

ASSET ACCEPTANCE CAPITAL CORP.

CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS

I. Purpose

The Nominating and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of Asset Acceptance Capital Corp. (the “Company”) shall serve in an advisory capacity to the Board. The primary functions of the Committee are:

- Identify and recommend to the Board nominees qualified to serve on the Board and Board committees;
- Develop and recommend to the Board for its approval a set of Corporate Governance Principles applicable to the Company;
- Oversee the evaluation of the Board and the Company management;
- Make recommendations regarding director nominees submitted by shareholders of the Company and develop procedures for reviewing and handling shareholder proposals.

Whenever the Company is legally required by law, contract or otherwise to provide third parties with the ability to nominate directors, the selection and nomination of such directors shall not be subject to the provisions of this Charter.

II. Structure and Operations.

The Committee shall consist of at least three members, each of whom shall satisfy the independence and experience requirements of applicable law and the Nasdaq Stock Market (“Nasdaq”). The Board shall recommend nominees for appointment to the Committee annually. Committee members shall be appointed by the Board and may be removed by the Board, with or without cause, by a majority vote of the Board. A majority of the members of the Committee shall appoint the Chairperson of the Committee.

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this Charter. The Committee will meet from time to time in executive sessions without management participation. A majority of the members of the Committee shall constitute a quorum for the transaction of business.

The Committee has the authority to retain and terminate, and shall have sole authority over any independent legal, financial or other advisors as it may consider necessary to carry out its responsibilities under this Charter, without conferring with or obtaining approval of management or the full Board. This authority shall include the sole authority to retain and terminate any search firm used to identify director candidates and sole authority to approve the search firm’s fees and other retention terms.

Except to the extent prohibited by Nasdaq rules and state law, the Committee may delegate its authority to subcommittees when it deems appropriate and in the best interest of the Company.

III. Responsibilities.

In addition to any other responsibilities which may be assigned from time to time by the Board, the Committee is responsible for the following matters:

Board and Committee Nominees. The Committee shall develop and establish criteria which the Board shall approve, for Board and Board committee membership and shall oversee searches to identify qualified individuals. The Committee shall recommend that the Board select at each annual meeting or as vacancies are otherwise required to be filled, nominees for Board or Board committee membership. In making its recommendations, the Committee shall:

- Review candidates for qualifications on the Board or a committee of the Board based on criteria approved by the Board. Criteria may include judgment, skill, diversity (including factors such as race, gender or experience), integrity, experience with businesses and other organizations of comparable size, the interplay of the candidates experience with the experience of other Board members, and the extent to which the candidate would be a desirable addition to the board or any Board committee;
- Review the independence of candidates as required under any applicable law or Nasdaq rules;
- Review any director candidates submitted by shareholders; and
- Consider any other factors that are set forth in the Company's Corporate Governance Principles or as are deemed appropriate by the Committee.

In evaluating incumbent Board or Board committee members, the Committee shall also consider the incumbent Board or Board committee member's past performance in making its evaluation.

Corporate Governance Matters. The Committee shall develop and recommend to the Board the Corporate Governance Principles for the Company. Periodically, the Committee shall review and reassess the adequacy of such Corporate Governance Principles and recommend any proposed changes in the Corporate Governance Principles to the Board.

Code of Business Conduct. The Committee shall periodically review and assess the adequacy of the Company's Code of Business Conduct and Ethics. The Committee shall oversee compliance with the Code of Business Conduct and Ethics by directors. The Committee shall generally advise the Board on the corporate governance structure and conduct of the Board.

Evaluating the Board. The Committee shall oversee the Board's annual self-evaluation and assist and report on such process and the results of the evaluations including any recommendations for proposed changes to the Board. The Committee shall periodically review the size and responsibilities of the Board and the Board committees and recommend any proposed changes to the Board. The Committee shall evaluate the independence of each director on an annual basis and shall report such evaluation to the Board.

Director Orientation and Continuing Education. The Committee shall develop orientation and continuing education guidelines for Board and Board committee members. The Committee

shall periodically review these guidelines and monitor and evaluate, at least annually, each Board or committee member's co-operation in fulfilling such guidelines.

Meetings of Non-Management Directors. The Committee shall make recommendations to the Board regarding meetings involving non-management directors. Recommendations should include frequency of such meetings, which shall not be less than twice a year, who should preside over such meetings and any other matter deemed important by the Committee.

Conflicts of Interest. The Committee shall review any conflicts of interest that may affect the Company or any of its executive officers or Board members. The Committee shall review and approve any related party transactions required to be disclosed in the Company's annual proxy statement pursuant to Item 404 of Regulation S-K. Reports to the Board should be made to address any conflict of interest issue as deemed necessary by the Committee.

IV. Reporting

The Committee shall keep minutes of each meeting held and report to the Board periodically. This report shall include a review of any recommendations or issues that arise with respect to executive compensation and any other matters that the Committee deems appropriate or is required to be included by the Board. When presenting any recommendation or advice to the Board, the Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision.

At least annually, the Committee shall evaluate its own performance and report to the Board on such evaluation.