

## **RIFCO Secures \$70 Million Credit Facility with Wells Fargo**

Red Deer, Alberta. November 5<sup>th</sup>, 2012; RIFCO National Auto Finance Corporation, subsidiary of RIFCO Inc. (TSXV: RFC), is pleased to announce that it has closed a \$70M secured revolving line of credit from Wells Fargo. The term of the facility is three years.

This facility has replaced the \$10M senior credit facility with BMO Bank of Montreal. In addition to the seven fold increase in the borrowing limit, other terms and conditions are improved. RIFCO has now drawn on the new facility. The facility is denominated in Canadian dollars. RIFCO has no currency risk with the facility.

RIFCO has sought to obtain increased capacity to maintain non-securitized loans for some time. RIFCO is very pleased to have Wells Fargo as a significant funding partner.

With this facility, RIFCO expects the following benefits:

- ◆ Reduction (improvement) of the average interest expense ratio.
- ◆ Reduction in current taxes being paid.
- ◆ Improved cash flow as prepaid cash taxes (\$6.0M as at June 30, 2012) are reduced.
- ◆ Reduction of funding risk as provided by a multi-year and committed facility.
- ◆ Increased permanent funding opportunities based on accumulating larger amounts of finance receivables before securitization. Opportunities could include much larger securitization tranches of such finance receivables, and potentially improved securitization rates due to scale.
- ◆ Increase in overall funding capacity to support RIFCO's finance receivable growth.

RIFCO employs a balanced approach for loan portfolio funding of equity, secured revolving credit, unsecured debentures and loan securitization funders. This new facility provides improved funding balance that complements the existing \$150M in securitization facilities.

### **About Wells Fargo**

Wells Fargo & Company (NYSE: WFC) is a nationwide, diversified, community-based financial services company with \$1.4 trillion in assets. Founded in 1852 and headquartered in San Francisco, Wells Fargo provides banking, insurance, investments, mortgage, and consumer and commercial finance through more than 9,000 stores, 12,000 ATMs, the Internet (wellsfargo.com), and has offices in more than 35 countries to support the bank's customers who conduct business in the global economy. With approximately 265,000 team members, Wells Fargo serves one in three households in the United States. Wells Fargo & Company was ranked No. 26 on *Fortune's* 2012 rankings of America's largest corporations. Wells Fargo's vision is to satisfy all our customers' financial needs and help them succeed financially.



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### About RIFCO

RIFCO Inc. operates through its wholly owned subsidiary Rifco National Auto Finance Corporation to provide automobile loans through its dealership network across Canada.

RIFCO National Auto Finance provides consumers with financing options on new and used vehicles. RIFCO specializes in building long-term partnerships with dealers by investing time in personalized services through dedicated account representatives. RIFCO's quick credit decisions, common sense lending, and expedited funding processes give its dealers better financing options and more closed deals. RIFCO's most successful partnerships result in graduated recognition programs for its loyal dealerships.

RIFCO is committed to continuing growth. Key strategies for achieving this growth include the expansion of its automobile dealer base, excellence in credit and collections processes.

**The common shares of RIFCO INC. are traded on the TSX Venture Exchange under the symbol "RFC". There are 20.25 million shares (basic) outstanding and 21.80 million (fully diluted) shares.**

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