



Credit Acceptance Corporation Announces Completion of \$62 Million Secured Financing

today the completion of a \$62 million non-recourse secured financing, its seventh asset backed financing. Pursuant to this transaction, the Company contributed dealer advances having a net book value of approximately \$96 million to a wholly owned special purpose corporation (the "SPC") and received approximately \$62 million in financing from the SPC through its financing source Kitty Hawk Funding Corporation, a multi-asset conduit owned by Bank of America. The proceeds of the financing were used to repay outstanding indebtedness. The financing bears interest at a floating rate equal to the commercial paper rate plus 50 basis points with a maximum rate of 6.5%, is anticipated to fully amortize within 20 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.

The Company will retain 8% of the cash flows related to the underlying installment contracts to cover servicing expenses. The remaining 92%, less amounts due to dealers for payments of dealer holdback, will be used to repay the indebtedness.

Using a unique financing structure, the Company's contracted relationship with its dealers remains unaffected with the dealers' rights to future payments of dealer holdback preserved. The Company will continue to receive its 20% servicing fee on amounts collected.

Credit Acceptance is a financial services company specializing in products and services for a network of automobile dealer-partners in North America and Europe. Credit Acceptance provides its dealer-partners with financing sources for consumers with limited access to credit and delivers credit approvals instantly through the internet. Other dealer-partner services include marketing, sales training and a wholesale purchasing cooperative. Through its financing program, Credit Acceptance helps consumers change their lives by providing them an opportunity to strengthen and reestablish their credit standing by making timely monthly payments. Credit Acceptance is publicly traded on NASDAQ under the symbol CACC.