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Press Release

FOR IMMEDIATE RELEASE

Dept. of ED Subcontractor CAI Adds Student Loan Depth via NCC Acquisition

October 13, 2011 (Defiance, OH): Credit Adjustments, Inc. (CAI – www.credit-adjustments.com), a nationally-operated collection agency, has announced the acquisition of Northland Credit Control, a subsidiary of National Credit Services, Inc. (NCC -- www.northlandcreditcontrol.com), effective September 22, 2011. NCC is located in Minnesota and serves primarily colleges and universities throughout the Midwest. This acquisition gives CAI, a long-time subcontractor for a Private Collection Agency (PCA) on the United States Department of Education (ED) defaulted student loan collection contract, even more depth in the higher education space, while positioning the company to continue to grow in the student loan industry.

Public records at www.mygovwatch.com indicate there are currently 22 PCAs serving ED, which forecasts commissions paid to PCAs to top \$500 million in 2012 while increasing by an additional 40%, to more than \$700 million, by 2015. ED typically only contracts with collection agencies that are best-in-class performers in the student loan space with substantial, competitive, and broad-based higher education experience. CAI was a finalist for a contract award from ED in 2009.

News of this acquisition comes almost two years to the date CAI started work as an ED subcontractor for a top-performing PCA and one year after receiving financing backed by the Small Business Administration to pursue its growth initiatives, as stated in press releases found on its website.

Dexter A. Smith, CAI President, stated “We are particularly excited about welcoming the NCC team to the CAI family. Operations at our new Minneapolis location will continue to be led by Bud Furman and Allen Engle, who, over the past three decades, have mastered the art of satisfying the needs of colleges and universities through unsurpassed customer service and competitive performance.”

Michael Osborne, CEO and chairman of CAI, added, "We will now be able to offer our clients an array of accounts receivable management services across three call centers through out the United States, each with extensive student loan and healthcare receivables management expertise."

CAI is a leading provider of collection solutions for healthcare, educational, and consumer organizations nationally.




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