
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

August 27, 2008

CREDIT ACCEPTANCE CORPORATION

(Exact name of registrant as specified in its charter)

Michigan

000-20202

38-1999511

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

25505 West Twelve Mile Road, Suite 3000,
Southfield, Michigan

48034-8339

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

248-353-2700

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

The information set forth below under Item 2.03 is hereby incorporated by reference into this Item 1.01.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

(a) On August 27, 2008, Credit Acceptance Corporation (the "Company") executed Amendment No. 4 (the "Warehouse Amendment"), dated as of August 27, 2008, to the Second Amended and Restated Loan and Security Agreement, dated as of August 31, 2007 among the Company, CAC Warehouse Funding Corporation II, Wachovia Bank, National Association, Variable Funding Capital Company, LLC, Wachovia Capital Markets, LLC and Systems & Services Technologies, Inc.. The Warehouse Amendment extends the maturity date of the \$325.0 million Warehouse facility from February 11, 2009 to August 26, 2009. In addition, the interest rate was increased from a floating rate equal to the commercial paper rate plus 65 basis points to the commercial paper rate plus 100 basis points. Other than the extension of the maturity date and the interest rate increase, there were no other material changes to the facility.

Under this facility, the Company may contribute loans to a wholly owned special purpose entity and receive 80% of the net aggregate eligible loan balance in non-recourse financing.

The financing may be accelerated upon the occurrence of a "termination event." A "termination event" includes but is not limited to: a default in the payment of interest or principal when due; and any breach of covenant or any material breach of representation or warranty that is not cured within the specified time following notice.

The Warehouse Amendment is attached as Exhibit 4(f)(113) to this Form 8-K and incorporated herein by reference. The Warehouse Amendment is also summarized in a press release issued by the Company on August 27, 2008, which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

(b) On August 27, 2008, the Company executed the Second Amendment (the "CFA Amendment") to the Certificate Funding Agreement ("Residual Credit Facility"), dated September 20, 2006, among the Company, Credit Acceptance Residual Funding LLC ("Residual Funding"), Wachovia Bank, National Association, Variable Funding Capital Company LLC, and Wachovia Capital Markets, LLC. The CFA Amendment extends the maturity date of the \$50.0 million Residual Credit Facility from September 9, 2008 to August 26, 2009. In addition, the interest rate was increased from a floating rate equal to the commercial paper rate plus 145 basis points to the commercial paper rate plus 250 basis points. Other than the extension of the maturity date and the interest rate increase, there were no other material changes to the facility.

This facility allows Residual Funding to finance its purchase of trust certificates from special purpose entities (the "Term SPEs") that purchased dealer loans under the Company's term securitization transactions. The Term SPEs' residual interests in dealer loans, represented by their trust certificates, have proven to have value that increases as their term securitization obligations amortize. This facility enables the Term SPEs to realize and distribute to the Company, up to 70% of that increase in value prior to the time the related term securitization senior notes are paid in full.

The financing may be accelerated upon the occurrence of a "termination event." A "termination event" includes but is not limited to: a default in the payment of interest or principal when due; and any breach of covenant or any material breach of representation or warranty that is not cured within the specified time following notice.

The CFA Amendment is attached as Exhibit 4(f)(114) to this Form 8-K and incorporated herein by reference. The CFA Amendment is also summarized in a press release issued by the Company on August 27, 2008, which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 8.01 Other Events.

On August 27, 2008, the Company issued a press release announcing the execution of the Warehouse Amendment and the CFA Amendment. The press release is attached as Exhibit 99.1 to this Form 8-K and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

4(f)(113) Amendment No. 4 as of August 27, 2008, to the Second Amended and Restated Loan and Security Agreement, dated as of August 31, 2007 among the Company, CAC Warehouse Funding Corporation II, Wachovia Bank, National Association, Variable Funding Capital Company, LLC, Wachovia Capital Markets, LLC and Systems & Services Technologies, Inc..

4(f)(114) Second Amendment dated as of August 27, 2008, to the Certificate Funding Agreement dated September 20, 2006, among the Company, Credit Acceptance Residual Funding LLC, Wachovia Bank, National Association, Variable Funding Capital Company LLC, and Wachovia Capital Markets, LLC.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CREDIT ACCEPTANCE CORPORATION

August 29, 2008

By: */s/ Douglas W. Busk*

Name: Douglas W. Busk

Title: Treasurer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
4.(f)(113)	Amendment No. 4 as of August 27, 2008, to the Second Amended and Restated Loan and Security Agreement, dated as of August 31, 2007 among the Company, CAC Warehouse Funding Corporation II, Wachovia Bank, National Association, Variable Funding Capital Company, LLC, Wachovia Capital Markets, LLC and Systems & Services Technologies, Inc..
4.(f)(114)	Second Amendment dated as of August 27, 2008, to the Certificate Funding Agreement dated September 20, 2006, among the Company, Credit Acceptance Residual Funding LLC, Wachovia Bank, National Association, Variable Funding Capital Company LLC, and Wachovia Capital Markets, LLC.
99.1	Press Release dated August 27, 2008.

LOAN AND SECURITY AGREEMENT

AMENDMENT NO. 4 TO SECOND AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT, dated as of August 27, 2008 (this "Amendment"), is entered into in connection with that certain SECOND AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT, dated as of August 31, 2007 (as amended, supplemented, restated or replaced from time to time, the "Loan Agreement"), by and among CAC WAREHOUSE FUNDING CORPORATION II, a Nevada corporation, (the "Borrower"), CREDIT ACCEPTANCE CORPORATION, a Michigan corporation, ("Credit Acceptance") as the originator, the servicer or the custodian, WACHOVIA BANK, NATIONAL ASSOCIATION, as an investor for the VFCC Purchaser Group (an "Investor") and the other Investors from time to time party thereto, VARIABLE FUNDING CAPITAL COMPANY, LLC, a Delaware limited liability company ("VFCC"), a CP conduit or a lender, and the other CP conduits from time to time party thereto, WACHOVIA CAPITAL MARKETS, LLC, a Delaware limited liability company ("WCM"), as deal agent (the "Deal Agent"), WACHOVIA BANK, NATIONAL ASSOCIATION, a national banking association with its headquarters in Charlotte, North Carolina ("Wachovia"), as the liquidity agent for the VFCC Purchaser Group (a "Liquidity Agent") and the other Liquidity Agents from time to time party thereto, SYSTEMS & SERVICES TECHNOLOGIES, INC., a Delaware corporation as the backup servicer (the "Backup Servicer") and WACHOVIA CAPITAL MARKETS, LLC, a Delaware corporation, as collateral agent (the "Collateral Agent").

Capitalized terms used and not defined in this Amendment shall have the meanings given to such terms in the Loan Agreement.

PRELIMINARY STATEMENTS

WHEREAS, each of the signatories hereto is party to the Loan Agreement;

WHEREAS, each of the signatories hereto agrees that the facility under the Loan Agreement is now, and immediately following the date hereof shall be, in the Revolving Period with regard to each Purchaser Group; and

WHEREAS, the parties hereto desire to amend the Loan Agreement in certain respects as provided herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and in the Loan Agreement, and other good and valuable consideration, the receipt and adequacy of which is hereby expressly acknowledged, and intending to be legally bound hereby, the signatories hereto agree as follows:

Section 1. Amendment.

(a) Section 1.1 of the Loan Agreement is hereby amended by deleting the following phrase as it appears in the definition of "Commitment Termination Date": "February 11, 2009" and replacing it with the following phrase: "August 26, 2009".

(b) In accordance with Section 14.2 of the Loan Agreement all notices and other communications to the Borrower and/or Servicer shall be mailed, telexed, transmitted or delivered to the following:

CAC Warehouse Funding Corporation II
Silver Triangle Building
25505 West Twelve Mile Road
Southfield, Michigan 48034-8339
Attention: Jeff Soutar
Facsimile No.: (877) 320-1576
Confirmation No.: (248) 353-2700 (ext 5646)

Section 2. Conditions to Effectiveness. This Amendment shall become effective on and as of the date hereof, upon the receipt by the Deal Agent of an executed counterpart of this Amendment from each party hereto.

Section 3. Severability of Provisions. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 4. Captions. The captions in this Amendment are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

Section 5. Agreement to Remain in Full Force and Effect. Except as amended hereby, the Loan Agreement shall remain in full force and effect and is hereby ratified, adopted and confirmed in all respects. All references in the Loan Agreement to "herein," or words of like import, and all references to the Loan Agreement in any agreement or document shall hereafter be deemed to refer to the Loan Agreement as amended hereby.

Section 6. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

Section 7. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same Amendment.

Section 8. Representations and Warranties. The Borrower hereby certifies that (i) the representations and warranties made by it in Section 4.1 of the Loan Agreement are true and correct as of the date hereof, as though made on and as of the date hereof and (ii) as of the date hereof, there is no Termination Event or Servicer Termination Event or event which, with the passage of time of the giving of notice, could result in a Termination Event or a Servicer Termination Event.

Section 9. Waiver of Notice. Each of the parties hereto hereby waives any notice in connection with the execution and delivery of this Amendment.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date and year first above written.

CAC WAREHOUSE FUNDING CORPORATION II, as Borrower

By: /s/ Douglas W. Busk

Name: Douglas W. Busk

Title: Treasurer

CREDIT ACCEPTANCE CORPORATION

By: /s/ Douglas W. Busk

Name: Douglas W. Busk

Title: Treasurer

WACHOVIA CAPITAL MARKETS, LLC, as Deal Agent and Collateral Agent

By: /s/ Chad Kobos

Name: Chad Kobos

Title: Director

WACHOVIA BANK, NATIONAL ASSOCIATION, as Liquidity Agent and Investor

By: /s/ Leah W. Miller

Name: Leah W. Miller

Title: Managing Director

VARIABLE FUNDING CAPITAL COMPANY LLC, as a CP Conduit and a Lender

By: Wachovia Capital Markets, LLC, as attorney-in-fact

By: /s/ Douglas R. Wilson, Sr.

Name: Douglas R. Wilson, Sr.

Title: Director

SECOND AMENDMENT TO CERTIFICATE FUNDING AGREEMENT

(CREDIT ACCEPTANCE RESIDUAL FUNDING LLC)

THIS SECOND AMENDMENT TO THE CERTIFICATE FUNDING AGREEMENT, dated as of August 27, 2008 (this "Amendment"), is entered into in connection with that certain Certificate Funding Agreement, dated as of September 20, 2006 (as amended, supplemented, restated or replaced from time to time, the "Certificate Funding Agreement"), by and among Credit Acceptance Residual Funding LLC, as the Borrower, Credit Acceptance Corporation, as the Administrator, Wachovia Bank, National Association, as an Investor and the other Investors from time to time party thereto, Variable Funding Capital Company LLC, as a CP Conduit and a Lender and the other CP Conduits from time to time party thereto, Wachovia Capital Markets, LLC, as the Deal Agent and the Collateral Agent and Wachovia Bank, National Association, as the Liquidity Agent for the VFCC Purchaser Group. Capitalized terms used and not otherwise defined herein shall have the meanings given to such terms in the Certificate Funding Agreement.

RECITALS

WHEREAS, the above-named parties have entered into the Certificate Funding Agreement, and, pursuant to and, in accordance with Section 14.1 thereof, the parties hereto desire to amend and waive the Agreement in certain respects as provided herein;

NOW, THEREFORE, based upon the above Recitals, the mutual premises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, intending to be legally bound, hereby agree as follows:

SECTION 1. AMENDMENT.

The definition of "Commitment Termination Date" in Section 1.1 of the Certificate Funding Agreement is hereby amended and restated in its entirety as follows:

"Commitment Termination Date: With respect to each Purchaser Group, August 26, 2009, or with respect to each Purchaser Group, such later date to which the Commitment Termination Date may be extended in the sole discretion of such Purchaser Group in accordance with the terms of Section 2.1(b)."

SECTION 2. AGREEMENT IN FULL FORCE AND EFFECT AS AMENDED.

Except as specifically amended or waived hereby, all provisions of the Certificate Funding Agreement shall remain in full force and effect. This Amendment shall not be deemed to expressly or impliedly waive, amend or supplement any provision of the Certificate Funding Agreement other than as expressly set forth herein, shall constitute a one-time waiver only and shall not constitute a novation of the Certificate Funding Agreement.

SECTION 3. REPRESENTATIONS.

Each of the Borrower and Administrator represent and warrant as of the date of this Amendment as follows:

- (i) it is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization;
- (ii) the execution, delivery and performance by it of this Amendment are within its powers, have been duly authorized, and do not contravene (A) any of its organizational documents, or (B) any Applicable Law;
- (iii) no consent, license, permit, approval or authorization of, or registration, filing or declaration with any governmental authority, is required in connection with the execution, delivery, performance, validity or enforceability of this Amendment by or against it;
- (iv) this Amendment has been duly executed and delivered by it;
- (v) this Amendment constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally or by general principles of equity;

(vi) it is not in default under the Certificate Funding Agreement; and

(vii) there is no Termination Event or Unmatured Termination Event.

SECTION 4. CONDITIONS TO EFFECTIVENESS.

The effectiveness of this Amendment is conditioned upon (i) delivery of executed signature pages by all parties hereto to the Deal Agent, (ii) the execution and delivery of the Second Amended and Restated Fee Letter Agreement, dated as of the date hereof, by and between the Borrower and the Deal Agent and acknowledged by the Administrator (the "Second Amended and Restated Fee Letter Agreement") and (iii) payment to the Deal Agent of the Renewal Fee in connection with this Amendment as required by the Second Amended and Restated Fee Letter Agreement.

SECTION 5. MISCELLANEOUS.

(a) This Amendment may be executed in any number of counterparts (including by facsimile), and by the different parties hereto on the same or separate counterparts, each of which shall be deemed to be an original instrument but all of which together shall constitute one and the same agreement.

(b) The descriptive headings of the various sections of this Amendment are inserted for convenience of reference only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

(c) This Amendment may not be amended or otherwise modified except as provided in the Certificate Funding Agreement.

(d) The failure or unenforceability of any provision hereof shall not affect the other provisions of this Amendment.

(e) Whenever the context and construction so require, all words used in the singular number herein shall be deemed to have been used in the plural, and vice versa, and the masculine gender shall include the feminine and neuter and the neuter shall include the masculine and feminine.

(f) This Amendment represents the final agreement between the parties only with respect to the subject matter expressly covered hereby and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements between the parties. There are no unwritten oral agreements between the parties.

(g) THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICT OF LAWS PROVISIONS.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

THE BORROWER:

CREDIT ACCEPTANCE RESIDUAL
FUNDING LLC

By: /s/ Douglas W. Busk

Name: Douglas W. Busk

Title: Treasurer

Credit Acceptance Residual Funding LLC
Silver Triangle Building
25505 West Twelve Mile Road
Southfield, Michigan 48034-8339
Attention: Jeff Soutar
Facsimile No. 877-320-1576
Confirmation No.: 248-353-2700 (ext. 5646)

THE ADMINISTRATOR:

CREDIT ACCEPTANCE CORPORATION

By: /s/ Douglas W. Busk

Name: Douglas W. Busk

Title: Treasurer

Credit Acceptance Residual Funding LLC
Silver Triangle Building
25505 West Twelve Mile Road
Southfield, Michigan 48034-8339
Attention: Jeff Soutar
Facsimile No. 877-320-1576
Confirmation No.: 248-353-2700 (ext. 5646)

THE INVESTOR

WACHOVIA BANK, NATIONAL

FOR THE VFCC
PURCHASER GROUP:

ASSOCIATION

By: /s/ Leah W. Miller

Name: Leah W. Miller

Title: Managing Director

Wachovia Bank, National Association
One Wachovia Center
301 South College St.
Charlotte, North Carolina 28288-0661
Attention: Kevin McConnell
Facsimile No.: (704) 383-8471
Confirmation No: (704) 383-7171

VFCC:

VARIABLE FUNDING CAPITAL
COMPANY LLC

By: Wachovia Capital Markets, LLC,
as attorney-in-fact

By: /s/ Douglas R. Wilson, Sr.

Name: Douglas R. Wilson, Sr.

Title: Director

Variable Funding Capital Company LLC
c/o Wachovia Capital Markets, LLC
One Wachovia Center
301 South College St.
Charlotte, North Carolina 28288-0610
Attention: Conduit Administration
Facsimile No.: (704) 383-9579
Confirmation No.: (704) 374-2520

THE DEAL AGENT:

WACHOVIA CAPITAL MARKETS, LLC

By: /s/ Chad Kobos

Name: Chad Kobos

Title: Director

Wachovia Capital Markets, LLC
One Wachovia Center
Charlotte, North Carolina 28288-0610
Attention: Curt Sidden
Facsimile No.: (704) 383-9106
Telephone No.: (704) 715-6030

THE LIQUIDITY AGENT
FOR THE VFCC
PURCHASER GROUP:

WACHOVIA BANK, NATIONAL
ASSOCIATION

By: /s/ Leah W. Miller

Name: Leah W. Miller

Title: Managing Director

Wachovia Bank, National Association
One Wachovia Center
301 South College St.
Charlotte, North Carolina 28288-0661
Attention: Kevin McConnell
Facsimile No.: (704) 383-8471
Telephone No.: (704) 383-7171

THE COLLATERAL AGENT:

WACHOVIA CAPITAL MARKETS, LLC, as
Collateral Agent

By: /s/ Chad Kobos

Name: Chad Kobos

Title: Director

Wachovia Capital Markets, LLC
One Wachovia Center, TW-9
Charlotte, North Carolina 28288
Attention: Curt Sidden
Facsimile No.: (704) 383-9106
Telephone No.: (704) 715-6030

NEWS RELEASE

FOR IMMEDIATE RELEASE

Date: August 27, 2008

Investor Relations: Douglas W. Busk
Treasurer
(248) 353-2700 Ext. 4432
IR@creditacceptance.com

NASDAQ: CACC

**CREDIT ACCEPTANCE ANNOUNCES THE EXTENSION OF \$325.0
MILLION WAREHOUSE AND \$50.0 MILLION RESIDUAL CREDIT
FACILITIES**

Southfield, Michigan – August 27, 2008 – Credit Acceptance Corporation (NASDAQ: CACC) (the “Company”) announced today that it has extended the maturity date of its \$325.0 million revolving warehouse facility from February 11, 2009 to August 26, 2009, and extended the maturity date of its \$50.0 million residual credit facility from September 9, 2008 to August 26, 2009. The interest rate on borrowings under the \$325.0 million warehouse facility has been increased from a floating rate equal to the commercial paper rate plus 65 basis points to the commercial paper rate plus 100 basis points. The interest rate on borrowings under the \$50.0 million residual credit facility has been increased from a floating rate equal to the commercial paper rate plus 145 basis points to the commercial paper rate plus 250 basis points. There were no other material changes to the terms of either facility.

Description of Credit Acceptance Corporation

Since 1972, Credit Acceptance has provided auto loans to consumers, regardless of their credit history. Our product is offered through a nationwide network of automobile dealers who benefit from sales of vehicles to consumers who otherwise could not obtain financing; from repeat and referral sales generated by these same customers; and from sales to customers responding to advertisements for our product, but who actually end up qualifying for traditional financing.

Without our product, consumers may be unable to purchase a vehicle or they may purchase an unreliable one, or they may not have the opportunity to improve their credit standing. As we report to the three national credit reporting agencies, a significant number of our customers improve their lives by improving their credit score and move on to more traditional sources of financing. Credit Acceptance is publicly traded on the NASDAQ under the symbol CACC. For more information, visit creditacceptance.com.