicing Agreement shall not be so limited.

ARTICLE III

FORBEARANCE

During the Forbearance Period (1) none of the Collateral Agent, Lender, Daiwa, or any Participant shall (A) exercise any rights or remedies pursuant to the Program Documents

with respect to any Existing Defaults, or (B) prior to the occurrence and continuation of a Servicer Termination Event, sell or direct or instruct the sale of any of the Designated Receivables, except as provided in Section 4.6 of this Supplement, and (ii) interest on the Note shall accrue at the Interest Rate as if none of the Existing Defaults occurred or are continuing, provided, that, upon the occurrence of a Servicer Termination Event interest on the Note shall accrue, from and after the Effective Date, at the interest rate applicable for the occurrence and continuation of an Event of Default. From and after the Expiration Date, each of the Collateral Agent, the Lender, Daiwa, and any Participant may exercise any rights or remedies that it may have pursuant to any of the Program Documents as a result of any of (i) the Existing Defaults or (ii) any Event of Default or Servicer Termination Event as defined in and pursuant to the Credit Agreement or the Servicing Agreement, respectively. Notwithstanding the foregoing, in the event the Borrower becomes subject to, and is a debtor, directly or by consolidation with West or any other affiliate of West in any bankruptcy proceeding, each of the Collateral Agent, the Lender, Daiwa, and any Participant may exercise any rights or remedies that it may have pursuant to the Credit Agreement, the Servicing Agreement or any of the Program Documents provided that none of them shall take any action or consent to any action that results or may result in (i) the liquidation or sale of any of the Designated Accounts other than as provided in this Supplement, (ii) removal of the Servicer other than as provided in this Supplement, (iii) any reduction, limit or delay of the payment of any fees or compensation or amounts payable to the Servicer pursuant to the Servicing Agreement, or (iv) the impairment, limitation or restriction of any rights, powers or remedies that the Servicer may have pursuant to the Servicing Agreement.

ARTICLE IV

SERVICING

4.1 Successor Servicer Appointment. MCM is hereby appointed the successor servicer from and after the Effective Date. MCM shall serve as Servicer during the Servicing Term subject to the Lender's and the Collateral Agent's right to (i) terminate the Servicer without cause, upon the Collateral Agent, at the direction of the Lender, giving the Servicer not less than 270 days' prior written notice of such termination, provided, that, no such prior written notice of termination shall be given prior to September 1, 2000, or (ii) remove the Servicer, at the direction of the Lender, upon the occurrence and continuation of a Servicer Termination Event. Except as may be required under Article 7 of the Purchase Agreement, MCM as Servicer shall have no duty, obligation or liability with respect to any obligations, liabilities or responsibilities of the Current Servicer accruing or to be performed prior to the Effective Date. MCM as Servicer makes no representations or warranties regarding (i) any of the Designated Receivables, (ii) the performance of the Current Servicer pursuant to the Current Servicing Agreement or (iii) the Borrower or West or any other party, other than the Servicer, with respect to, or relating to, any of the Program Documents. All information regarding the Designated Receivables provided by MCM in carrying out its obligations under the Servicing Agreement, whether in the form of the Servicer Reports or otherwise, shall be based solely upon MCM's actual knowledge concerning such information and MCM makes no representation or warranty otherwise. Except as specifically contemplated hereby, the Servicer shall not make any arrangement with respect to any Designated Receivable under which any third party has a Lien on any Designated Receivable. Any referral by the Servicer of any Designated Receivable to a third-party servicer, attorney or collection agency shall be in the conformity with the Collection Policies.

4.2 Compensation. As compensation for the performance of its obligations as Servicer pursuant to the Servicing Agreement, the Servicer shall be entitled to receive (and the Collateral Agent shall pay to the Servicer upon written instruction from the Lender, which instruction the Lender agrees to give) (i) on each Advance Date, the Base Servicing Fee; and (ii) on each Payment Date, the Additional Servicing Fee, if applicable. Notwithstanding any provision in the Program Documents, the right of the Servicer to receive the Base Servicing Fee and the Additional Servicing Fee shall be senior in right of payment or distribution to any other person or entity pursuant to the Program Documents, other than the payment of the Collateral Agent Fee and Expenses to the Collateral Agent and fees payable to the backup servicer, if any.

4.3 Standard of Care. MCM shall carry out its obligations and perform its duties under the Servicing Agreement using the degree of skill and attention that MCM exercises with respect to all comparable defaulted consumer receivables that it services for itself or others. Notwithstanding the foregoing and any other provisions to the contrary contained in this Supplement or the Servicing Agreement, except for the payment, deposit and distribution of monies or a breach of a covenant of the Servicer in the Servicing Agreement, MCM shall be liable in connection with the performance of its duties under the Servicing Agreement only for its gross negligence or willful misconduct.

4.4 Lockbox Reports, Information and Insurance.

(a) Lockbox. The Servicer shall perform as required of the "Servicer" pursuant to Section 6.01 of the Security Agreement with respect to the Lockbox.

(b) Servicer Report. The Servicer shall deliver the Servicer Report at such times as the "Monthly Servicer Report" was required to have been delivered pursuant to the Current Servicing Agreement. The Servicer shall only represent and warrant that the information in the Servicer Reports is correct as to the knowledge of the Servicer. In addition, the Servicer will, at its expense, also provide such additional reports and such information regarding the Pool, and collections and distributions thereof as is reasonably requested by West or the Borrower, including without limitation in connection with financial and tax reporting, provided that, all such information shall be solely to the Servicer's actual knowledge without any further representation or warranty. If the Servicer is requested by the Lender to provide any reports or information other than the Servicer Report, the Servicer shall promptly be paid, as additional servicing fee, according to the Applicable Hourly Rate for providing such additional reports or information.

(c) Financial Statements. So long as the parent corporation of MCM is subject to the reporting requirements of Section 13(d) or (g) of the Securities Exchange Act of 1934, as amended, the Servicer shall not be required to deliver copies of its quarterly and annual financial statements at the times set forth under to Section 2.05(b) and (c) of the Servicing Agreement, but shall instead deliver copies of such financial information at the time the parent corporation of MCM makes its filings on Form 10-Q or 10K for such period.

(d) Insurance. The policy limits for the errors and omissions policy and the general comprehensive liability policy required pursuant to Section 2.01(g) of the Servicing Agreement shall be $3,000,000 per occurrence and $3,000,000 in the aggregate.

4.5 Exhausted Receivables and Bankruptcy Receivables.

(a) Recall Exhausted Receivables. Each Servicer Report shall contain a listing of Exhausted Receivables. The Lender may at any time, upon written notice to the Servicer, recall servicing (for the benefit of Lender and the Participants) in connection with any Exhausted Receivables and remove the Servicer as servicer of such Exhausted Receivables. Upon such removal the Servicer shall cease servicing such Exhausted Receivables and shall promptly turn over to the Lender, or to such person or entity identified by the Lender, the original collection file, including collector comments for such removed Exhausted Receivables. The Servicer shall reasonably cooperate with the removal, transfer or transition of any such removed Exhausted Receivable. If the Servicer shall receive any collections after such removal such collections shall be counted as Servicer Fee Collections. Any sale proceeds of such Exhausted Receivables shall not be considered Net Collections.

(b) Sale of Certain Receivables. From time to time the Servicer may sell Exhausted Receivables with the prior written consent of the Lender and upon such terms and conditions acceptable to the Lender. The Servicer may also sell all Bankruptcy Receivables consistent with the Current Servicer's historic practices and procedures. The Servicer shall deliver to the Lender and the Collateral Agent no later than three (3) Business Days preceding the date of such sales a certificate of the Servicer identifying the Bankruptcy Receivables (as the case may be) to be sold, and the general terms upon which the Servicer plans to sell such Designated Receivables. The Borrower hereby grants to the Servicer a limited power of attorney for the sole purpose of selling, pursuant to this Section 4.5, Exhausted Receivables and Bankruptcy Receivables on an as-is-where-is basis, without representation or warranty (express or implied) by the Borrower, without indemnity by or further obligation or liability on the part of the Borrower, and with an express acknowledgement from the buyer of such receivables give any representations or warranties in connection with any such sale (other than customary representations and warranties solely with regard to its servicing of the Designated Receivables to be sold), and the Borrower shall not be required to give any representation or warranty in connection with any such sale (other than reasonable and customary representations regarding (a) due incorporation, (b) due authorization, execution and delivery, (c) title, and (d) absence of litigation, in each case only to the extent the Borrower is able to give such representation or warranty and in each case with such disclosure as the Borrower in its sole and absolute discretion deems appropriate).

4.6 Sale of all Designated Receivables. The Collateral Agent or the Borrower, with the consent of the Lender, may sell all, or substantially all, of the Designated Receivables then subject to the Servicing Agreement upon payment to the Servicer directly from the proceeds of such sale (i) all accrued and unpaid Base Service Fees and Additional Servicing Fees, and (ii) a breakage fee (the “Breakage Fee”) (as computed below):

Months in Servicing Term in which Sale Occurs	Breakage Fee*
1 - 6	6 month Servicing Fee
7 - 12	4 month Servicing Fee
13 - 18	2 month Servicing Fee
19 - 24	None

Provided that, no Breakage Fee shall be payable if, at the time of the sale, either (i) the Borrower and the Designated Receivables are subject to a pending Bankruptcy proceeding as a direct result of an action of the Servicer or any affiliate of the Servicer, or (ii) there is a continuing Servicer Termination Event that has not been waived by the Lender; provided further, that, no such fee shall be paid if the Servicer or an Affiliate continues to service the Designated Receivables for the purchaser thereof.

*The relevant Servicing Fee for the Breakage Fee shall be computed on the basis of the sum of the Base Servicing Fee and the Additional Servicing Fee during the prior 6-month, 4-month and 2-month period, as applicable.

The Servicer shall be given not less than 30 days prior written notice of such sale, which notice shall identify the Designated Receivables to be sold and contain the proposed date of such sale and the manner in which the sale shall be effected. The Servicer shall, at its cost and expense, cooperate with (based upon reasonable requests by) the Collateral Agent, the Borrower and the Lender to effect any such sale, provided, that, if such sale does not close, the Servicer shall be promptly paid, as additional servicing fee, according to the Applicable Hourly Rate for such cooperation. The Servicer shall not be required to give any representation or warranties (other than customary representations and warranties solely with regard to its servicing of the Designated Receivables to be sold) in connection with any such sale and the Borrower shall not be required to give any representation or warranty in connection with any such sale (other than reasonable and customary representations regarding (a) due incorporation, (b) due authorization, execution and delivery, (c) title, and (d) absence of litigation, in each case only to the extent the Borrower is able to give such representation or warranty and in each case with such disclosure as the Borrower in its sole and absolute discretion deems appropriate)..

To the extent that any Designated Receivable sold hereunder is subject to any pending collection and/or contingent fee agreement, other than the Servicing Agreement, then the transfer of such Designated Receivable shall be made subject to the rights of any such entity or person and the terms of such sale shall require the purchaser to assume the collection and/or contingent fee agreement to the extent applicable to a Designated Receivable for which either (i) judgment has been entered and continues to be valid, or (ii) there is and continues to be a valid and enforceable payment plan.

4.7 Liquidity Event. The Servicer shall also be paid an additional fee upon the closing of a Liquidity Event in such amount as is mutually agreeable by the Servicer and the Lender; provided, that any fee that exceeds 2.5% of the consideration received shall require the written consent of the Participants.

4.8 Information Furnished. Section 2.04(e) of the Servicing Agreement shall be amended as to the Servicer to read as follows:

All information furnished by the Servicer to the Borrower, the Lender or the Collateral Agent, with respect to the Designated Receivables and the Collections will, to the best knowledge of the Servicer, be true and correct in all material respects at the time such information is furnished.

4.9 Indemnity. The Current Servicer and its assigns, transferees, participants, employees and officers shall also be an "Indemnified Party." Section 5.09(h) of the Servicing Agreement shall be amended to read in its entirety as follows:

Any claim brought by any person (other than an Indemnified Party) against an Indemnified Party arising from (i) any gross negligence or willful misconduct of the Servicer, its employees, or any of its affiliates in servicing, administering or collecting any Designated Receivables or (ii) any failure of the Servicer to comply with any applicable law, rule or regulation with respect to the collection of any Designated Receivables.

4.10 Inapplicable Provisions. The following provisions of the Servicing Agreement shall be deleted:

(i) Section 2. 01(f)

(ii) Exhibit B;

(ii) Clause (a) of Section 3.02;

(iii) Section 5.06; and

(iv) Sections 5.09(a) through (g).

4.11 Court Costs in Litigation Process. Notwithstanding any other provision of the Servicing Agreement or any of the Program Documents, the Servicer is authorized to apply funds collected by third-party collections attorneys to the reimbursement of court costs advanced by such attorneys in other collections lawsuits filed with respect to Designated Receivables placed for collection litigation.

4.12 Provisions for Incurred Expenses. In the event that the Servicer ceases to be the servicer of all or a portion of the Designated Receivables due to the sale of Designated Receivables or the exercise of the Lender's remedies following a Servicer Termination Event, the Servicer shall be entitled to reimbursement, as additional servicing fee, for previously unreimbursed court costs advanced with respect to Designated Receivables that are at the time of termination of servicing or at any time prior to termination of servicing subject to litigation.

ARTICLE V

REPRESENTATIONS OF MCM

The Servicer hereby makes the following representations in substitution for Section 2.03 the Servicing Agreement, on which the Borrower, the Collateral Agent, the

Lender and the Participants are relying in accepting MCM as the successor servicer. The representations shall speak both as of the execution and delivery of this Supplement and on the Effective Date.

5.1 Organization and Good Standing. MCM is duly organized and validly existing as a corporation in good standing under the laws of the state of its incorporation, with corporate power and authority to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted, and has full corporate power, authority and legal right to service the Designated Receivables and to perform its obligations pursuant to the Servicing Agreement.

5.2 Due Qualification. MCM is duly qualified to do business as a foreign corporation in good standing, and has obtained all necessary licenses and approvals in all jurisdictions in which the ownership or lease of property or the conduct of its business (including the servicing of the Designated Receivables) requires such qualification, licenses and approvals except where the failure to be qualified or to obtain such qualifications, licenses and approvals would not have a material adverse effect on its abilities to service the Designated Receivables and to perform its obligations pursuant to the Servicing Agreement.

5.3 Power and Authority. MCM has the corporate power and authority to execute and deliver this Supplement and to carry out its terms and the terms of the Servicing Agreement; and the execution, delivery and performance of this Supplement and the Servicing Agreement have been duly authorized by MCM by all necessary corporate action.

5.4 Binding Obligations. This Supplement and the Servicing Agreement constitute the legal, valid and binding obligations of MOM, enforceable in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally or by general principles of equity (whether considered in a proceeding in equity or at law).

5.5 No Violation. The fulfillment by MCM of the terms of this Supplement and the Servicing Agreement do not conflict with, result in any breach of any of the terms and provisions of, nor constitute (with or without notice or lapse of time) a default under, the articles of incorporation or bylaws of MCM, or conflict with or breach any of the material terms or provisions of, or constitute (with or without notice or lapse of time) a default under, any material indenture or agreement to which MCM is a party or by which it shall be bound; nor violate, any law, order, rule or regulation applicable to MCM of any court or of any federal or state regulatory body, administrative agency or other governmental instrumentality having jurisdiction over MCM or its properties; which breach, default, conflict, Lien or violation would have, or would have, a material adverse effect.

5.6 Reguired Consents. All approvals, authorizations and consents of any Person required in connection with the execution and delivery by MCM of this Supplement, the performance by MCM of the transactions contemplated by this Supplement and the Servicing Agreement and the fulfillment by MCM of the terms hereof and thereof have been obtained (or will be obtained prior to the time required) and are in full force and effect, if the failure to have such would have a material adverse affect on the ability of the Servicer to perform pursuant to the Servicing Agreement.

5.7 No Litigation. There are no lawsuits, administrative proceeds or investigations pending or, to the best knowledge of the Servicer, overtly threatened against the

Servicer before any court, regulatory body, administrative agency or other tribunal or governmental instrumentality relating to the Servicer's collection activities which, if adversely determined, would have a material adverse effect on the ability of the Servicer to perform pursuant to the Servicing Agreement.

5.8 Compliance. The Servicer has complied with all Requirements of Law in respect of the conduct of its business and ownership of its property, except where the failure to comply does not materially adversely affect its ability to perform its obligations hereunder or has no reasonable likelihood of resulting in any material liability for the Borrower, the Lender and the Collateral Agent.

ARTICLE VI

SERVICER TERMINATION EVENTS

6.1 Servicer Termination Events. The occurrence of any one of the following events shall with respect to the Servicer be a "Servicer Termination Even" which are in full substitution for the Service Termination Events contained in Section 4.01 of the Current Servicing Agreement.

(a) the Servicer fails to make any payment, transfer or deposit pursuant to the Servicing Agreement on the day when due, in each case that continues unremedied for a period of two (2) Business Days after the earlier to occur of (x) actual discovery by a Responsible Officer of the Servicer, or (y) the date on which written notice requiring the same to be remedied has been given to the Servicer by Lender;

(b) any representation or warranty made by the Servicer in this Supplement or the Servicing Agreement or in any certificate or report delivered pursuant to the Servicing Agreement shall prove to have been incorrect in any material respect when made and such is not cured within thirty (30) days after the earlier to occur of (x) actual discovery by a Responsible Officer of the Servicer, or (y) the date on which written notice requiring the same to be remedied has been given to the Servicer by Lender; provided, however, that if any such breach is reasonably remediable within 180 days after its occurrence, such breach shall not be a Servicer Termination Event hereunder for such period of time (but not longer than 180 days following the occurrence thereof) as the Servicer is attempting to remedy it;

(c) any failure on the part of the Servicer to observe or perform any covenant of the Servicer set forth in the Servicing Agreement which is not cured within 30 days after the earlier to occur of (x) actual discovery by responsible officer of the Servicer, or (y) the date on which written notice requiring the same to remedied has been given to the Servicer by the Lender;

(d) the Servicer shall fail to deliver any monthly Servicer Report required to be delivered under the Servicing Agreement on or before the day when due, and such failure continues unremedied for a period of three (3) Business Days;

(e) it shall become unlawful for any reason for the Servicer to continue to service the Designated Receivables or otherwise perform its obligations under the Servicing Agreement or the Servicer shall cease to possess all material and necessary licenses to carry out its obligations under the Servicing Agreement; provided if the Servicer can continue

servicing the Designated Receivables and perform its obligations under the Servicing Agreement without one or more material and necessary licenses that the failure to have does not have a material adverse effect on the Lender or the Servicer's performance under the Servicing Agreement, the Servicer shall have ninety (90) days to obtain such licenses after the earlier to occur of (x) actual discovery by a Responsible Officer of the Servicer, or (y) the date on which written notice requiring the same to be remedied has been given to the Servicer by Lender;

(f) For any Measurement Period ending on or after September 30, 2000, both (i) the Lender Net Collections for the Collection Measurement Period then ending are less than 90% of the Projected Lender Net Collections for such Collection Measurement Period (the amount of any such deficit, a "Shortfall") and (ii) there was also a Shortfall for the immediately-preceding Measurement Period for the Collection Measurement Period then ended; provided that no Servicer Termination Event shall occur under this clause (f) if and to the extent that as of the last day of any Measurement Period (A) the aggregate Lender Net Collections from all prior Measurement Periods exceeded 90% of the Projected Lender Net Collections from all such prior Measurement Periods such surplus then exceeds the applicable Shortfall (as determined in clause (i) above) in the current Collection Measurement Period or (B) the Servicer pays to the Lender for application to the amounts owing pursuant to the Note an amount equal to or greater than the applicable Shortfall (as determined in clause (i) above after application of clause (A) above) in the current Collection Measurement Period;

(g) the Servicer's consolidated stockholder's equity as required to be shown on its consolidated financial statements is less than $5,000,000;

(h) the Servicer shall consent to the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to it or of or relating to all or substantially all of its property;

(i) a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Servicer and such decree or order shall have remained in force undischarged or unstayed for a period of 60 days;

(j) the Servicer shall be in default in the payment of any debt in excess of $100,000 beyond any applicable grace or cure period and which default is not currently waived;

(k) the Servicer shall be in breach in the performance of any material agreement or material contract beyond any applicable grace or cure period and such breach is not cured or currently waived within forty-five (45) days of such breach; or

(l) the removal of the Servicer as Servicer under any securitization of the Servicer during the continuation of an Event of Default or Servicer Termination Event thereunder.

6.2 Rights and Remedies. Upon the occurrence and continuation of a Servicer Termination Event, the Collateral Agent and the Lender shall have such rights and remedies as it may have pursuant to the Program Documents as a result of such Servicer Termination Event.

ARTICLE VII

MISCELLANEOUS

7.1 Notices, etc. All notices and other communications under the Servicing Agreement shall, unless otherwise stated herein, be in writing (which shall include facsimile communication) and be faxed or delivered, to each party hereto, at its address set forth under its name on the signature pages hereof or at such other address as shall be designated by such party in a written notice to the other parties hereto. Notices and communications by facsimile shall be effective when sent (and shall be followed by hard copy sent by regular mail), and notices and communications sent by other means shall be effective when received.

7.2 Complete Agreement Successors and Assigns: Relationship of Parties. The Servicing Agreement constitutes the complete agreement between the parties hereto with respect to the subject matter hereof and supersedes all existing agreements and all oral, written or other communications between them concerning its subject matter. The Servicing Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided that the Servicer shall not assign any of its rights or obligations hereunder without the prior written consent of the Lender. The parties are entering into this Supplement and the Servicing Agreement as independent contractors. In no event shall either party be deemed an agent, employee, joint venturer or partner of the other.

7.3 No Waiver. None of the undertakings, agreements, warranties, covenants or representations of the Servicer contained in the Servicing Agreement and no Servicer Termination Event shall be deemed to have been suspended or waived unless such suspension or waiver is by an instrument in writing signed by an officer of the Collateral Agent at the direction of the Lender. Any failure by the Borrower, the Servicer, the Lender or the Collateral Agent, at any time or times, to require strict performance by any other party of any provision of the Servicing Agreement shall not waive, affect or diminish its respective right thereafter to demand strict compliance and performance therewith. Any suspension or waiver by the Collateral Agent of a Servicer Termination Event shall not suspend, waive or affect any other Servicer Termination Event, whether the same is prior or subsequent thereto and whether of the same or of a different type.

7.4 Severabilily. Any provision of the Servicing 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.

7.5 Amendments; Governing Law. The Servicing Agreement and the rights and obligations of the parties hereunder (a) may not be changed orally but only by an instrument in writing signed by the party against which enforcement is sought and (b) shall be construed in accordance with and governed by the laws of the State of New York.

7.6 Counterparts. This Supplement may be executed in any number of copies (including copies sent by facsimile or other electronic transmission), and by the different parties hereto on the same or separate counterparts, each of which shall be deemed to be an original instrument.

7.7 Headings. Section headings used in this Supplement and the Servicing Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Supplement or the Servicing Agreement.

[Remainder of page Intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

WEST CAPITAL RECEIVABLES
CORPORATION I, a California corporation

By: _____
Its: _____

_____
_____
Facsimile: _____
_____

“Borrower”

WEST CAPITAL FINANCIAL SERVICES
CORP., a California corporation

By: _____
Its: _____
_____
Facsimile: _____

“Current Servicer”

NORWEST BANK MINNESOTA, N.A., as
Collateral Agent

By: _____
Name: _____
Title: _____

MAC N9311-161
Sixth Street and Marquette Avenue
Minneapolis, Minnesota 55479
Facsimile: 612-667-3464

"Collateral Agent"

MIDLAND CREDIT MANAGEMENT, INC.
a Kansas corporation

By: _____
Name: _____
Title: _____

4302 East Broadway Road
Phoenix, Arizona 85040
Facsimile: 602-707-5509

"Servicer"

Consented and agreed to this 22_ day of May 2000

DAIWA FINANCE CORPORATION

By: _/s/ H. [illegible]_____
Its: __EVP_____

_____
_____
Facsimile: _____

"Lender"

SUNAMERICA INC., a Delaware
Corporation, as participant

By: _____
Its: _____

_____
_____
Facsimile: _____

"Participant"

Exhibit 10.5

DAIWA FINANCE CORPORATION
32 Old Slip
New York, NY 10005

December 27, 2000

Midland Credit Management, Inc.
4302 East Broadway Road
Phoenix, AZ 85040

Gentlemen:

Reference is made to the Supplement to Servicing Agreement, dated as of May 22, 2000 (the "Supplement"), by and among West Capital Financial Services Corp., West Capital Receivables Corporation I, Norwest Bank Minnesota, National Association, and Midland Credit Management, Inc., consented and agreed to be Daiwa Finance Corporation and SunAmerica Inc. Unless otherwise indicated herein, terms used herein have the meanings specified in the Supplement.

The Servicer, as "Servicer," Daiwa Finance 'Corporation, as "Parent," and CCS Receivables Management LLC, as "Owner," are parties to a Servicing Agreement, dated as of December 27, 2000 (the "Now Servicing Agreement").

To give effect to the New Servicing Agreement, pursuant to clause (i) of the second sentence of Section 4,1 of the Supplement. the Lender is hereby terminating the Servicer without cause, effective as of close of business on December 26, 2000. For good and valuable consideration, receipt of which is hereby acknowledged by the Servicer, the Servicer, by acknowledging this letter below, hereby waives the 270-day notice period provided in clause (i) of the second sentence of Section 4.1 of the Supplement. Notwithstanding such termination, the Servicer shall bc paid all fees and other amounts dig have accrued for services through December 26, 2000.

DAIWA FINANCE CORPORATION

By: __/s/ H. [illegible]_____
Title: _Executive Vice President__

Acknowledged and agreed to by:

MIDLAND CREDIT MANAGEMENT, INC.

By: _/s/ Timothy W. Moser_____
Title: ___EVP_____ _____

cc.: West Capital Receivables Corp. I
West Capital Financial Services Corp.
Norwest Bank Minnesota, National Association
SunAmerica Inc.

Exhibit 10.6
[***] TEXT OMITTED AND FILED SEPARATELY
CONFIDENTIAL TREATMENT REQUESTED

SERVICING AGREEMENT

This SERVICING AGREEMENT (the "Agreement") is entered into as of this 27th day of December 2000, by and among CCS RECEIVABLES MANAGEMENT, LLC, a Delaware limited liability company (the "Owner"), DAIWA FINANCE CORPORATION (the "Parent") and MIDLAND CREDIT MANAGEMENT, INC., a Kansas corporation, the "Servicer").

RECITALS

A. The West Capital Financial Services Corp., a California corporation (the "Former Servicer"), West Capital Receivables Corporation I, a California corporation (the "Borrower"), and Wells Fargo Bank Minnesota, National Association, fka Norwest Bank Minnesota, National Association, as collateral agent (the "Collateral Agent"), were parties to that certain Servicing Agreement, dated as of January 29, 1998 (the "Original Servicing Agreement"). Pursuant to the Original Servicing Agreement, the Former Servicer serviced, on behalf of the Borrower and the Collateral Agent, a pool of charged-off consumer accounts that are owned by the Borrower (the "Pool"). The Pool was pledged by the Borrower to the Collateral Agent as security for the obligations of the Borrower pursuant to that certain Credit Agreement, dated as of January 29, 1998, by and among the Borrower, the Parent and West, as the seller and the servicer (as amended, the "Credit Agreement"), and pursuant to the Note (as defined below). Pursuant to the Credit Agreement, the Borrower issued a certain Note to the Parent, dated January 29, 1998, in the original principal amount of Sixty Million Dollars ($60,000,000.00) (the "Note"). The Parent participated a portion of the Note to SunAmerica Inc., a Delaware Corporation ("SunAmerica"), (the "Participants"). The Credit Agreement was amended by that certain First Amendment to Credit Agreement, dated June 28, 1999.

B. Pursuant to that certain Supplement to Servicing Agreement, dated as of May 22, 2000, by and among the Former Servicer, the Borrower, the Collateral Agent and MCM (the "Supplement"), MCM assumed certain of the obligations of the Former Servicer under the Original Servicing Agreement subject to the terms and conditions of the Supplement (collectively, the "Servicing Agreement"). SunAmerica and the Parent consented to MCM's assumption of such certain obligations of the Former Servicer.

C. On December 19, 2000, the Parent provided written notices (the "Notices") to the Borrower and the Former Servicer stating that: (i) an Event of Default (as defined in the Credit Agreement) had occurred under the Credit Agreement and (ii) the Parent was going to exercise its remedies under the Credit Agreement and retain the "Collateral" (as defined in that certain Security Agreement, dated as of January 28, 1998 among the Borrower, the Former Servicer and the Collateral Agent) pursuant to Section 9-505(2) of the New York Uniform Commercial Code (the "NYUCC") as of the close of business on December 22, 2000 (the "Satisfaction Right"). The Owner and Parent have advised the Servicer that the Parent through the Owner has exercised the Satisfaction Rights and now owns the Designated Receivables, as defined in the Servicing Agreement.

D. The Owner and the Parent have requested that the Servicer service the Designated Receivables on the same terms as the Servicing Agreement as modified by Article 11 of this Agreement. Subject to the terms and conditions of this Agreement, the Servicer has agreed to so service the Designated Receivables.

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

E. The Parent and the Servicer are also party to that certain letter agreement dated December 26, 2000 from the Parent and addressed to the Servicer.

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made, the parties agree as follows:

ARTICLE I

SERVICE

1.1 Servicer. MCM agrees to perform as Servicer with respect to the Designated Receivables for the benefit of the Owner and the Parent pursuant to the same terms as the Servicing Agreement as modified by Article 11 of this Agreement. So long as the Parent's and Owner's Satisfaction, Rights and ownership interest are not set aside, MCM waives the rights and claims that it may have under the Servicing Agreement arising from or relating to the Satisfaction Rights or the exercise thereof.

1.2 Costs and Expenses. The Parent and Owner shall file or send all filings, notices or letters required by applicable law as a result of the change of ownership of the Designated Receivables. The Parent, the Owner and the Servicer agree that all out-of-pocket costs and expenses incurred by the Servicer in connection with the preparation and delivery of any filings, notices or letters with respect to the change in ownership of the Designated Receivables shall be promptly and fully reimbursed by the Owner and the Parent jointly and severally by payment to the Servicer, provided that the Servicer shall not be reimbursed for any such costs or expenses in excess of $1,000 that are not approved in writing by the Parent and Owner.

1.3 Indemnity. The Parent and the Owner, jointly and severally, agree to indemnify, defend and hold harmless the Servicer and each of its respective participants, parent corporations, subsidiary corporations, affiliated corporations, successor corporations, and all present and future officers, directors, employees and agents (the "Indemnitees"), from and against any and all liabilities, losses, damages, penalties, judgments, suits, claims, costs and expenses of any kind or nature whatsoever (including, without limitations, the reasonable fees and disbursements of counsel) which may be imposed on, incurred by or asserted against such Indemnitee, to the extent that any such liabilities, losses, damages, penalties, judgments, suits, claims, costs and expenses arose from the exercise by the Owner of the Satisfaction Rights or ownership interest in the Designated Receivables.

ARTICLE 11

AMENDMENT

2.1 Definitions. The definitions in the Servicing Agreement are hereby amended as follows:

(a) Section 1.1 of the Supplement is hereby amended by replacing the current definition of "Base Servicing Fee" with the following definition:

"Base Servicing Fee" means for any Advance Date, an amount equal to the aggregate of (i) [***%] of the Servicing Fee Collections, (ii) [***%] of the proceeds from the sale of Bankruptcy Receivables pursuant to Section 4.5 of the Supplement that, in the aggregate, do not exceed $250,000 (or with the prior written consent of the Parent, such greater amount in a month), and (iii) [***%] of all Net Third Party Collections received since the immediately-preceding Advance Date. The Base Servicing Fee shall also include the reimbursements (as additional servicing fee) as provided for and pursuant to the penultimate paragraph of Section 4.6 of the Supplement and Section 4.12 of the Supplement.

(b) Section 1.1 of the Supplement is hereby amended by adding the following definition:

"Net Third Party Collections" means Third Party Collections, minus Third Party Fees and Third Party Costs.

(c) Section 1.1 of the Supplement is hereby amended by adding the following definition:

"Third Party Cost " means all out-of-pocket costs and expenses incurred by any party other than Servicer in connection with collection actions or proceedings related to the enforcement or collection of any Designated Receivable.

(d) Section 1.1 of the Supplement is hereby amended by adding the following definition:

"Third Party Fees" means with respect to a Designated Receivable, the amount of any fees or compensation paid or owed to unrelated third-parties (generally, contingency fee lawyers) retained or otherwise engaged by the Servicer under the fee or compensation arrangements that are contingent upon, and determined by reference to, amounts recovered in respect of the related Designated Receivable.

(e) Notwithstanding the definition of "Additional Servicing Fee."

1. The following shall be applicable to January, February and March 2001:

The "Additional Servicing Fee" will be paid for January 2001 if the Lender Net Collections for January 2001 equal or exceeds 106% of the aggregate Projected Lender Net Collections for January 2001;

The "Additional Servicing Fee" will be paid for February 2001 if the aggregate Lender Net Collections for January and February 2001 equal or exceeds 106% of the aggregate Projected Lender Net Collections for January and February 2001;

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

The "Additional Servicing Fee" will be paid for March 2001 if the aggregate Lender Net Collections for January, February and March 2001 equal or exceeds 106% of the aggregate Projected Lender Net Collections for January, February and March 2001;

2. All references in such definition to "100 percent (100%)" shall read " 106 percent (106%)."

(f) The reference in Section 6.1(f) of the Supplement to "September 30, 2000" shall read "April 30, 2001."

2.2 Modification to Exhibit. Exhibit B attached to the Supplement is hereby deleted in its entirety and replaced as of November 24, 2000 with Exhibit A attached to this Agreement.

ARTICLE III

MISCELLANEOUS

3.1 Complete Agreement; Successors and Assigns; Relationship of Parties. This Agreement constitutes the complete agreement between the parties hereto with respect to the subject matter hereof and supersedes all existing agreements and all oral, written or other communications between them concerning its subject matter. This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

3.2 No Waiver. Any failure by the Borrower, the Servicer, the Parent, the Owner or the Collateral Agent, at any time or times, to require strict performance by any other party of any provision of this Agreement shall not waive, affect or diminish its respective right thereafter to demand strict compliance and performance therewith.

3.3 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.

3.4 Amendments; Governing Law. This Agreement and the rights and obligations of the

parties hereunder (a) may not be changed orally but only by an instrument in writing signed by the party against which enforcement is sought and (b) shall be construed in accordance with and governed by the laws of the State of New York.

3.5 Counterparts. This Agreement may be executed in any number of copies (including copies sent by facsimile or other electronic transmission), and by the different parties hereto on the same or separate counterparts, each of which shall be deemed to be an original instrument.

3.6 Headings. Section headings used in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

[Remainder of page intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

MIDLAND CREDIT MANAGEMENT, INC.,
a Kansas corporation

By: ___/s/ Timothy W. Moser___
Name: Timothy W. Moser
Title: Executive Vice President

5775 Roscoe Court
San Diego, California 92123
Facsimile: 858-309-6977

"Servicer"

DAIWA FINANCE CORPORATION

By: __/s/ H. illegible]_____
Its: __Executive Vice President_____

"Daiwa"

CCS RECEIVABLES MANAGEMENT, LLC

By: LORD SECURITIES CORPORATION
Its: Manager

By: ___/s/ Dwight Jenkins_____
Its: ___Senior Vice President_____

C/o Daiwa Finance Corporation
32 Old Slip
New York, NY 10005
Facsimile: 212-612-6172

"Owner"

Consented and agreed to this 27th day of December 2000.

SUNAMERICA INC., a Delaware
Corporation, as participant

By: _____
Its: _____

"Participant"

AMENDMENT NO. 1 TO THE SERVICING AGREEMENT

AMENDMENT NO. 1 (this "Amendment"), dated as of November 1, 2001, by and among CCS RECEIVABLES MANAGEMENT, LLC, a Delaware limited liability company (the "Owner"), DAIWA FINANCE CORPORATION (the "Parent") and MIDLAND CREDIT MANAGEMENT, INC., a Kansas corporation, the "Servicer").

Capitalized terms used herein and not otherwise defined, shall have the meanings ascribed to them in the Agreement referred to below.

Preliminary Statements.

(1) The parties hereto have entered into a Servicing Agreement, dated as of December 27, 2000 (said Agreement, as amended or restated from time to time, the "Agreement") pursuant to which the the Servicer is servicing certain accounts receivable on behalf of the Owner; and

(2) The parties hereto desire to amend the Agreement as set forth herein;

NOW, THEREFORE, the parties agree as follows:

SECTION 1. Amendments to Agreement.

(a) Section 2.1 (a) of the Servicing Agreement is hereby amended in its entirety to read as follows:

Section 1.1 of the Supplement is hereby amended by replacing the current definition of "Base Servicing Fee" with the following definition:

"Base Servicing Fee" means for any Advance Date, an amount equal to the aggregate of (i) [***]% of the Servicing Fee Collections, (ii) [***]% of the proceeds from the sale of Bankruptcy Receivables pursuant to Section 4.5 of the Supplement that, in the aggregate, do not exceed $250,000 (or with the prior written consent of the Parent, such greater amount in a month), and (iii) [***]% of all Net Third Party Collections received since the immediately-preceding Advance Date. The Base Servicing Fee shall also include the reimbursements (as additional servicing fee) as provided for and pursuant to the penultimate paragraph of Section 4.6 of the Supplement and Section 4.12 of the Supplement. Notwithstanding the foregoing, the percentages set forth in clauses (i) and (ii) above (x) shall be increased on the dates set forth below to the percentages set forth below:

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

Date	Percentage
May 1, 2002	[***]%
May 1, 2003	[***]%
May 1, 2004	[***]%
May 1, 2005	[***]%

and (y) shall be increased to [***]% from and after the first date following which the amount paid to the Parent and the Owner in respect of Collections from the Designated Receivables from and after January 29, 1998 is equal to 100% of the principal of the Advances and interest thereon at the rate set forth in the Credit Agreement.

(b) Section 2.1 of the Agreement is hereby amended by adding the following at the end thereof:
(g) Section 4.4(c) of the Supplement is hereby amended by adding the following at the end thereof:

In addition, the Servicer shall deliver to the Owner, by no later than the fifteenth day of each month, a copy of the internal financial statement prepared by the Servicer in such form as such statements have been prepared in the past for their internal use.

(h) Section 1.1 of the Supplement is hereby amended by deleting the definition of the term "Servicing Term" in its entirety and inserting a new definition to read as follows:

"Servicing Term" means a period of time beginning on the Effective Date and ending on such date as the Owner and the Servicer shall mutually agree, or such earlier date as the Servicer's functions hereunder are terminated pursuant to any other provision hereof.

(c) Exhibit A attached to the Agreement is hereby deleted in its entirety and replaced as of November 1, 2001 with Exhibit A attached to this Amendment. For the avoidance of doubt, the parties acknowledge that Exhibit A shall be used solely to determine the Servicer's entitlement to any Additional Servicing Fee.

(d) In recognition of Owner's right to terminate the Servicing Agreement at any time upon 60 days' notice pursuant to Section 2(a) of this Amendment, (i) the Original Servicing Agreement is amended by deleting Section 3.02 and Section 4.01 thereof in their entirety, and (ii) the Supplement is amended by deleting Section 6.1 in its entirety.

(e) In recognition of the Parent's acceptance, through the Owner, of the Collateral in full satisfaction of all obligations under the Credit Agreement and for the avoidance of doubt, the

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

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parties agree that the provisions of Section 7.01 of the Credit Agreement and the definition of "Trigger Event" set forth in Section 1.01 of the Credit Agreement shall not apply to the Servicer.

SECTION 2. Other Matters.

(a) Notwithstanding anything set forth in the Servicing Agreement, the Owner shall be entitled to terminate the Servicing Agreement, at any time without penalty or the payment of any breakage fees, 60 days following such time as the Owner shall notify the Servicer of such termination; provided that Servicer shall be allowed to continue to service any Designated Receivable, and concurrently receive or collect any Additional or Base Servicing Fee owing thereon, which (at the time of termination, disposition or removal) has: (i) been placed with a Third Party (including but not limited to National Attorney Network or [***]), or (ii) received a payment within ninety (90) days of Servicer's receipt of notice of termination (except as set forth in the final clause of this paragraph). To the extent any Designated Receivable has been placed with a Third Party, Servicer shall be entitled to service and receive a servicing fee thereon until such time as the assigned Third Party determines (in its reasonable and sole discretion) that the Designated Receivable is uncollectible, or with respect to any Designated Receivable, Servicer shall be entitled to service and receive a servicing fee thereon for so long as any payment is received at any time during any consecutive ninety (90) day period thereafter unless Owner's termination of the Servicing Agreement is due to (a) Servicer's failure to comply with clause (ii) or (iii) of Section 2.04(a) of the Original Servicing Agreement relating to maintenance of licenses and compliance with applicable laws, or (b) the bankruptcy (either voluntary or involuntary) of the Servicer or its parent company.

(b) The Owner hereby waives any Event of Default arising from the Servicer's failure to comply with Section 4.4(c) of the Supplement or Sections 2.05(b) or (c) of the Original Servicing Agreement, provided that such non-compliance is cured by no later than January 1, 2002.

(c) The Owner hereby approves of the transactions described in the Credit Card Joint Marketing Agreement, dated as of November 9, 2001, by and among the Owner, the Servicer and [***]. The Owner shall be entitled to receive [***]% of all amounts received by the Servicer from [***] under such Agreement.

(d) Except as herein expressly amended, the Agreement is ratified and confirmed in all respects and shall remain in full force and effect in accordance with its terms. Each reference in the Agreement to "this Agreement" shall mean the Agreement as amended by this Amendment Agreement, and as hereinafter amended or restated.

(e) This Amendment shall be effective as of the date first written above.

SECTION 3. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 4. Execution in Counterparts.This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

MIDLAND CREDIT MANAGEMENT, INC.

By: __/s/ J. Brandon Black____
Name: J. Brandon Black
Title: EVP

DAIWA FINANCE CORPORATION

By: ___/s/ Jeffrey M. Chertoff___
Name: Jeffrey M. Chertoff
Title: EVP, CFO

CCS RECEIVABLES MANAGEMENT, LLC

By: DAIWA SECURITIES AMERICA INC.
Its: Manager

By: ___/s/ Hiroyuki Nomura____
Name: Hiroyuki Nomura
Title: SVP

SERVICING AGREEMENT

This SERVICING AGREEMENT (this "Agreement") is made as of December 20, 2000, by and among MRC RECEIVABLES CORPORATION, a Delaware corporation (the "Borrower"), MIDLAND CREDIT MANAGEMENT, INC., a Kansas corporation (the "Servicer") and CFSC CAPITAL CORP. VIII, a Delaware corporation (the "Lender").

WHEREAS, the Borrower may from time to time purchase a pool or pools (each an "Asset Pool") which assets include charged off credit card accounts and other delinquent or deficiency consumer obligations.

WHEREAS, the Borrower and the Lender are parties to a Credit Agreement of even date herewith, as the same may be amended or supplemented from time to time (the "Credit Agreement") pursuant to which the Lender may from time to time make Loans to finance the acquisition of such Asset Pools.

WHEREAS, the Servicer and the Lender desire that the Servicer manage and service collection of such assets so purchased by the Borrower and financed by the Lender, and the Servicer is desirous of providing such services.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Lender and the Servicer hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Defined Terms. Unless otherwise expressly indicated, all capitalized terms used in this Agreement but not otherwise herein defined shall have the respective meanings ascribed to them in the Credit Agreement.

ARTICLE II
SERVICING

Section 2.1 Appointment of the Servicer as Servicer. The Servicer shall collect, administer and service all Accounts and other Assets from time to time constituting a part of any Asset Pool financed in whole or in part by the Lender in accordance with this Agreement and shall have full power and authority, to the extent not limited hereunder, to do or cause to be done any and all things in connection with such servicing, administration and collection. In the performance of its duties and responsibilities under this Agreement, the Servicer may engage Permitted Third Parties to commence collection actions, foreclosure proceedings and/or the like; provided, however, that each Permitted Third Party shall be engaged on a contingency fee basis and all Permitted Third-Party Costs and Permitted Third-Party Fees shall be payable only by such Permitted Third Party retaining such Permitted Third-Party Costs and Permitted Third-Party Fees from collections collected by such Permitted Third Party.

Section 2.2 Documents Evidencing Assets. To the extent delivered to the Borrower by an Asset Pool Seller, the Borrower will deposit with the Servicer copies of each document evidencing or relating to an Account or other Asset to be serviced by the Servicer, together with such other documents available to the Borrower as the Servicer may reasonably require in order to perform its duties under this Agreement. In addition, the Servicer shall (i) maintain and retain physical possession of good and legible copies of all other instruments or documents, including original Re-Write Notes to the extent permitted under this Agreement, executed by an Obligor and/or the Servicer to modify, supplement, compromise, settle, restructure or otherwise modify the terms or conditions of any Account during the term that the Servicer is servicing the Accounts, and (ii) maintain and retain originals or copies, as appropriate, of all instruments and documents generated by or coming into the possession of the Servicer (including. but not limited to, current and historical computerized data files, whether developed or originated by the Servicer or others) that are reasonably required to evidence, document, collect or service any Asset. All documents described in this Section 2.2 are referred to collectively herein as the "Asset Documents". All Asset Documents shall remain the property of the Borrower, subject to the security interest of the Lender.

Section 2.3 Duties of Servicer. Without limiting the generality of Section 2.1, the Servicer shall undertake all commercially reasonable efforts consistent with the Servicer's Practices (as defined in Section 2.4(a)) to collect or otherwise realize upon each Asset comprising a part of an Asset Pool being serviced hereunder, including, without limitation, commencing (i) collection actions, (ii) foreclosure proceedings and repossession activities, if applicable, and (iii) other customary collection practices. In that connection, the Servicer shall be solely responsible for the retention and compensation of attorneys (other than Permitted Third Parties) engaged for purposes of pursuing collection litigation against Obligors, collection and posting of all payments, responding to inquiries of Obligors of Accounts, investigating delinquencies, sending statements to Obligors, reporting any required tax information to Obligors, reporting any required credit information on Obligors to the credit bureaus, accounting for Asset Pool Proceeds collected on account of any Asset, monitoring the status of any guaranties or insurance policies relating to any Asset, commencing and pursuing collection actions, entering into agreements for the settlement, compromise or satisfaction of Assets and such other practices and procedures as are generally employed in collecting similar accounts, loan portfolios and other receivables. To the extent that the Servicer, in the performance of its duties and responsibilities under this Agreement, engages Permitted Third Parties or other attorneys for purposes of pursuing collection litigation or other purposes, the Servicer shall also have sole responsibility for monitoring the activities and actions of such Permitted Third Parties and such other attorneys and shall use reasonable efforts to require, by enforcement of the applicable contract of placement or engagement, that such activities and actions are in compliance with provisions of this Agreement.

Section 2.4 Servicing Standards; Subservicing.

(a) The Servicer agrees that it shall service, administer, collect, market and sell the Assets in a commercially reasonable manner consistent with the written servicing practices attached hereto as Exhibit A and, to the extent consistent with such written servicing practices, the Servicer's customary standards, policies, procedures and practices in connection with servicing, administration and collection activities (the foregoing written servicing practices and the foregoing customary standards, policies, procedures and practices, as changed from time to time, including, without limitation, material changes made with the prior consent of the Lender, are herein collectively referred to as the "Servicer's Practices"). The Servicer shall not make any material changes to the Servicing Practices without the prior consent of the Lender, which consent shall not be unreasonably withheld by the Lender.

(b) In addition to Permitted Third Parties, the Servicer may appoint, with the prior written consent of the Lender, and pursuant to subservicing agreements acceptable to the Lender, one or more subservicers to perform the Servicer's duties hereunder. No appointment of any subservicer or engagement of any attorney for collection litigation or other purposes by the Servicer shall relieve the Servicer of any of its duties or responsibilities under this Agreement, including without limitation, its servicing responsibilities hereunder and its reporting responsibilities hereunder. To the extent the Lender approves a subservicing agreement with respect to certain Assets (including the fee payable to any such subservicer thereunder), the Servicer shall not be entitled to payment of any Servicing Fee on account of the Assets subject to such subservicing agreement, but the amount of such subservicing fees payable under such subservicing agreement shall be payable from Asset Pool Proceeds from such Assets serviced by such subservicer in lieu of the Servicing Fee which would otherwise be payable to the Servicer with respect to such Assets.

Section 2.5 Power and Authority. The Servicer is hereby granted the full power and authority to conduct its servicing, administration and collection activities for and on behalf of the Borrower and the Lender as contemplated herein and, without limiting the generality of the foregoing, is authorized and empowered to (a) make all communications with Obligors under Accounts in the Borrower's name and (b) execute and deliver, on behalf of the Borrower, any and all instruments of amendment, modification, satisfaction, cancellation, sale, transfer, release, discharge and all other comparable instruments with respect to any such Asset; provided, however, that the authority granted above shall not be exercised by the Servicer unless consistent with Section 2.6 hereof. To the extent permitted by applicable law, the Servicer is hereby authorized to commence, in the name of the Borrower, legal proceedings to collect Accounts and to commence or participate in any other legal proceeding otherwise relating to or involving an Account or any other Asset. If the Servicer commences or participates in any such legal proceedings, the Servicer is authorized and empowered to execute and deliver, in the Borrower's name, any notices, demands, claims, complaints, responses, affidavits or other documents or instruments in connection with any such proceeding. Upon request, the Borrower shall furnish the Servicer with any powers of attorney or other documents which the Servicer may reasonably request and which the Borrower may reasonably approve in order to take such steps as the Servicer deems necessary, appropriate or expedient to carry out its servicing, administration and collection activities under this agreement.

Section 2.6 Settlement Authority and Re-Write Notes.

(a) The Servicer shall have such authority to compromise, settle or cooperate with the Borrower in selling any Account or other Asset pursuant to the terms in Section 3.4 of the Credit Agreement. If the Servicer places Assets for collection with any subservicer or engages any Permitted Third Party or any other attorney to commence collection actions, foreclosure proceedings and/or the like, the Servicer will provide written notice to each such subservicer, Permitted Third Party or other attorney of the terms of Section 3.4 of the Credit Agreement and will use reasonable ef1orts to require, by enforcement of the applicable contract of placement or engagement, that each such subservicer and each such Permitted Third Party or other attorney compromises, settles or cooperates with the Borrower in selling any Account or other Asset pursuant to the terms in Section 3.4 of the Credit Agreement.

(b) In furtherance of the Servicer's collection of Accounts, the Servicer may accept, on behalf of the Borrower and subject to the Lender's security interest, a promissory note issued by an Obligor in favor of the Borrower in replacement or settlement of an Account (a "Re-Write Note") so long as such Re-Write Note complies with the terms in Section 3.4 of the Credit Agreement. Each Re-Write Note shall be in compliance with all applicable laws and, upon execution and delivery of such Re-Write Note by the Obligor to the Servicer, the Servicer shall immediately firmly affix to such Re-Write Note an original allonge endorsement in the form of Exhibit B, executed by the Borrower in favor of the Lender. So long as no Default or Event of Default exists under the Credit Agreement and no Termination Event exists under this Agreement, the Lender shall permit the Servicer, as agent for the Lender (for the sole purpose of perfecting the Lender's security interest in Re-Write Notes) to retain possession of Re-Write Notes so long as the aggregate face amount of all Re-Write Notes in the possession of the Servicer shall not at any time exceed two percent (2%) of the aggregate original face amount of all Assets in all Asset Pools. The Servicer hereby acknowledges and agrees that it shall retain possession of the Re-Write Notes as agent for the Lender for the purpose of perfecting the Lender's security interest in the Re-Write Notes. Upon the occurrence of a Default or an Event of Default under the Credit Agreement or upon the occurrence of a Termination Event or to the extent that the aggregate face amount of all Re-Write Notes in the possession of the Servicer

exceeds two (2%) of the aggregate original face amount of all Assets in all Asset Pools, upon written request of the Lender, the Servicer shall immediately deliver all Re-Write Notes to the Lender. If after delivery of the Re-Write Notes to the Lender (at a time when the Servicer has not been terminated as servicer for the Assets), the Servicer needs possession of a Re-Write Note for amendment, enforcement or return to the applicable Obligor upon final payment of such Re-Write Note, the Servicer shall provide the Lender with a written request for the applicable Re-Write Note. Upon receipt of such written request from the Servicer, the Lender shall promptly provide to the Servicer the requested ReWrite Note. Unless such Re-Write Note is paid in full or a lesser amount in compliance with the provisions of Section 3.4 of the Credit Agreement is accepted by the Servicer in its reasonable judgment in full satisfaction of the amount owing under such Re-Write Note, the Servicer shall promptly return such Re-Write Note to the Lender when the Servicer no longer needs possession of such Re-Write Note for amendment or enforcement.

Section 2.7 Legal Compliance. The Servicer shall perform all of its obligations under this Agreement in full compliance with all applicable laws, rules and regulations, including, but not limited to, laws, rules and regulations governing debt collection practices and procedures. To the extent that the Servicer places Assets for collection with any subservicer or engages any Permitted Third Party or any other attorney to commence collection actions, foreclosure proceedings and/or the like with respect to the Assets, the Servicer shall advise each such subservicer, Permitted Third Party or other attorney of provisions in this Agreement and the Credit Agreement which are relevant to such placement or engagement, including, without limitation, the provisions of Section 3.4 of the Credit Agreement. The Servicer shall use reasonable efforts to require, by enforcement of the applicable contract of such placement or engagement, each such subservicer and each such Permitted Third Party or other attorney to perform all of its obligations with respect to the Assets in full compliance with the provisions of this Agreement and the Credit Agreement and in full compliance with all applicable laws, rules and regulations, including, but not limited to, laws, rules and regulations governing debt collection practices and procedures. The Servicer specifically represents and warrants to the Borrower and the Lender that the Servicer is knowledgeable and experienced in complying with such laws, rules and regulations as they pertain to debt collection practices and procedures.

Section 2.8 Deposit to Collateral Account. The Servicer shall (i) deposit all Asset Pool Proceeds received by it, on a daily basis, into the Collateral Account, and (ii) use reasonable efforts to require by enforcement of the applicable contract of placement or engagement, all Asset Pool Proceeds whether received by a subservicer, a Permitted Third Party or any other attorney engaged to commence collection actions, foreclosure procedures and/or the like, to be paid to the Servicer for deposit into the Collateral Account pursuant to the applicable contract of placement or engagement. To the extent that Asset Pool Proceeds are received by check or otherwise in the Servicer's Lockbox or are received through the Servicer's preparation of "laser checks", the Servicer will cause such Asset Pool Proceeds to be deposited directly into the Collateral Account. To the extent that Asset Pool Proceeds are received (whether by wire transfer, money order or otherwise) in the Servicer's Collection Account, the Servicer shall transfer all Asset Pool Proceeds on a daily basis from the Servicer's Collection Account to the Collateral Account. Except for the temporary deposit of Asset Pool Proceeds in the Servicer's Collection Account as provided in the preceding sentence, the Servicer shall not commingle any Asset Pool Proceeds collected with respect to the Assets with any moneys or other funds which are not Asset Pool Proceeds. Withdrawals from the Collateral Account for payment of fees to the Collateral Agent, NAN Net Negative Permitted Third-Party Costs, Servicing Fees, Loan Costs and distributions to the Lender and the Borrower shall be made on each Distribution Date in accordance with the provisions of the Credit Agreement. Pending distribution pursuant thereto, all Asset Pool Proceeds at any time held by the Servicer, any subservicer, any Permitted Third Party or any other attorney shall be held in trust for the benefit of the Lender. The Servicer acknowledges that the Borrower has granted a security interest to the Lender in all of the Borrower's right, title and interest in and to all Asset Pool Proceeds, including those from time to time on deposit in the Servicer's Collection Account and those from time to time on deposit in the Collateral Account. The Servicer has not granted, and will not grant, to any Person (i) a security interest in the Servicer's Collection Account or in the Asset Pool Proceeds at any time on deposit in the Servicer's Collection Account. or (ii) the right to control in any respect the Servicer's Collection Account or any Asset Pool Proceeds at any time on deposit therein. The Collateral Account shall be subject to all terms and conditions of the Collateral Account Agreement which provides, among other things, that no distributions shall be made therefrom without the prior written consent of the Lender.

Section 2.9 Distributions from the Collateral Account. All Asset Pool Proceeds from time to time on deposit in the Collateral Account shall be held therein until the next occurring Distribution Date. Not later than 3:00 p.m. Minneapolis, Minnesota time on the applicable Distribution Report Date, the Servicer shall deliver to the Lender the Distribution Report for the related Distribution Period, and the Lender will make its determinations as to distributions of Asset Pool Proceeds deposited in the Collateral Account during such Distribution Period in accordance with Section 2.8 of the Credit Agreement. In no event shall any amount be distributed from the Collateral Account without prior written consent of the Lender as to each such distribution.

Section 2.10 Insurance. The servicer shall obtain and maintain at all times during the term of this Agreement the following insurance coverages:

(a) The Servicer shall obtain and maintain workers' compensation or approved self-insurance and employer's liability insurance which shall fully comply with statutory requirements of all applicable state and federal laws.

(b) The Servicer shall obtain and maintain commercial general liability insurance with a minimum combined single limit of liability of $1,000,000 per occurrence and $2,000,000 aggregate for injury and/or death and/or property coverage, including broad form contractual liability insurance specifically covering the Lender under this Agreement.

(c) The Servicer shall obtain and maintain business automobile liability insurance covering all owned, hired and non-owned vehicles and equipment used by the employees of the Servicer with a minimum combined single limit of liability of $1,000,000 for injury and/or death and/or property damage.

(d) The Servicer shall obtain and maintain excess coverage with respect to its insurance described in clauses (b) and (c) above, with a minimum combined single limit of $3,000,000.

(e) The Servicer shall obtain and maintain errors and omissions insurance covering the actions of the Servicer and its employees and agents under this Agreement with a minimum combined single limit of $3,000,000.

(f) The Servicer shall obtain and maintain a fidelity insurance bond in an amount not less than $100,000.

Each policy shall provide for thirty (30) days prior written notice to be given by the insurer to the Lender in the event of a termination, non-renewal or cancellation, or of any material change in coverages or deductibles. All insurance required hereunder shall be carried with responsible insurance companies of recognized standing which are authorized to do business in the states in which any of the Assts are located and are rated A-XII or better by A.M. Best.

Section 2.l1 Right of Lender to Place a Sampling of Assets with Independent Servicer. At any time and from time to time, upon request of the Lender, the Borrower and the Servicer shall cooperate with the Lender in allowing the Lender to select certain of the Assets which have been previously placed with the Servicer (which selected Assets shall not exceed at any time five percent (5%) of the aggregate amount of all Assets) for placement for servicing with an independent third-party servicer which is not the Servicer. In selecting Assets for placement with an independent third-party servicer, the Lender shall use its best efforts not to disrupt the Servicer's business and the Lender will focus on inactive Accounts, but may also select Accounts undergoing active collection strategies; provided, however, to the extent that the Servicer identifies for the Lender active Accounts with respect to which the Servicer has in place payment arrangements with the applicable Obligors under which payments are being received or will be received (or will commence being received) within the next sixty (60) days, the Lender will exclude such Accounts subject to such payment arrangements from placement with an independent third-party servicer; provided, further, however, in the event that any such Account which the Servicer has so identified as having in place a payment arrangement does not in fact produce a payment within such sixty (60) day period, the Lender may place such Account with such independent third-party servicer. In connection with any such placement, the Borrower and the Servicer shall join with the lender and such independent third-party servicer in the execution and delivery of a servicing agreement mutually acceptable to the Borrower, the Servicer, the Lender and such independent third-party servicer. All Asset Pool Proceeds collected by such independent third-party servicer will be deposited into the Collateral Account for distribution in accordance with the provisions of the Credit Agreement, except that with respect to the Asset Pool proceeds collected from such Assets placed with such independent third-party servicer, a servicing fee shall be payable to such independent third-party servicer in accordance with the provisions of the servicing agreement entered into with such independent third-party servicer instead of the Servicing Fee payable to the Servicer under the Credit Agreement. The Servicer shall be reimbursed for its reasonable out-of-pocket costs incurred in (i) responding to any request for information or reports requested by the independent third-party servicer, (ii) programming for the placement of such servicing with the independent third-party servicer, and (iii) programming in connection with the transmission back to the Servicer of servicing responsibility from the independent third party servicer. The Lender agrees to indemnify, defend and hold harmless the Servicer and the Borrower from and against any and all claims, losses, liabilities, damages, penalties, fines, forfeitures and legal and accounting fees resulting from or arising out of any claims, actions or proceedings brought against the Servicer as a result of or based upon actions or inactions by an independent third-party servicer engaged pursuant to the provisions of this Section 2.11 (provided that such action or inaction was not undertaken at the direction of the Servicer), including any failure by such independent third-party servicer or any of its agents, representatives or employees to comply with all applicable debt collection laws, rules and regulations.

ARTICLE III
SERVICING FEES; REIMBURSEMENT OF EXPENSES

Section 3.1 Servicing Fees.

(a) Except to the extent that the provisions of this Agreement or the Credit Agreement provide that the Servicer is not entitled to a Servicing Fee, the Servicer shall be entitled to a Servicing Fee with respect to each Asset Pool, computed in accordance with Section 3.1 (b) below. The Servicing Fee with respect to each Asset Pool shall be payable on each Distribution Date solely from Asset Pool Proceeds received with respect to such Asset Pool during the related Distribution Period and shall be paid to the Servicer in the order of priority provided in Section 2.8 of the Credit Agreement. Any Servicing Fee for an Asset Pool shall be payable solely from Asset Pool Proceeds obtained from and attributable to such Asset Pool and shall be without recourse to the Lender.

(b) With respect to each distribution of Asset Pool Proceeds occurring from the date of this Agreement through October 31, 2001, the Servicing Fee with respect to each Asset Pool shall be equal to the applicable Servicing Fee specified in the Servicing Fee Schedule attached hereto as Exhibit C, as the applicable Servicing Fee changes from time to time pursuant thereto. With respect to each distribution of Asset Pool Proceeds occurring after October 31, 2001, the Servicing Fee applicable to each Asset Pool shall be first adjusted on the first Distribution Date occurring after October 31, 2001, and thereafter adjusted quarterly effective for the first Distribution Date occurring after each December 31, March 31, June 30 and September 30 (each a "Servicing Fee Adjustment Date"), commencing with the first Servicing Fee Adjustment Date being effective for the first Distribution Date occurring after October 31, 2001, so that the adjusted Servicing Fee approximates the actual servicing costs of the Servicer in servicing the Assets included in the Asset Pools with consideration given to the types of Assets being serviced, the age of the Assets being serviced, the collection strategy used with respect to such Assets and other relevant considerations. Each such quarterly adjustment in the Servicing Fee shall be mutually agreed upon in writing by the Lender, the Borrower and the Servicer before such adjustment in the Servicing Fee shall become effective. In order to enable the Lender, the Borrower and the Servicer to consider making a quarterly adjustment to the Servicing Fee, the Servicer shall provide to the Lender and the Borrower on October 1, 2001 (with respect to the first Servicing Fee Adjustment Date) and thereafter on each December 1, March 1, June 1 and September 1, a written analysis of the actual servicing costs incurred by the Servicer in servicing the Assets included in the Asset Pools, with such written analysis being in form and detail reasonably acceptable to the Lender and the Borrower. In the event that the Lender, the Borrower and the Servicer do not mutually agree in writing to an adjustment in the Servicing Fee by the applicable Servicing Fee Adjustment Date, regardless of the reason for such failure to so mutually agree in writing, then the Servicing Fee for the applicable quarter shall be the Servicing Fee specified in the "Safe Harbor" sections of the Servicing Fee Schedule attached hereto as Exhibit C, as the applicable Servicing Fee changes from time to time pursuant thereto.

Section 3.2 Nonreimbursable Expenses of the Servicer. Except for Permitted Third-Party Costs and Permitted Third-Party Fees retained by Permitted Third Parties from collections received by such Permitted Third Parties, the Servicer shall be solely responsible for payment of all costs and expenses incurred in connection with the servicing, administration or collection of Assets. Without limiting the generality of the foregoing, it is understood and agreed that the Servicer shall not be entitled to payment or reimbursement for any costs of collecting or realizing upon any Account (including, without limitation, any filing fees, court costs, legal fees or other costs or expenses incurred by the Servicer) or for any overhead expenses of the Servicer, salaries, wages or other compensation of employees of the Servicer or travel and other expenses incurred by any employees of the Servicer. In addition, except for Permitted Third-Party Costs and Permitted Third-Party Fees retained by Permitted Third Parties from collections received by such Permitted Third Parties and except with respect to a subservicer to the extent contemplated by Section 2.4 of this Agreement, to the extent the Servicer engages any other party to perform any aspects of its duties under this Agreement, any such fees, charges, costs or expenses therefor shall be paid by the Servicer and shall not be reimbursable from Asset Pool Proceeds.

ARTICLE IV
ACCOUNTING, STATEMENTS AND REPORTS

Section 4.1 Books and Records.

(a) The servicer shall keep accurate books and records pertaining to the operations, business and financial condition of the Servicer and to such other matters as the Lender may from time to time reasonably request with respect to the Servicer, in which true and correct actions made in accordance with GAAP consistently applied.

(b) The Servicer shall (i) maintain and retain detailed records with respect to each Asset setting forth the status of such Asset, the amount and application of any funds received on account of such Asset, or other realization upon, such Asset, and (ii) maintain and retain notes related to the servicing, administration and collection efforts and activities with respect to each Asset as are reasonably necessary to continue servicing the Asset. The Servicer shall also make periodic reports in accordance with Section 4.2. To the extent that the Servicer has placed any of the Assets with a subservicer or has engaged a Permitted Third Party or any other attorney to commence collection actions, foreclosure proceedings and/or the like, the Servicer shall use reasonable efforts to require, by enforcement of the applicable contract of placement or engagement, each such subservicer and each such Permitted Third Party and each such other attorney to keep detailed records pertaining to such Assets. Such records may not be destroyed or otherwise disposed of except as provided herein and as allowed by applicable laws, regulations or decrees. All records and all Asset Documents, whether or not developed or originated by the Servicer, any such subservicer or any such attorney, shall remain at all times the property of the Borrower, subject to the security interests of the Lender therein. None of the Servicer, any such subservicer, any such Permitted Third Party or any such other attorney shall acquire any property rights with respect to any such books or records or Asset Documents, and none of the Servicer, any such subservicer, any such Permitted Third Party or any such other attorney shall have any right to possession of any of them except pursuant to this Ag1‘eement. Upon termination of this Agreement, the Servicer shall immediately deliver, and the Servicer shall use reasonable efforts to require. by enforcement of the applicable contract of placement or engagement, each such subservicer, each such Permitted Third Party and each such other attorney to immediately deliver, all such records and Asset Documents to the Lender or its designee. The Servicer shall bear the entire cost of restoration in the event any such books or records or Asset Documents shall become damaged, lost or destroyed while in the possession of the Servicer, any such subservicer, any such Permitted Third Party or any such other attorney.

Section 4.2 Periodic Reporting. The Servicer shall provide to the Borrower and the Lender the following periodic reports, in form and content acceptable to the Borrower and the Lender:

(a) As soon as available, and in any event within one hundred twenty (120) days after the end of each fiscal year of MCM Capital Group, Inc., a Delaware corporation ("MCM Capital Group"), a copy of the annual audit report of MCM Capital Group and its Subsidiaries, including, without limitation, the Borrower and the Servicer, with the opinion of their respective certified public accountants (which opinion shall not contain any "going concern" qualifications to MCM Capital Group or the Servicer and which shall not contain any other qualification as to the Loan Collateral or as to the ability of the Borrower, MCM Capital Group or the Servicer to perform any of its respective obligations under any Loan Documents to which it is a party), which annual report shall include the consolidated balance sheets and the consolidated statements of earnings, shareholder's equity and cash flows for the fiscal year then ended for MCM Capital Group and its Subsidiaries, all in reasonable detail and all prepared in accordance with GAAP, applied on a consistent basis, together with (i) internally prepared consolidating balance sheets and consolidating statements of earnings, shareholder's equity and cash flows for the fiscal year then ended for the Borrower and the Servicer, all in reasonable detail and all prepared in accordance with GAAP, applied on a consistent basis, and (ii) a certificate of the chief financial officer of, and on behalf of, MCM Capital Group stating that all such financial statements are true and accurate in all material respects.

(b) As soon as available and in any event within sixty (60) days after the end of each of the first three quarters of each fiscal year of MCM Capital Group, a copy of the interim unaudited financial statements of MCM Capital Group and its Subsidiaries, including, without limitation, the Borrower and the Servicer, which financial statements shall include the consolidated balance sheets and the consolidated statements of earnings, shareholder's equity and cash flows as at the end of such quarter for MCM Capital Group and its Subsidiaries and the consolidating balance sheets and the consolidating statements of earnings shareholder's equity and cash flows as at the end of such quarter for the Borrower and the Servicer, all in reasonable detail and stating in comparative form the figures for the corresponding date and period in the previous fiscal year, all prepared in accordance with GAAP, applied on a consistent basis (provided that so long as MCM Capital Group is a reporting company, delivery of the Form 10Q tiled by MCM Capital Group with respect to a fiscal quarter shall satisfy the requirement for quarterly consolidated financial statements under this section), together with a certificate of the chief financial officer of, and on behalf of, MCM Capital Group stating that such financial statements, subject to year-end audit adjustments, are true and accurate in all material respects.

(c) As soon as available and in any event within twenty (20) days after the end of each quarter of each calendar year, actual and projected collections and the expected internal rate of return for each Asset Pool (the IRR Model).

(d) As soon as available and in any event within fifteen (15) days after the end of each Test Period, a report which sets forth as of the end of such Test Period all Asset Pool Proceeds collected through the end of such Test Period for the Asset Pools (for each Asset Pool separately and for ail Asset Pools combined) and the Asset Pool Proceeds projected by the Borrower through the end of such Test Period for such Asset Pools (for each Asset Pool separately and for all Asset Pools combined) in the bid packages submitted by the Borrower as a part of the Accepted Borrowing Requests for such Asset Pools (the "Test Report").

(e) Not later than 3:00 p.m., Minneapolis, Minnesota time, two (2) Business Days immediately preceding each Distribution Date, (i) a Distribution Report for the applicable Distribution Period setting forth by Asset Pool, the Asset Pool Proceeds, outstanding balance of the Loans, if any, and other relevant information to determine the use and application of the Asset Pool Proceeds deposited to the Collateral Account during the Distribution Period immediately preceding such Distribution Date, (ii) a cash receipts report by Asset, (iii) a wire transfer report (stating wire transfer instructions and amounts), and (iv) such other reports as the Lender shall reasonably require regarding the Asset Pools or the Asset Pool Proceeds.

(f) As soon as available and in any event within twenty (20) days after the end of each calendar month, (i) a bank reconciliation statement for the Collateral Account and the Servicer's Collection Account, (ii) an Asset detail report (including all Asset related information), (iii) the current unpaid acquisition balance of the Assets (by product type) for each Asset Pool, (iv) the current unpaid acquisition balance of the Assets (by geographic state) for each Asset Pool, (v) a summarized status report (summary information by status code for each Asset Pool), (vi) a summarized asset pool report (summary information by Asset Pool), (vii) a computer diskette or tape with all information necessary to enable the Lender to perform all of the Servicer's servicing obligations under the Servicing Agreement, together with all data and data field information necessary to enable the Lender or a replacement servicer to maintain a continuous availability to perform the servicing obligations of the Servicer under the Servicing Agreement, (viii) a report showing the aggregate original face amount of all Re-Write Notes in the possession of the Servicer and showing such face amount as a percentage of the aggregate face amount of all Assets in all Asset Pools, and (ix) such other reports as the Lender shall reasonably require regarding the Asset Pools or the Asset Pool Proceeds.

(g) As promptly as practicable (but in any event not later than five (5) Business Days) after the Servicer obtains knowledge of the occurrence of any default by the Servicer in the performance of any of its obligations under this Agreement or under any other Loan Document to which the Servicer is a party, notice of such occurrence, together with a detailed statement by the Servicer of the steps being taken by the Servicer to cure the effect of such event.

(h) As soon as available and in any event not later than January 31 of each year, financial performance projections prepared for MCM Capital Group and its Subsidiaries for such year and the following two (2) years which have been approved by the board of directors of MCM Capital Group.

(i) As soon as available and in any event within sixty (60) days after the end of each of the first three (3) quarters of each fiscal year and within one hundred twenty (120) days after the end of each fiscal year of MCM Capital Group, a written report prepared by the chief financial officer of MCM Capital Group, which compares the actual financial performance of MCM Capital Group and its Subsidiaries with the financial performance projections (as the same may be adjusted by the board of directors of MCM Capital Group from time to time) delivered to the Lender pursuant to Section 4.2(h) above.

(j) As promptly as practicable (but in any event not later than five (5) Business Days) after the Servicer obtains knowledge thereof, notice of any pending or overtly threatened litigation against MCM Capital Group or any of its Subsidiaries which must be reported in a Form 8K fi1ed by MCM Capital Group or which, if successful, would likely result in a judgment of $250,000 or more.

(k) Such other information respecting any Asset Pool, the Servicer, any Permitted Third Party, any subservicer or any attorney engaged by the Servicer as the Lender may from time to time reasonably request.

The Lender acknowledges that certain information provided to it pursuant to this Agreement, including, without limitation, pursuant to this Section 4.2, may consist of material nonpublic information regarding MCM Capital Group and its Subsidiaries, and Lender acknowledges and agrees that it is aware (and that any Person to whom any such information may be disclosed as permitted by this Agreement has been, or upon receiving such information will be, advised) of the restrictions imposed by federal and state securities laws on a Person possessing material nonpublic information regarding an issuer of securities. In the event the Servicer is required to provide to the Lender material nonpublic information regarding MCM Capital Group and its Subsidiaries pursuant to this Agreement, including, without limitation, pursuant to this Section 4.2, and to the extent that applicable federal securities laws, rules and regulations require that the Lender execute and deliver a confidentiality agreement in connection with its receipt of such material nonpublic information, upon request of the Servicer, the Lender will execute and deliver a confidentiality agreement which has been prepared by the Servicer and which is consistent with the minimum requirements for confidentiality agreements set forth in such federal securities laws, rules and regulations. Notwithstanding any other provision in this Agreement, this paragraph shall survive and continue to be binding against Lender after any sale, conveyance, assignment or transfer by any such Person of any of the Notes or the Warrants.

Section 4.3 Inspection Rights. At any time and from time to time during regular business hours, the Servicer shall permit, and shall use reasonable efforts to require, by enforcement of the applicable contract of placement or engagement, each subservicer which is servicing any of the Assets to permit, the Borrower, the Lender or their respective agents, representatives or designees, at the sole cost and expense of such requesting party, (a) to examine or make copies of abstracts from all books, records and documents (including, without limitation) computer tapes and disks and constituting Asset Documents or otherwise in any way relating to any Asset or the Servicer's or any subservicers collection activities with respect thereto, (b) to visit the offices and properties of the Servicer or any subservicer for purposes of examining such materials or the Servicer's or any subservicer's procedures, processes and activities relating to the exercise of its duties hereunder and (c) to discuss matters relating to Assets or the servicing, collection or liquidation thereof or the performance by the Servicer or any subservicer with respect thereto with any officers or employees having knowledge of any such matters. Without limiting the foregoing, at any time and from time to time during regular business hours, the Servicer shall permit, and the Servicer shall use reasonable efforts to require, by enforcement of the applicable contract of placement or engagement, each subservicer to permit, certified public accountants or other auditors designated by the Borrower or the Lender to conduct a review of the Servicer's or any subservicer's books, records and procedures with respect to the servicing, administration, collection and/or disposition of the Assets. In connection with the Lender's exercise of the inspection rights granted to the Lender pursuant to this Section 4.3, the Lender will use reasonable efforts not to interfere with the preparation by employees and agents of MCM Capital Group and its Subsidiaries of financial statements or other reports or filings required by applicable federal securities laws, rules and regulations.

ARTICLE V
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 5.1 Representations and Warranties of the Servicer. The Servicer hereby represents and warrants to the Lender and the Borrower as follows:

(a) The Servicer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, and is duly qualified and licensed to conduct collection activities and is in good standing in each jurisdiction in which such qualification or licensing is necessary as a condition to conducting collection activities with respect to Assets being serviced hereunder and where the failure to obtain such licensing or qualification would have a material adverse effect on the Servicer or its ability to perform its obligations hereunder. The Servicer has all requisite power and authority to own and operate its properties, carry out its business as presently conducted and as proposed to be conducted and to enter into and discharge its obligations under this Agreement and the other Loan Documents to which it is a party. Within the last twelve (12) months, the Servicer has done business only under its current name as specified herein. As of the Closing Date, the chief executive office and principal place of business of the Servicer is located at the address set forth in Section 7.2, and all of the Servicer's records relating to its businesses are kept at one or more of the following locations: (i) the location set forth in Section 7.2, (ii) 4302 East Broadway Road, Phoenix, Arizona 85040 or (iii) 12375 Kerran Street, Poway, California 92064. The Servicer will not change its chief executive office or principal place of business without sixty (60) days prior written notice to the Lender.

(b) The execution and delivery by the Servicer of this Agreement and the other Loan Documents to which it is a party and performance and compliance by the Servicer with the terms of this Agreement and the other Loan Documents to which it is a party have been duly authorized by all necessary action on the part of the Servicer and will not violate the Servicer's organizational documents or constitute a default under any indenture or loan or credit agreement or any other material agreement, lease or instrument to which the Servicer is a party or by which it or its properties may be bound or affected.

(c) This Agreement and the other Loan Documents to which it is a party constitute the valid, legal and binding obligations of the Servicer, enforceable against it in accordance with their respective terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by general principles of equity (whether considered in a proceeding or action in equity or at law).

(d) As of the Closing Date, no litigation is pending or, to the best of the Servicer's knowledge, threatened against the Servicer, the consequences of which would prohibit its entering into this Agreement or that would materially and adversely affect the condition (financial or otherwise) or operations of the Servicer or its properties or the consequences of which would materially and adversely affect its performance hereunder.

(e) The Servicer has heretofore furnished to the Borrower and the Lender financial statements of MCM Capital Group and its Subsidiaries, including the Servicer, as of September 30, 2000. Those statements fairly present the financial condition of MCM Capital Group and its Subsidiaries, including the Servicer, on the date thereof and the results of their respective operations and cash flows for the period ending on September 30, 2000, and were prepared in accordance with GAAP. From September 30, 2000 through the Closing Date, there has been no material adverse change in the business, properties or condition (financial or otherwise) of MCM Capital Group and its Subsidiaries, including the Servicer.

(f) All actions, approvals, consents, waivers, exemptions, variances, franchises, orders, permits, authorizations, rights and licenses required to be taken, given or obtained. as the case may be, by or from any federal, state or other governmental authority or agency, that are necessary or advisable in connection with the execution and delivery by the Servicer of this Agreement and the other Loan Documents to which it is a party have been duly taken, given or obtained, as the case may be, are in full force and effect on the date hereof, are not subject to any pending proceedings or appeals (administrative, judicial or otherwise) and either the time within which any appeal therefrom may be taken or review thereof may be obtained has expired or no review thereof may be obtained or appeal therefrom taken, and are adequate to authorize this Agreement and the other Loan Documents to which it is a party and, as of the Closing Date, the performance by the Servicer of its obligations under this Agreement and the other Loan Documents to which it is a party.

(g) The Servicer has paid or caused to be paid to the proper authorities when due all federal, state and local taxes required to be withheld by it (other than any taxes which are being contested in good faith and by proper proceedings and for which the Servicer shall have set aside on its books adequate reserves therefor). The Servicer has tiled all federal, state and local tax returns which to the knowledge of the officers of the Servicer, are required to be filed, and the Servicer has paid or caused to be paid to the respective taxing authorities all taxes as shown on said returns or on any assessment received by it to the extent such taxes have become due (other than any taxes which are being contested in good faith and by proper proceedings and for which the Servicer shall have set aside on its books adequate reserves therefor).

(h) The Servicer has no ownership interest in the Assets or the Asset Proceeds and the Servicer has not granted, or attempted to grant, to any other Person any security interest in the Assets or the Asset Pool Proceeds, and no financing statement naming the Servicer as debtor and covering the Assets or the Asset Pool Proceeds is on file in any office.

(i) As of the Closing Date, the Servicer does not maintain and has not in the past maintained any Plan. The Servicer has not received any notice or has any knowledge to the effect that it is not in full compliance with any of the requirements of ERISA. No Reportable Event or other tact or circumstance which may have an adverse effect on the Plan's tax qualified status exists in connection with any Plan. The Servicer does not have:

i) any accumulated funding deficiency within the meaning of ERISA; or

ii) any liability or know of any tact or circumstances which could result in any liability to the Pension Benefit Guaranty Corporation, the Internal Revenue Service, the Department of Labor or any participant in connection with any Plan (other than accrued benefits which are or which may become payable to participants or beneficiaries of any such Plan).

(j) As of the Closing Date, the Servicer is in compliance with all provisions of all agreements, instruments, decrees and orders to which it is a party or by which it or its property is bound or affected, the breach or default of which could have a material adverse effect on the financial condition, properties or operations of the Servicer.

(k) All financial and other information regarding the Servicer or MCM Capital Group and its Subsidiaries provided to the Borrower and/or the Lender (including, but not limited to the completed background questionnaires) by or on behalf of the Servicer in connection with the Borrower's request for any Loan and the credit facilities contemplated by the Credit Agreement is true and correct in all material respects and, as to projections, valuations or proforma financial statements for the Servicer or MCM Capital Group, or any Asset Pool, present a good faith opinion as to such projections, valuations and proforma condition and results. The foregoing information regarding the Servicer or MCM Capital Group and its Subsidiaries provided to the Borrower and/or the Lender by or on behalf' of the Servicer contains no omissions which would cause such information to be materially misleading. All information provided to the Borrower and/or the Lender with respect to the Assets, the Asset Pools, the Asset Pool Proceeds and related matters by or on behalf of the Servicer is, to the knowledge of the Servicer, true and correct in all material respects and, to the knowledge of the Servicer, does not contain any omissions which would cause such information to be materially misleading.

Section 5 .2 Covenants of the Servicer. The Servicer will comply with the following covenants:

(a) The Servicer will pay or discharge, when due, (i) all taxes, assessments and governmental charges levied or imposed upon it or upon its income or profits, upon any properties belonging to it prior to the date on which penalties attach thereto, (ii) all federal, state and local taxes required to be withheld by it, and (iii) all lawful claims for labor, materials and supplies which, if unpaid, would by law become a lien or charge upon any properties of the Servicer; provided, that the Servicer shall not be required to pay any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings.

(b) The Servicer will keep and maintain all of its properties necessary or useful in its business in good condition, repair and working order (normal wear and tear excepted); provided, however, that nothing in this Section 5.2(b) shall prevent the Servicer from discontinuing the operation and maintenance of any of its properties if such discontinuance is, in the reasonable judgment of the Servicer, desirable in the conduct of the Servicer's business and not disadvantageous in any material respect to the Borrower or the Lender.

(c) The Servicer will preserve and maintain its legal existence and all of its rights, privileges and franchises necessary or desirable in the normal conduct of its business and shall conduct its business in an orderly, efficient and regular manner.

(d) The Servicer will conduct all collection activities and all sales, transfers and dispositions relating to the Assets on an arms-length basis and so as to cause all collections and all consideration received upon the sale, transfer or disposition of an Asset to (i) become and constitute Asset Pool Proceeds, and (ii) be distributed as Asset Pool Proceeds in accordance with the Credit Agreement.

(e) The Servicer will not create, or attempt to create, any pledge, lien, security interest, assignment or transfer upon or in any of the Assets or the Asset Pool Proceeds, or assign or otherwise convey, or attempt to assign or otherwise convey, any right to receive collections or other income with respect thereto.

(f) The Servicer will not sell, lease, assign, transfer or otherwise dispose of all or a substantial part of its assets (whether in one transaction or in a series of transactions) which materially and adversely affects the Assets or the ability of the Servicer to perform its obligations under the Loan Documents to which it is a party.

(g) The Servicer shall not liquidate, dissolve, terminate or suspend its business operations or otherwise fail to operate its business in the ordinary course; or

(h) The Servicer will not consolidate with or merge into any Person, or permit any other Person to merge into it, or acquire (in a transaction analogous in purpose or effect to a consolidation or merger) all or substantially all the assets of any other Person.

(i) The Servicer will not accept or receive or agree to accept or receive any rebate, refund, commission, fee (other than the Servicing Fee), kickback or rakeoff, whether cash or otherwise and whether paid by or originating with the Obligor, any subservicer or any other party (including but not limited to brokers and agents), as a result of or in any way in connection with collection activities related to any Asset or in connection with the sale, disposition, transfer or servicing of any Asset.

(j) The Servicer shall implement in its office in Phoenix, Arizona, the collection system software which Servicer uses in its office in San Diego, California, and such implemented collection system software shall be fully operational in its office in Phoenix, Arizona by March 1, 2001.

ARTICLE VI
TERMINATION; TRANSFER OF SERVICING; INDEMNITY

Section 6.1 Termination Events. Any of the following acts or occurrences shall constitute a Termination Event under this Agreement (each, a "Termination Event"):

(a) The Servicer shall fail to deposit to the Collateral Account any Asset Pool Proceeds received by the Servicer as and when required in accordance with this Agreement, or the Servicer shall fail to pay to the Lender any payment in the amount and on the date required to be made in accordance with this Agreement, and any such failure shall continue for more than two (2) Business Days;

(b) The Servicer shall fail to observe or perform in any respect any covenant or agreement required to be performed thereby under this Agreement or under any other Loan Document to which the Servicer is a party, and the continuance of such default or breach for a period of fifteen (15) calendar days after there has been given to the Servicer a written notice specifying the default or breach and requiring it to be remedied;

(c) Any representation, warranty or statement of the Servicer made in this Agreement shall prove to have been incorrect in any material respect, or any representation, warranty or statement of the Servicer in any certificate, report or other statement, in writing or orally, delivered to any party hereto and pursuant hereto or thereto, shall not satisfy the standard applicable to such representation or warranty as set forth in Section 5.1(k) of this Agreement;

(d) The Servicer or MCM Capital Group shall be or become insolvent, or admit in writing its inability to pay its debts as they mature, or make a general assignment for the benefit of creditors; or the Servicer or MCM Capital Group shall apply for or consent to the appointment of any receiver, trustee, or similar officer for it or for all or any substantial part of its property; or such receiver, trustee or similar officer shall be appointed without the application or consent of the Servicer or MCM Capital Group and shall not be discharged within sixty (60) days of appointment; or the Servicer or MCM Capital Group shall institute (by petition, application, answer , consent or otherwise) any insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to it under the laws of any .jurisdiction; or any such proceeding shall be instituted (by petition, application or otherwise) against the Servicer or MCM Capital Group; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against a substantial part of the property of the Servicer or MCM Capital Group and such shall remain unstayed or undismissed for sixty (60) days;

(e) A voluntary petition naming the Servicer or MCM Capital Group, as debtor, is filed under the United States Bankruptcy Code, or an involuntary petition naming the Servicer or MCM Capital Group, as debtor, is filed under the United States Bankruptcy Code and such involuntary petition shall remain undismissed for sixty (60) days;

(f) An Event of Default as specified in the Credit Agreement shall exist and shall not have been remedied to the written satisfaction of the Lender or waived in writing by the Lender;

(g) A material adverse change shall occur in the financial, business or operational condition of the Servicer or MCM Capital Group as compared to the status of the Servicer or MCM Capital

Group as of the date of this Agreement, which material adverse change materially impacts the ability of the Servicer or MCM Capital Group to perform its obligations under any Loan Document to which it is a party;

(h) Any Reportable Event, which the Lender determines in good faith might constitute grounds for the termination of any Plan or for the appointment by the appropriate United States District Court of a trustee to administer any Plan, shall have occurred and be continuing thirty (30) days after written notice, to such effect shall have been given to the Servicer or MCM Capital Group by the tender; or any Plan shall have been terminated, or a trustee shall have been appointed by an appropriate United States District Court to administer any Plan, or the Pension Benefit Guaranty Corporation shall have instituted proceedings to terminate any Plan or to appoint a trustee to administer any Plan;

(i) The Servicer or MCM Capital Group shall liquidate, dissolve, terminate or suspend its business operations or otherwise tail to operate its business in the ordinary course;

(j) The Servicer or MCM Capital Group shall sell, lease, assign, transfer or otherwise dispose of all or a substantial part of its assets (whether in one transaction or in a series of transactions) which materially and adversely affects the Loan Collateral or the ability of the Servicer or MCM Capital Group to perform its obligations under the Loan Documents to which it is a party;

(k) The Servicer or MCM Capital Group shall fail to pay, withhold, collect or remit any tax or tax deficiency when assessed or due (other than any tax or tax deficiency which is being contested in good faith and by proper proceedings and for which it shall have set aside on its books adequate reserves therefor) or notice of any state or federal tax liens shall be tiled or issued (other than with respect to any taxes or tax deficiencies which are being contested in good faith and by proper proceedings and for which it shall have set aside on its books adequate reserves therefor);

(l) A continuing default in the payment of $100,000 or more under any note, agreement or other evidence of indebtedness or similar obligation of the Servicer (other than a default whose breach is elsewhere in this Section 6.1 specifically dealt with) or under any instrument under which such evidence of indebtedness or similar obligation has been issued or by which it is governed and the expiration of the applicable period of grace, if any, specified in such evidence of indebtedness or other instrument;

(m) A Change of Control shall occur;

(n) A Change of Key Management shall occur at a time when the aggregate outstanding principal balance of the Loans is $20,000,000 or more and one hundred eighty (180) days shall have passed after the occurrence of such Change of Key Management; Provided, however, if a Change of Key Management involves only either Carl C. Gregory III or James Brandon Black (and not both Carl C. Gregory III and James Brandon Black), then such Change of Key Management shall not be an Event of Default if, within the above-described 180-day period, a new officer shall be employed to replace Carl C. Gregory III or James Brandon Black, as applicable, which new replacement officer is reasonably acceptable to the Lender;

(o) As of the last day of any two (2) consecutive Test Periods (excluding the two (2) Test Periods immediately following the Borrowing Date for the initial Loan made under this Agreement), the actual Asset Pool Proceeds received and distributed pursuant to Section 2.8 of the Credit Agreement as of the last day of such two (2) Test Periods for all Asset Pools (on a combined basis) is less than eighty-five percent (85%) of the Asset Pool Proceeds projected to be collected by the Borrower and distributed pursuant to Section 2.8 of the Credit Agreement for such Asset Pools (on a combined basis) as of the last day of such two (2) Test Periods in the bid packages submitted by the Borrower as a part of the Accepted Borrowing Requests for such Asset Pools;

(p) The rendering against the Servicer or MCM Capital Group of a final judgment, decree or order for the payment of money in excess of $250,000 (unless the payment of such judgment in excess of $250,000 is fully waived) which materially and adversely affects the ability of the Servicer or MCM Capital Group to perform its obligations under the Loan Documents to which it is a party and such judgment, decree or order remains unsatisfied and unstayed for more than sixty (60) days; or

(q) Any of the following shall occur: (i) entry of a court order which enjoins, restrains or in any way prevents the Servicer or MCM Capital Group from conducting all or any material part of its business affairs in the ordinary course of business, or (ii) withdrawal or suspension of any license required for the conduct of any material part of the business of the Servicer or MCM Capital Group, or (iii) any assets of the Servicer or MCM Capital Group having a fair market value of $500,000 or more in the aggregate are subject to an order or writ granting a motion or action to replevy, sequester, garnish, attach or levy against such assets.

Section 6.2 Termination; Removal of the Servicer. Immediately upon the occurrence of a Termination Event, the Lender, upon written notice to the Servicer and the Borrower, may terminate this Agreement with respect to any or all of the Assets or Asset Pools, whereupon the Servicer shall be removed from its duties and obligations as Servicer under this Agreement with respect to such Assets and Asset Pools and the Lender shall appoint one or more replacement servicers to service and collect all such Assets and Asset Pools. Selection of one or more replacement servicers and execution of one or more replacement servicing agreements shall be in the sole discretion of the Lender and shall be subject to such terms and conditions, including as to the servicing fee which shall be payable to such one or more replacement servicers, as the Lender shall require in its sole discretion. Each such replacement servicing agreement shall contain a confidentiality provision in substantially the form of Section 7.14 of this Agreement. In addition, upon the occurrence of a Termination Event, the Lender may pursue the Servicer for damages and exercise any other right or remedy against the Servicer as may be available under applicable law as a result of the Servicer's acts or omissions, whether arising under contract law, tort law or otherwise. Without the prior written consent of the Lender, the Servicer may not resign from its obligations under this Agreement, unless it is determined by the Lender and the Servicer that the performance by the Servicer of its obligations under this Agreement is prohibited by applicable law.

Section 6.3 Effect of Termination. Upon termination of this Agreement pursuant to Section 6.2, except for any accrued and unpaid Servicing Fee owing to the Servicer with respect to a Distribution Period ended before the termination of this Agreement or with respect to any Asset Pool Proceeds collected by Permitted Third Parties who have authority to continue collection services after termination of this Agreement pursuant to the terms of this Section 6.3, the Servicer shall not be entitled to any Servicing Fee with respect to any Assets which are no longer being serviced by Servicer after the date of such termination. Upon termination of this Agreement, the Servicer shall promptly deliver, and use reasonable efforts, by enforcement of the applicable contract of placement or engagement, to require each Permitted Third Party and other subservicer to deliver, to the replacement servicer all books and records that the Servicer and/or any Permitted Third Party or any other subservicer has maintained with respect to such Assets, including, without limitation, all Asset Documents then in the possession of the Servicer or any Permitted Third Party or any other subservicer. Any Asset Pool Proceeds received by the Servicer with respect to an Asset no longer serviced by the Servicer hereunder after removal of such servicing responsibilities shall be remitted by the Servicer directly and immediately to the Collateral Agent for deposit to the Collateral Account. The Servicer agrees to cooperate and ag1‘ees to use reasonable efforts to require, by enforcement of the applicable contract of placement or engagement, each Permitted Third Party and any other subservicer to cooperate, with any such replacement servicer in effecting the termination of any of the Servicer's servicing responsibilities and rights under this Agreement and shall promptly provide such replacement servicer with all documents and records reasonably requested by it to enable it to assume the functions of the Servicer and shall promptly transfer to the Collateral Agent any Asset Pool Proceeds then on deposit with the Servicer. Notwithstanding the foregoing, in the event of a termination of this Agreement pursuant to Section 6.2, so long as such termination was not as a result of a Termination Event under Section 6.1(d) or Section 6.1(e) or as a result of any Termination Event arising from an act of fraud or misappropriation of funds on the part of the Servicer, the Lender shall allow Permitted Third Parties who are members of NAN to continue to perform collection actions, foreclosure proceedings, repossession activities and other related collection activities with respect to Accounts which were being collected by such Permitted Third Parties at the time of termination of this Agreement (and such Permitted Third Parties may continue to retain Permitted Third-Party Fees and Permitted Third-Party Costs with respect to such Accounts) so long as all Asset Pool Proceeds generated from such collection activities of such Permitted Third Parties continue to be timely deposited into the Collateral Account as required by the terms of Section 2.7 of the Credit Agreement. Upon any removal of the Servicer, the Servicer shall join in, and the Servicer shall use reasonable efforts to require, by enforcement of the applicable contract of placement or engagement, each subservicer to join in, any written notice to affected Obligors of the transfer of the servicing to such replacement servicer.

Section 6.4 Indemnity by the Servicer. The Servicer agrees to indemnify, defend and hold harmless the Borrower and the Lender (each an "Indemnitee") from and against any and all claims, losses, liabilities, damages, penalties, fines, forfeitures, legal and accounting fees and all other tees or costs of any kind, judgments or expenses resulting from or arising out of any claims, actions or proceedings brought against an Indemnitee by any third party as a result of or based upon actions or inactions by the Servicer in the performance of its obligations under this Agreement (provided that such action or inaction was not undertaken at the direction of such Indemnitee), including any failure by the Servicer, any subservicer or any of their agents, representatives or employees to comply with all applicable debt collection laws, rules and regulations and any other action taken in collection of the Assets. If any investigative, judicial or administrative proceeding arising from any of the foregoing is brought against the Borrower or the Lender, upon request of such party, the Servicer, or counsel designated by the Servicer and reasonably satisfactory to the Indemnitee, will resist and defend such action, suit or proceeding to the extent and in a manner reasonably directed by the Indemnitee, at the Servicer's sole cost and expense. Each Indemnitee will use its best efforts to cooperate in the defense of any such action, suit or proceeding.

ARTICLE VII
MISCELLANEOUS

Section 7 .1 Severability Clause. Any part, provision, representation or warranty of this Agreement which is prohibited or which is held to be void or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. Any part, provision, representation or warranty of this Agreement which is prohibited or unenforceable or is held to be void 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. To the extent permitted by applicable law, the parties hereto waive any provision of law which prohibits or fenders void or unenforceable any provision hereof. If the invalidity of any part, provision, representation or warranty of this Agreement shall deprive any party of the economic benefit intended to be conferred by this Agreement, the parties shall negotiate in good faith to develop a structure the economic effect of which is as nearly as possible the same as the economic effect of this Agreement without regard to such invalidity.

Section 7.2 Notices. Any notices, consents, directions, demands or other communications given under this Agreement (unless otherwise specified herein) shall be in writing and shall be deemed to have been duly given when delivered in person or by overnight delivery at, or telecopied to, the respective addresses or telecopy numbers, as the case may be, set forth below (or to such other address or telecopy numbers as either party shall give notice to the other party pursuant to this Section 7.2); provided, however, any notice of a Termination Event given by Lender to Servicer shall be delivered either in person or by overnight mail:

If to the Borrower:

MRC Receivables Corporation
5775 Roscoe Court
San Diego, California 92123
Attention: General Counsel
Telephone: (858) 309-6960
Telecopy: (858) 309-6977

If to the Servicer:

Midland Credit Management, Inc.
5775 Roscoe Court
San Diego, California 92123
Attention: General Counsel
Telephone: (858) 309-6960
Telecopy: (858) 309-6977

If to the Lender:

CFSC Capital Corp. VIII
12700 Whitewater Drive
Minnetonka, MN 55343
Attention: Jon Taxdahl
Telephone: (952) 984-3469
Telecopy: (952) 984-3898

Any such demand, notice or communication hereunder shall be deemed to have been duly given when received by the other party or parties at the addresses described above, or such other address as may hereafter be furnished to the other party or parties by like notice and shall be deemed to have been received on the date delivered to or received at the premises of- the addresses.

Section 7.3 Costs and Expenses. The Servicer agrees that neither the Borrower nor the Lender shall be liable for any costs, expenses or disbursements which may be incurred or made in connection with servicing of any Asset Pools, or any action which may be taken by the Servicer to collect such costs, expenses or disbursements. All legal costs and expenses incurred by the Lender in connection with the preparation, execution and delivery of this Agreement and the other documents to be delivered hereunder, shall be Purchase Expenses. In connection with the enforcement of any portion of this Agreement, the prevailing party shall be entitled to recover from the other party hereto its costs and expenses in connection with any such enforcement, including without limitation the reasonable legal fees and out-of — pocket expenses of counsel for such prevailing party.

Section 7.4 Assignment. The obligations of the Servicer under this Agreement shall not be assigned without the prior written consent of the Lender.

Section 7.5 Counterparts. For the purpose of- facilitating the execution of this Agreement and for other purposes, this Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed to be an original, and together shall constitute and be one and the same instrument.

Section 7.6 Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Minnesota.

(b) Jurisdiction. The Servicer and the Borrower hereby irrevocably submit to the non-exclusive jurisdiction of any federal court sitting in Minneapolis or St. Paul, Minnesota in any action or proceeding arising out of or relating to this Agreement, and the Servicer and the Borrower hereby irrevocably agree that all claims in respect of such action or proceeding may be heard and determined in such federal court. The Servicer and the Borrower hereby irrevocably waive, to the fullest extent they may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding and irrevocably consent to the service of any summons and complaint and any other process by the mailing of copies of such process to them at the addresses specified in Section 7.2. To the extent permitted by applicable law, and without limiting any right to appeal, the Servicer and the Borrower hereby agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Section 7.6 shall affect the right of any party to serve legal process in any other manner (or in any other jurisdiction) permitted by law or affect the right of any party to bring any action or proceeding under this Agreement in the courts of other jurisdictions.

(c) **WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY W AIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY AGREEMENT OR ANY INSTRUMENT OR DOCUMENT DELIVERED THEREUNDER.**

Section 7.7 Amendments. This Agreement may be amended from time to time by a written instrument signed by the Servicer, the Borrower and the Lender and no waiver of any of the terms hereof by any party shall be effective unless it is in writing and signed by the other parties.

Section 7.8 Integration. The Servicing Agreement and the Credit Agreement together comprise the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to such subject matter, superseding all prior oral or written understandings.

Section 7.9 Agreement Effectiveness. This Agreement shall become effective upon delivery of fully executed counterparts hereof to each of the parties hereto.

Section 7.10 Headings Descriptive. The headings of the sections and subsections of' this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

Section 7.11 Advice from Independent Counsel. The parties hereto understand that this Agreement is a legally binding agreement that may affect such party's rights. Each party hereto represents to the other that it has received legal advice from counsel of its choice regarding the meaning and legal significance of this Agreement and that it is satisfied with its legal counsel and the advice received from it.

Section 7.12 Judicial Interpretation. Should any provision of this Agreement require judicial interpretation, it is agreed that a court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against any person by reason of the rule of construction that a document is to be construed more strictly against the person who itself or through its agent prepared the same, it being agreed that all parties hereto have participated in the preparation of this Agreement.

Section 7.13 Use of Lender's Name. The Servicer hereby agrees that, except as may be required by applicable law or legal proceedings, it shall not refer to or use the name "CFSC Capital Corp. VIII" or any of the other names referred to in Exhibit F of the Credit Agreement, or any such name in any manner in any collection, sale or enforcement activities with respect to any Asset Pool Asset or in any advertising, printed material, electronic medium or other medium without first obtaining the Lender's prior written consent. The Lender shall have no obligation to give any such written consent and may withhold the same in its sole and absolute discretion.

Section 7.14 Confidentiality of Information. The Borrower, the Servicer and the Lender agree that the terms of the transaction set forth in this Agreement and the Loan Documents, along with the form of this Agreement and the Loan Documents and all information regarding one or more Asset Pools in connection with a Borrowing Request and all confidential, proprietary and non-public information regarding MCM Capital Group, the Servicer, the Borrower and their respective subsidiaries and affiliates and their business operations, procedures, methods and plans (together with all notes, analysis, compilations, studies and other documents,

whether prepared by the Borrower, the Lender, MCM Capital Group, the Servicer and their respective subsidiaries and affiliates, others, which contain or otherwise reflect such information (collectively, the "Confidential Information") shall be considered confidential. Therefore, the Borrower, the Servicer and the Lender agree not to disclose any Confidential Information to any Person, except for affiliates of the Borrower or the Lender, as the case may be, nor provide copies of the Loan Documents, or earlier drafts of such Loan Documents, to any person, except for affiliates of the Borrower or the Lender, provided, however, that the Borrower, the Servicer and the Lender may disclose any such Confidential Information (i) to any party contemplated in this Agreement for purposes contemplated hereunder (including to any permitted assignee of any such parties' rights) provided that such party shall be informed of the confidential nature of the Confidential Information and shall agree to maintain its confidentiality in accordance with this Section 7.14; (ii) to the directors, employees, auditors, counsel or affiliates of the Lender, the Servicer or the Borrower, each of whom shall be informed of the confidential nature of the Confidential Information; (iii) as may be required by any municipal, state, federal or other regulatory body having or claiming to have jurisdiction over such party; provided, however, any filings or other disclosures made to the Securities and Exchange Commission or any similar regulatory authority shall not disclose the name of the Lender's Parent Corporation and shall disclose only the general range of the Servicing Fees applicable under this Agreement or the other Loan Documents (or to the extent copies of any of the Loan Documents are submitted, such copies shall be redacted to not disclose the name of the Lender's Parent Corporation and not disclose the actual Servicing Fees applicable under this Agreement or the other Loan Documents), except to the extent that the Securities and Exchange Commission or such similar regulatory authority expressly requires, by a written directive to MCM Capital Group, that such information be disclosed, (iv) in order to comply with any law, order, regulation, regulatory request or ruling applicable to such party; provided, however, any filings or other disclosures made to the Securities and Exchange Commission or any similar regulatory authority shall not disclose the name of the Lender's Parent Corporation and shall disclose only the general range of Servicing Fee applicable under this Agreement or the other Loan Documents (or to the extent copies of any of the Loan Documents are submitted, such copies shall be redacted to not disclose the name of the Lender's Parent Corporation and not disclose the actual Servicing Fees applicable under this Agreement or the other Loan Documents), except to the extent that the Securities and Exchange Commission or such similar regulatory authority expressly requires, by a written directive to MCM Capital Group, that such information be disclosed, or (v) in the event any such party is legally compelled (by interrogatories, requests for information or copies, subpoena, civil investigative demand or similar process) to disclose any such Confidential Information. This Section 7.14 shall be inoperative as to those portions of the Confidential Information which are or become generally available to the public or to the Lender on a non-confidential basis from a source other than the Borrower or the Servicer or were known to the Lender on a non-confidential basis prior to its disclosure by the Borrower or the Servicer.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by their authorized officer as of the day and year first above written.

CFSC CAPITAL CORP. VIII

By /s/ Greggory S. Haugen
Its V. P.

MRC RECEIVABLES CORPORATION

By /s/ Timothy W. Moser
Its Secretary

MIDLAND CREDIT MANAGEMENT, INC.

By /s/ Timothy W. Moser
Its Secretary

[***] TEXT OMITTED AND FILED SEPARATELY
CONFIDENTIAL TREATMENT REQUESTED

AMENDMENT TO SERVICING AGREEMENT

This Amendment to Servicing Agreement (this " Amendment"), dated as of May 1, 2002, is by and among MRC Receivables Corporation, a Delaware corporation (the "Borrower"), Midland Credit Management, Inc., a Kansas corporation (the "Servicer") and CFSC Capital Corp. VIII, a Delaware corporation (the "Lender").

Background Information

A. The Borrower, the Lender and the Servicer have entered into a Servicing Agreement dated as of December 20,2000 (as it may have been and may in the future be amended, modified, extended, or supplemented from time to time, the "Servicing Agreement") pursuant to which the Servicer has agreed to service on behalf of the Borrower and the Lender certain asset pools now or in the future owned by the Borrower.

B. The Borrower and the Lender wish to amend the Servicing Agreement as set forth below.

Accordingly, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. Amendments. The Servicing Agreement is amended as follows:

(a) The first four sentences of Section 3.1 (b) of the Servicing Agreement are amended to read as follows:

(b) With respect to each distribution of Asset Pool Proceeds occurring from the date of this Agreement through May 2, 2002, the Servicing Fee with respect to each Asset Pool shall be equal to the applicable Servicing Fee specified in the Servicing Fee Schedule attached hereto as Exhibit C, as the applicable Servicing Fee changes from time to time pursuant thereto. With respect to each distribution of Asset Pool Proceeds occurring after May 2,2002, the Servicing Fee applicable to each Asset Pool shall be first adjusted on the first Distribution Date occurring after May 2, 2002, and thereafter adjusted quarterly effective for the first Distribution Date occurring after each December 31, March 31, June 30, and September 30 (each a "ServicingFee Adjustment Date"), commencing with the first Servicing Fee Adjustment Date being effective for the first Distribution Date occurring after May 2, 2002, so that the adjusted Servicing Fee approximates the actual servicing costs of the Servicer in servicing the Assets included in the Asset Pools with consideration given to the types of Assets being serviced, the age of the Assets being serviced, the collection strategy used with respect to such Assets and other relevant considerations. Each such quarterly adjustment in the Servicing Fee shall be mutually agreed upon in writing by the Lender, the Borrower and the Servicer before such adjustment in the Servicing Fee shall become effective. In order to enable the Lender, the Borrower and the Servicer to consider making a quarterly adjustment to the Servicing Fee, the Servicer

shall provide to the Lender and the Borrower on June 1, 2002 (with respect to the second Servicing Fee Adjustment Date) and thereafter on each September 1, December 1, March 1 and June 1, a written analysis of the actual servicing costs incurred by the Servicer in servicing the Assets included in the Asset Pools, with such written analysis being in form and detail reasonably acceptable to the Lender and the Borrower.

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

(b) The third section of Exhibit C to the Servicing Agreement is amended to read as follows:

"SAFE HARBOR" SERVICING FEE GRID (OTHER THAN BANKRUPT ACCOUNT SALES, NAN ASSET POOL PROCEEDS AND NAN NET NEGATIVE PERMITTED THIRD PARTY COSTS) (fees expressed as a percentage of Asset Pool Proceeds)

[***]

3. Conditions Precedent to Effectiveness of Amendment. This Amendment shall become effective on the Business Day on which the Lender shall have received this Amendment, duly signed by the Lender, the Borrower and the Servicer.

4. Miscellaneous.

(a) The Borrower and the Servicer each agrees that it will promptly execute and deliver to the Lender all such documents and instruments and will take such other actions as the Lender may reasonably request from time to time in order to carry out the provisions and purposes hereof.

(b) Except as amended and extended hereby, the provisions of the Servicing Agreement shall remain in full force and effect. No modification, recission, waiver, release or amendment of any provision of this Amendment shall be made, except by a written agreement signed by Borrower, Servicer and Lender.

(c) This Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each complete set of which, when so executed and delivered by all parties, shall be an original, but all such counterparts shall together constitute but one and the same instrument.

(d) The execution of this Amendment shall not be deemed to be a waiver of any default or Termination Event that may exist under the Servicing Agreement.

(e) This Amendment shall be governed by the substantive laws (other than conflict laws) of the State of Minnesota.

(f) Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment or the Servicing Agreement and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

(g) The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

[Signature page follows]

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the day and year first above written.

MRC RECEIVABLES CORPORATION (Borrower)

By: /s/ J. Brandon Black
Name: J. Brandon Black
Title: Executive Vice President

MIDLAND CREDIT MANAGEMENT, INC. (Servicer)

By: /s/ J. Brandon Black
Name: J. Brandon Black
Title: Executive Vice President

CFSC CAPITAL CORP. VIII (Lender)

By: /s/ Greggory S. Haugen
Name: Greggory S. Haugen
Title: Vice President

[***] TEXT OMITTED AND FILED SEPARATELY
CONFIDENTIAL TREATMENT REQUESTED

SECOND AMENDMENT TO SERVICING AGREEMENT

THIS SECOND AMENDMENT TO SERVICING AGREEMENT is made as of June 26, 2003, by and between MRC RECEIVABLES CORPORATION, a Delaware corporation (the "Borrower"), MIDLAND CREDIT MANAGEMENT, INC., a Kansas corporation (the "Servicer"), and CFSC CAPITAL CORP. VIII, a Delaware corporation (the "Lender").

Recitals

WHEREAS, the Borrower, the Servicer and the Lender have entered into a Servicing Agreement dated as of December 20, 2000, as amended by Amendment to Servicing Agreement dated as of May 1, 2002 (the "Servicing Agreement"), pursuant to which the Servicer agreed to service on behalf of the Borrower and the Lender certain asset pools now or in the future owned by the Borrower.

WHEREAS, the Borrower and Servicer have requested that the Lender enter into this Second Amendment to Servicing Agreement (the "Second Amendment") to change the Servicing Fee payable to the Servicer, to add certain Legal Outsourcing Management Fees (as defined below) and to permit the Servicer to withhold its Servicing Fees (as defined in the Servicing Agreement) and Legal Outsourcing Management Fees from Asset Pool Proceeds (as defined in the Credit Agreement between the Borrower and Lender dated as of December 20, 2000, as amended the "Credit Agreement") prior to the deposit of Asset Pool Proceeds in the Collateral Account (as defined in the Credit Agreement).

WHEREAS, the Lender has agreed to permit such change in the Servicing Fees, the addition of Legal Outsourcing Management Fees, and the netting of Servicing Fees and Legal Outsourcing Management Fees pursuant to the terms and subject to the conditions set forth in this Second Amendment.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Servicer, the Lender and the Borrower hereby agree as follows:

1. Definitions. The terms defined in the preamble hereto shall have the meanings therein assigned to them, and all other defined terms used in this Second Amendment shall have the meanings assigned to them in the Servicing Agreement, unless otherwise specified herein.

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

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2. Netting of Servicing Fees and Legal Outsourcing Management Fees. So long as no Default, Event of Default, Asset Pool Shortfall or Termination Event has occurred, and notwithstanding the requirements of Section 2.8 and Section 2.9 of the Servicing Agreement, until the Lender or Borrower delivers to the Servicer written notice withdrawing the consent hereby granted, the Servicer may, with respect to a particular Asset Pool and otherwise in accordance with the terms and provisions of the Credit Agreement and the Servicing Agreement without further authorization from the Lender or Borrower and, prior to the deposit of Asset Pool Proceeds in the Collateral Account, pay directly to itself from the Servicer's Collection Account all Servicing Fees and Legal Outsourcing Management Fees earned with respect to that Asset Pool that are due and payable to the Servicer; provided, however, that Asset Pool Proceeds collected with respect to a particular Asset Pool shall be used only to pay Servicing Fees and Legal Outsourcing Management Fees earned with respect to that Asset Pool and shall not be used to pay Servicing Fees or legal Outsourcing Management Fees earned with respect to any other Asset Pool.

3. Accounting for Servicing Fees. The Servicer shall provide to the Lender on each Distribution Date, for each Asset Pool, a separate detailed accounting of all Servicing Fees and Legal Outsourcing Management Fees actually incurred and paid to the Servicer for the immediately preceding Distribution Period. In the event that the amounts paid exceed or fall short of the Servicing Fees and Legal Outsourcing Management Fees actually due and payable pursuant to the Credit Agreement and/or the Servicing Agreement for such preceding Distribution Period, an appropriate adjustment shall be made by disbursements approved in writing by the Lender pursuant to Section 2.8 of the Credit Agreement.

4. Withdrawal of Consent. Either the Lender or the Borrower may withdraw its consent granted pursuant to Section 2 of this Second Amendment for any reason or for no reason, at its sole discretion. Such consent shall be deemed withdrawn immediately upon the delivery of written notice thereof by telecopier as provided pursuant to Section 7.2 of the Servicing Agreement. From and after delivery of such a withdrawal notice, the Servicing Fees shall be due and payable only pursuant to a Distribution Request duly approved by the Lender in accordance with Section 2.8 of the Credit Agreement.

5. Redirection of Servicer's Lockbox. Section 2.8 of the Servicing Agreement is amended by deleting the second sentence thereof, which reads as follows: "To the extent that Asset Pool Proceeds are received by check or otherwise in the Servicer's Lockbox or are received through the Servicer's preparation of "laser checks", the Servicer will cause such Asset Pool Proceeds to be deposited directly into the Collateral Account" and inserting in its place the following sentence: "Servicer is authorized to redirect Asset Pool Proceeds received in the Servicer's Lockbox and "laser checks" for deposit in Servicer's Collection Account."

6. Remittance of Asset Pool Proceeds. For purposes of determining the amount that the Servicer shall cause to be deposited in the Collateral Account pursuant to Section 2.8 of the Servicing Agreement, the term "Asset Pool Proceeds" shall be deemed

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to exclude Borrower Payments, Servicing Fees and Legal Outsourcing Management Fees that Borrower and Servicer are allowed to withhold pursuant to the terms of the Credit Agreement and the Servicing Agreement.

7. Change to Servicing Fees/Legal Outsourcing Management Fee. Section 3.1(b) and Exhibit C shall be deleted in their entirety. Section 3.1(b) shall be amended to read as follows:

> "From and after April 18, 2003, the Servicing Fee payable to the Servicer with respect to a particular Asset Pool pursuant to this Agreement shall be an amount equal to [***] percent ([***] %) of all Asset Pool Proceeds from such Asset Pool deposited in the Servicer's Collection Account during a Distribution Period."

8. Legal Outsourcing Management Fee. As compensation for its services in managing the legal placement of accounts through Automated Collections Control, Inc. d/b/a YouveGotClaims.com (together with each collections attorney engaged in connection with the use thereof, "YGC"), Servicer shall receive a Legal Outsourcing Management Fee equal to [***] percent ([***] %) of all Asset Pool Proceeds for a particular Asset Pool received through the use of YGC (the "Legal Outsourcing Management Fee"), out of which fee Servicer shall be responsible for paying all fees owing to YGC (but not the Permitted Third-Party Costs incurred by, or the Permitted Third-Party Fees payable to, the collections attorneys engaged in connection with the use of YGC).

9. Representations and Warranties; No Default; Authority. The Borrower and Servicer, each as to itself, represent and warrant to the Lender that all of their respective representations and warranties in the Servicing Agreement are true as of the date of this Second Amendment and that no Termination Event has occurred pursuant to the Servicing Agreement or any Loan Document. The Borrower and the Servicer each have full authority to enter into this Second Amendment. This Second Amendment will not violate the terms and provisions of any other contract to which the Borrower, the Servicer, or any of their respective Affiliated Parties is a party.

10. No Waiver; Effect of Amendment. The terms and provisions of the Servicing Agreement, as amended hereby, shall remain in full force and effect, and the parties hereto agree that this Second Amendment shall not be and is not intended to constitute a waiver of any of the terms and provisions of the Servicing Agreement.

11. Governing Law. This Second Amendment shall be governed by and construed in accordance with the laws of the State of Minnesota.

12. Counterpart Signatures. This Second Amendment may be executed in counterpart originals, all of which, when combined, shall constitute one document binding on all of the parties hereto.

[Signature page follows]

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment effective as of the date first above written.

MRC RECEIVABLES CORPORATION (Borrower)

By: /s/ Carl C. Gregory, III
Name: Carl C. Gregory, III
Title: President

CFSC CAPITAL CORP. VIII (Lender)
By: /s/Jeffrey A. Parker Name: Jeffrey A. Parker
Title: President

MIDLAND CREDIT MANAGEMENT, INC. (Servicer)

By: /s/ Carl C. Gregory, III
Name: Carl C. Gregory, III
Title: President & CEO

Exhibit 10.11

[***] TEXT OMITTED AND FILED SEPARATELY
CONFIDENTIAL TREATMENT REQUESTED

MRC RECEIVABLES CORPORATION
5775 Roscoe Court
San Diego, California 92123

December 20, 2000

CFSC Capital Corp. VIII12700
Whitewater Drive
Minnetonka, Minnesota 55343-9439
Attention: Greggory S. Haugen
Jon Taxdahl

Re: Exclusivity Agreement related to Credit Agreement between MRC Receivables Corporation, a Delaware corporation (the "Borrower") and CFSC Capital Corp. VIII, a Delaware corporation (the "Lender") dated as of December 20, 2000 (the "Credit Agreement")

Ladies and Gentlemen:

Reference is made to the Credit Agreement. All capitalized terms used in this letter and not otherwise defined herein shall have the meanings given to them in the Credit Agreement.

To induce the Lender to enter into the Credit Agreement with the Borrower, which is a wholly-owned subsidiary of MCM Capital Group, Inc., a Delaware corporation ("MCM Capital Group"), and as a condition to making any Loans thereunder, the Borrower, MCM Capital Group and Midland Credit Management, Inc., a Kansas corporation (the "Servicer") (which is also a wholly-owned subsidiary of MCM Capital Group (collectively, the Borrower, the Servicer and MCM Capital Group are herein called the "Grantors"), on behalf of themselves and on behalf of all parties which are controlled by the Borrower, the Servicer and/or MCM Capital Group (either through financial investment or management responsibility) or in which the Borrower, the Servicer and/or MCM Capital Group have any financial investment (the "Affiliated Parties"), hereby grant to the Lender, pursuant to the terms and conditions of this letter agreement, the exclusive right during the Exclusivity Period (as defined below) to finance charged-off consumer credit card accounts (the "Assets") to be acquired by any of the Grantors or any Affliliated Party.

As used herein, the term "Exclusivity Period" means the period of time commencing on the date of this letter agreement and ending on the earliest of following:

(a) the Facility Termination Date,

(b) the date on which a Lender Default shall exist (as defined below),

(c) the date on which a material adverse change shall occur in the financial condition or available resources of the Lender which would result in the Lender being unable to continue to perform its obligations under the Credit Agreement,

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

(d) the date on which Greggory S. Haugen shall cease to be an employee of [***] or one of its affiliates and the Lender shall have rejected Borrowing Requests (other than because of a Default or Event of Default under the Credit Agreement) to make Loans under the Credit Agreement for the Borrower's purchase of Assets which (i) had an aggregate purchase price of $10,000,000 or more during any consecutive ninety (90) day period (excluding Asset Pools whose weighted average time since charge-off is less than six (6) months), and (ii) were to be financed pursuant to requested Loans with economic terms (other than interest rate)substantially similar to prior Loans made by the Lender under the Credit Agreement,

(e) in the event that the Lender has terminated the Servicing Agreement with the Servicer as a result of a Termination Event and the Lender has not sold, assigned or transferred its rights or obligations under the Loan Documents, so long as the Borrower and the Servicer have cooperated with the Lender in all material respects for a period of sixty (60) days following such termination in connection with the Lender's entering into a replacement servicing agreement with a replacement servicer and in transferring such information and documentation as is reasonably necessary to enable such replacement servicer to service the Assets in the Asset Pools, the date following such sixty (60) days of cooperation by the Borrower and the Servicer, or

(f) in the event that the Lender has terminated the Servicing Agreement with the Servicer as a result of a Termination Event and the Lender has sold, assigned or transferred its rights or obligations under the Loan Documents, the date which is the later of the date on which the Lender terminated the Servicing Agreement with the Servicer or the date on which the Lender sold, assigned or transferred its rights or obligations under the Loan Documents (other than pursuant to subsections (i), (ii) or (iii) of Section 9.12 of the Credit Agreement).

Any sale, transfer, assignment or conveyance permitted pursuant to subsections (i), (ii) or (iii) of Section 9.12 of the Credit Agreement shall not constitute a "sale, assignment or transfer of rights or obligations under the Loan Documents" for purposes of subsection (e) and (f) above. In addition, as used herein, the term "Lender Default" means any of the following events: (a) the Lender shall fail to make a Loan available to the Borrower on the applicable Borrowing Date with respect to an Accepted Borrowing Request at a time when all conditions precedent to making such Loan available to the Borrower under Section 4.2 and Section 4.3 of the Credit Agreement have been satisfied and the continuance of such failure on the part of the Lender for two (2) Business Days after the Lender has received written notice of such failure from the Borrower, (b) the Lender shall fail to approve a distribution of Asset Pool Proceeds from the Collateral Account in accordance with the provisions of Section 2.7 and Section 2.8 of the Credit Agreement at a time when the Lender has received the applicable Distribution Report with all applicable information as required by the Credit Agreement, all information contained in such Distribution Report is true and correct in all material respects and the distribution contemplated in such Distribution Report is consistent with the provisions of Section 2.8 and other applicable provisions of the Credit Agreement and the continuance of such failure on the part of the Lender for two (2) Business Days after the Lender has received written notice of such failure from the Borrower, (c) the Lender shall breach its covenants or agreements under Section 9.16 of the Credit Agreement or under Section 7.14 of the Servicing Agreement in any material respect, or (d) the Lender shall breach its covenants or agreements under Section 9.12.

[***] Omitted pursuant to a request for confidential treatment. The omitted material has been filed separately with the Securities and Exchange Commission.

The Grantors agree, on behalf of themselves and on behalf of each Affiliated Party, that if any Grantor or any Affiliated Party desires to purchase any Assets during the Exclusivity Period, such Grantor or such Affiliated Party, as applicable, shall not purchase such Assets until the Lender shall have been given the opportunity to finance the Borrower's purchase of such Assets pursuant to the Credit Agreement by the Borrower providing to the Lender a Borrowing Request and a related bid package in accordance with the provisions of Section 2.1 of the Credit Agreement with respect to such Assets. If the Lender rejects or is deemed to have rejected such Borrowing Request pursuant to Section 2.1 of the Credit Agreement, then, any Grantor (other than the Borrower) or any Affiliated Party may (i) obtain financing from another lender to purchase such Assets so long as (A) the purchase price for such Assets and the Purchase Agreement for the purchase of such Assets are the same as those described in the Borrowing Request and related bid package rejected by the Lender, and (B) none of the material terms and information related to the financing provided by such other lender, including interest rate. contingent payment percentage, servicing fee, equity infusion and cash flow projections. are more favorable to such other lender than were such terms and information as set forth or contemplated in the Borrowing Request and related bid package rejected by the Lender. or (ii) purchase such Assets with its own funds which have not been borrowed, directly or indirectly. from any other Person (excluding, however, funds which have been borrowed by a Grantor or another Affiliated Party under a revolving credit facility in which (**1)** the lender makes funds available for general corporate purposes, (2) such lender does not evaluate any assets being purchased with proceeds of advances under such revolving credit facility, and (3) such revolving credit facility does not contain a borrowing base or similar concept which includes assets being purchased with proceeds of such advances so long as (A) the purchase price for such Assets and the Purchase Agreement for the purchase of such Assets are the same as those described in the Borrowing Request and related bid package rejected by the Lender, and (B) none of the material information used by such Grantor or Affiliated Party in determining whether to purchase such Assets with its own funds, including cash flow projections, are more favorable to such Grantor or Affiliated Party than was such information, including cash flow projections, as set forth or contemplated in the Borrowing Request and related bid package rejected by the Lender. T o the extent that any of the conditions of the preceding sentence are not satisfied, the Grantors agree on behalf of themselves and on behalf of each Affiliated Party, that the Borrower shall be obligated to submit a new Borrowing Request and related bid package to the Lender which shall contain all modified terms and information, and such Borrowing Request shall be deemed a new Borrowing Request for purposes of the Credit Agreement and this 1etter agreement.

The Grantors, by signing be1ow, hereby acknow1edge and agree that any fai1ure by the Grantors or any Affiliated Party to comp1y with the terms and conditions of this letter agreement during the Exclusivity Period shall constitute an Event of Default under the Credit Agreement. Upon the failure by the Grantors or any Affiliated Party to comp1y with the terms and conditions of this letter agreement during the Exclusivity Period, the Lender shall (i) be entitled to enforce all rights and remedies available to the Lender under the Credit Agreement and the other Loan Documents, and (ii) be entitled to seek re1ief for the breach of this letter agreement, either in equity or at law.

Very truly yours,

GRANTORS:

MRC RECEIVABLES CORPORATION

BY: /S/ Timothy W. Moser
_____

Name Timothy W. Moser
Its Secretary

MIDLAND CREDIT MANAGEMENT, INC.

BY: /S/ Timothy W. Moser
_____

Name Timothy W. Moser
Its Secretary

MCM CAPITAL GROUP, INC.

BY: /S/ Timothy W. Moser
_____

Name Timothy W. Moser
Its Secretary

Accepted and agreed to as of the
20th day of December, 2000.

CFSC CAPITAL CORP. VIII

BY: /S/ Greggory S. Haugen
_____

Name Greggory S. Haugen
Its V.P.

Exhibit 21

Subsidiaries

Name	Jurisdiction of Incorporation
Midland Credit Management, Inc.	Kansas
Midland Receivables 98-1 Corporation	Delaware
Midland Funding 98-A Corporation	Delaware
Midland Receivables 99-1 Corporation	Delaware
Midland Acquisition Corporation	Delaware
MRC Receivables Corporation	Delaware
Midland Funding NCC-1 Corporation	Delaware
Midland Funding NCC-2 Corporation	Delaware