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**TWIN CITIES BASED *PAWN AMERICA* APPROVED
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Lending License allows Pawn America subsidiary Payday America to expand financial options to customers

BURNSVILLE, MN- Pawn America is proud to announce Payday America has obtained a Chapter 53 Industrial Loan & Thrift Lending License. Brad Rixmann, Owner and Founder of Pawn America and Payday America says this is a very significant step for the company. “I’ve wanted this for so long. It’s a great fit for our business model, but more importantly it gives a segment of our customers the opportunity to participate responsibly in a market that often insists on plastic transactions. As a pawn broker in the payday loan business, this lending license gives us the ability to offer services similar to a traditional lending institution, at a lower cost to the customer. As well, the license re-confirms our credibility in this specific financial arena,” adds Rixmann.

Payday America specializes in short-term consumer loans at a highly competitive rate. For example, typical domestic fees on a short-term loan are around 15-20 percent. The average fee at Payday America is 8 percent – or approximately 60% less. As well, the company is very conscious about lending to the right individual. For example, of the 109,000 loans Payday America advances per year, approximately only one-percent of the total money loaned is not repaid by the customer.

The Chapter 53 Industrial Loan & Thrift Lending License allows Payday America to offer the following:

- } Increased consumer loans
- } FDIC Insured deposits
- } Debit cards and the ability to facilitate transaction
- } Mortgages
- } Check-cashing services
- } Credit reporting to credit bureaus

According to Rixmann, one of the most important benefits of the Chapter 53 Industrial Loan & Thrift Lending License is the ability to offer customers loans of up to \$4000 instead of the previous limit of \$350. “It makes us more competitive,” says Rixmann. “Basically, we can now offer a \$750 loan for about 40% less than the competition,” Rixmann adds. Unlike other lenders, Payday America qualifies its customers before approving loans. The process allows the company to cut its rates to consumers because the loans are approved in a careful and considerate manner keeping the company’s bad debt cost at a minimum.

For interview opportunities, contact Michael Deering at 952-944-1319. For more information on Pawn America and Payday America, including locations, directions and services, log onto www.pawnamerica.com

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