CREDIT ACCEPTANCE CORPORATION

CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

Organization and Functioning

There shall be a committee of the Board of Directors to be known as the Compensation Committee (the "Committee"). The Committee shall be comprised of at least three Directors who shall be appointed by the Board. The Committee shall only include directors who satisfy the independence requirements of the Securities and Exchange Commission and NASDAQ and are free of any relationship that, in the opinion of the Board, would interfere with their exercise of independent judgment as a Committee member.

The members of the Committee shall, by a majority vote, designate the Committee Chairman. The Chairman shall determine the agenda, the length of all meetings and shall have unlimited access to management and information. The Committee shall meet as least twice each year and hold such meetings from time to time as may be called by its Chairman or any two members of the Committee. A majority of the members of the Committee shall constitute a quorum of the Committee and all matters brought before the Committee shall require a majority vote of those Committee members in attendance to be adopted.

The Committee shall keep minutes of its proceedings that shall be signed by the Chairman and the Secretary of the meeting, which can be the Secretary of the Company. The minutes of a meeting shall be approved by the Committee at its next meeting, shall be available for review by the entire Board, and shall be filed as permanent records with the Secretary of the Company.

The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain special legal, compensation or other consultants to advise the Committee. The Committee may request any officer or employee of the Company or the Company's outside counsel to attend a meeting of the Committee or to meet with any member of, or consultants to, the Committee.

The Chairman shall, at each meeting of the Board following a meeting of the Committee, report to the full Board on the matters considered at the last meeting of the Committee.

At least annually the Board of Directors shall provide the Committee with an evaluation of its overall performance.

Statement of Purpose

The Committee shall:

1. Discharge the Board's responsibilities relating to compensation of the Company's executives officers and shall make recommendations to the Board of Directors on the compensation of non-employee directors;
2. Approve and evaluate all compensation of the executive offices, including salaries, bonuses, and long term compensation plans; and to understand and approve the Company's overall compensation policies and programs;
3. Administer all plans of the Company under which common shares may be acquired by directors or employees of the Company; and
4. Produce the annual report on executive officer compensation for inclusion in the proxy statement of the Company.

Specific Duties and Responsibilities

The Committee shall have the following duties and responsibilities:

1. Director Compensation. The Committee shall make recommendations to the Board with respect to the compensation of non-employee directors.
2. Stock Plan Administration. The Committee shall have full and final authority in connection with the administration of all plans of the Company under which common shares or other equity securities of the Company may be issued. In furtherance of the foregoing, the Committee shall, in its sole discretion, grant option and make awards of shares under the Company's stock plans.
3. Chief Executive Officer ("CEO") Compensation Goals. The Committee shall annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and set the CEO's compensation levels based on this evaluation. In determining the long term incentive component of CEO compensation, the Committee will consider the Company's performance and relative shareholder return, the value of similar incentive awards to CEO's at comparable companies, and the awards given to the CEO in past years.
4. Approval of CEO and Executive Officer Compensation. The Committee shall annually review and approve for the CEO and the executive officers of the Company: (a) the annual base salary level, (b) the annual incentive opportunity level, (c) the long-term incentive opportunity level, (d) annual bonus formula's and targets, and (e) any special or supplemental benefits.
5. Delegation. The Compensation Committee may form and delegate authority to subcommittees when appropriate, provided any action taken by a subcommittee

is subsequently reported to the Committee and ratified. The Committee may also delegate to the CEO, the CFO and the Vice President-Human Resources, the authority to grant options and make awards of shares under the Company's stock plans under conditions established by the Committee.

6. Engaging Consultants. The Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or executive officer compensation and shall have the sole authority to approve the consultant's fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisers.
7. Charter. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

Approved by the Compensation Committee
Date: November 15, 2012

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