

NSUARB-PD-07-001

**The Cash Store Inc.
Opening Statement**

Nancy Bland

I'm Nancy Bland and I'm the Chief Financial Officer of Rentcash. I am a graduate of the University of Alberta with a Bachelor of Commerce degree. I have my Chartered Accountant's designation and a Certified Internal Auditors designation.

For the last fifteen years I've been in progressively senior positions in the coal mining industry, the electrical utility industry and most recently the healthcare industry.

A year and a half ago, I began working with Rentcash and the Cash Store Inc. I started as the Vice- President of Finance, and in September of 2007 I was appointed the Chief Financial Officer.

Gordon Reykdal

Hi, I'm Gordon Reykdal, I'm the Chairman, President and CEO of Rentcash, the parent company of the Cash Store Inc. I'd like to, first of all, thank the Board for the opportunity to participate as an Intervener in these proceedings.

I am an entrepreneur from Edmonton, Alberta. I have almost thirty years experience in the retail alternative financial services sector.

My background is primarily in the electronics, furniture and appliance rental purchase business.

Rentcash is my third and largest major start up venture. Prior to starting Rentcash I owned and operated Rentown and RTO enterprises. All of three of the businesses I have owned and operated have been publicly traded companies.

Corporate Profile

Rentcash is the only payday advance broker in Canada publicly traded on the Toronto Stock Exchange. At the year end, we operated four hundred and twenty-three stores across Canada under the three banners; "The Cash Store," "InstaLoans," and "InstaRent". Rentcash employs over 1,800 associates.

Rentcash's principal business is the brokering of payday loans. At year end the Brokerage Division operated 358 stores in 9 provinces and 2 territories. Of these stores 12 are located in Nova Scotia, including four in the Halifax area.

Within the province of Nova Scotia, Assistive Financial provides payday loans to customers through outlets which are operated by The Cash Store Inc., a subsidiary of Rentcash. This is pursuant to an agreement between The Cash Store Inc and Assistive. The Cash Store and Assistive are currently required to operate using this model in Nova Scotia.

In jurisdictions outside of Nova Scotia, The Cash Store and InstaLoans act as brokers to facilitate payday advance services to consumers. With the advent of regulation in Nova Scotia Rentcash hopes to utilize its preferred broker model within Nova Scotia.

Competitive Market

There is a perception amongst industry critics that payday loans are all the same, as well as a perception that all payday loan customers are the same.

That is not the experience of the Cash Store Inc.

Payday lenders do not solely compete on price. The Cash Store Inc. is not the lowest cost provider in the marketplace, nor is it the highest cost provider. The Cash Store Inc. provides a higher cost product because it seeks to provide its customers with the higher quality service and experience. The Cash Store also provides its services to higher risk customers, and in doing so, incurs a higher risk of default.

Also, Payday loan customers do not only consider price. While some customers shop for the lowest price loan, other customers are willing to incur higher costs in order to experience higher quality service.

However, as in any other competitive industry, if prices are too high, customers will choose to forego quality in favour of economy. The competitive market thus forces payday lenders to operate efficiently, and to continually monitor product and price offerings in order to maintain and grow market share.

The Cash Store experiences the constant challenge to lower costs so that its prices can be kept in line with the industry in light of the quality of service a company provides.

Rentcash and The Cash Store Inc. are also under continuous pressure from their shareholders to keep costs down in order to maintain a reasonable level of earnings and returns.

We thank the Board for the opportunity to make these opening remarks and welcome the opportunity to take questions.