

IN THE UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF ALABAMA
SOUTHERN DIVISION

IN RE:) Chapter 11
)
SMALL LOANS, INC., *et al.*¹) Case No.: 11-12254 (WRS)
)
)
Debtor.)
)

AFFIDAVIT OF NATASHA J. WOOD IN SUPPORT OF
APPLICATION TO EMPLOY SIROTE & PERMUTT, P. C.

Natasha J. Wood, being duly sworn, deposes and says:

1. I am the Corporate Counsel for Small Loans, Inc. ("Small Loans"), The Money Tree Inc. ("Money Tree"), The Money Tree of Georgia Inc. ("Money Tree of Georgia"), The Money Tree of Florida Inc. ("Money Tree of Florida"), and The Money Tree of Louisiana, Inc. ("Money Tree of Louisiana") (each individually a "Debtor" and collectively the "Debtors") maintaining offices at 114 South Broad Street Bainbridge, Georgia, 39817.

2. I am familiar with the matters set forth herein. I make this affidavit in support of the Application for an Entry of an Order Authorizing the Employment and Retention of Sirote & Permutt, P. C., as Counsel for Certain Legal Services Pursuant to Section 327 of the United States Bankruptcy Code (the "Bankruptcy Code") and other related filings and motions of the Debtors in the above entitled case.

¹ The related Debtors along with the last four digits of each Debtors' federal tax identification number and respective case numbers are Small Loans, Inc. (3224) Case No. 11-12254, The Money Tree Inc. (1386) Case No. 11-12255, The Money Tree of Georgia Inc. (9228) Case No. 11-12258, The Money Tree of Florida Inc. (5315) Case No. 11-12257, and The Money Tree of Louisiana, Inc. (2592) Case No. 11-12256. Case information and the Debtors' respective addresses can be found at the dedicated website for these cases: <http://www.kccllc.net/SmallLoansInc>.

3. The Debtors have used Sirote & Permutt, P. C., as compliance and regulatory counsel for more than ten (10) years.

4. The Debtors have numerous practices and protocols in place to ensure compliance with all applicable legal and regulatory requirements instituted by both state and federal governing bodies.

5. Sirote is fully knowledgeable about the practices and protocols used by the Debtors to comply with numerous federal and state statutory and regulatory compliance requirements for the Debtors' lending programs.

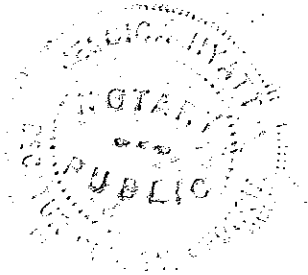
6. Absent legal advice and oversight, the Debtors could have difficulty ensuring full compliance with all applicable legal and regulatory requirements. The failure to ensure full compliance could lead to significant postpetition liability and could lead to the shutdown of the Debtors' lending operations.

7. The shutdown of the Debtors' lending operations could significantly diminish the value of the Debtors' estate and reduce recoveries for unsecured creditors.

8. While Baker Donelson has attorneys generally knowledgeable in this area of law, Baker Donelson is not knowledgeable about the specific practices and protocols instituted by the Debtors. Therefore, if the Debtors were to use Baker Donelson as regulatory counsel, the Debtors would incur significant additional legal costs for Baker Donelson to become knowledgeable about the Debtors' specific practices and protocols to ensure active compliance. These additional costs would not be necessary if Sirote is allowed to continue its current representation.

9. Sirote has historically billed the Debtors approximately \$2,000 per quarter for this compliance and regulatory counsel work, which historical norms have continued postpetition.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the statements made herein are true and correct to best of my personal knowledge.



Natasha J. Wood

Natasha J. Wood
The Money Tree Inc.

Sworn to and subscribed to before

me this 5th day of April.

Jessica Hyatt
Notary Public

My commission expires: 2/21/14