



## **Credit Acceptance Corporation Announces Completion of \$65 Million Secured Financing**

Southfield, Michigan – August 8, 2000 – Credit Acceptance Corporation (Nasdaq: CACC) announced today the completion of a \$65 million non-recourse secured financing. Pursuant to this transaction, the Company contributed dealer advances having a net book value of approximately \$82 million to a wholly-owned special purpose corporation (the “SPC”) and received approximately \$65 million in financing from an institutional investor. The financing bears interest at a floating rate equal to the commercial paper rate plus 57.5 basis points with a maximum rate of 8.5%, is anticipated to fully amortize within twenty months, and is secured by the dealer advances and the rights to collections on the related installment contracts receivable contributed to the SPC up to the sum of the related dealer advance and the Company's servicing fee.

This transaction was structured on a very similar basis to the Company's July 1999 and December 1999 secured financings. The Company will receive a monthly servicing fee equal to 6% of the collections of the contributed installment contracts receivable. Except for a servicing fee and payments due to dealers, the Company will not receive any portion of collections on the installment contracts receivable until the underlying indebtedness has been repaid in full.

Using a unique financing structure, the Company was able to fully preserve the rights of its dealers to future payments of dealer holdbacks. The financing was structured by Bank of America Securities LLC. The proceeds of the transaction were used to reduce amounts outstanding under the Company's line of credit.

Credit Acceptance Corporation is a specialized financial services company which provides funding, receivables management, collection, sales training and related products and services to automobile dealers selling vehicles to consumers with limited access to traditional sources of consumer credit.