

Brightstar Capital Partners- Backed XLerate to Join Forces with America's Auto Auction

Combination Creates a Major Player in Vehicle Auction Market

Carmel, IN and Dallas, TX, December 22, 2021 – [XLerate Group](#) (“XLerate”), a leading nationwide vehicle auction and remarketing company owned by affiliates of [Brightstar Capital Partners](#) (“Brightstar”), announced today that it has signed a definitive agreement to acquire [America's Auto Auction](#) (“AAA”), another leading vehicle auction provider. The strategic combination of XLerate and AAA will create one of the nation's premier providers of vehicle auctions and related financing to enable the remarketing of vehicles, delivering critical services and liquidity to the vehicle ecosystem. Terms of the transaction were not disclosed.

Headquartered in Carmel, Indiana, and Dallas, Texas, respectively, XLerate and AAA will have a total of 39 auction sites across 19 states, as well as growing digital and mobile auction businesses and related financing. Brightstar will be the controlling shareholder of the company, which will operate under the leadership of the current XLerate executive team: Cam Hitchcock, Chief Executive Officer; Chuck Tapp, EVP/Chief Revenue Officer; and Charles Kunkel, EVP/Chief Financial Officer.

“The independent vehicle auction sector is poised for significant growth, as consumer demand expands, and technology continues to enhance the remarketing process,” said Mr. Hitchcock, Chief Executive Officer of XLerate. “We are thrilled to welcome our talented colleagues at AAA, and appreciate the trust placed in us by Brightstar. Together, we will develop a platform built on lasting relationships and superior service that leverages the best of digital and physical offerings, and further redefines the remarketing industry.”

“Since founding AAA in 2000, we have expanded to 23 locations across 15 states and developed a comprehensive and trusted auction process, from vehicle reconditioning, through physical or online auction bidding, financing and check-out,” noted Ben Lange, AAA's President and CEO. “I look forward to the combined company building on this solid foundation and benefiting our employees, suppliers and customers.”

“We are excited to build one of the leading platforms in the auction marketplace,” said Gary Hokkanen, Partner at Brightstar. “The exceptional talent and expertise of the XLerate and AAA teams, enhanced reach of the combined auction site networks, and Brightstar's access to financial

and operational resources, will ensure that this company continues its growth trajectory as a vital part of the vehicle sales ecosystem.”

“Our investment in AAA, following our earlier acquisition of XLerate, clearly indicates our confidence in the vehicle auction market and its value-creation potential for Brightstar investors,” said Andrew Weinberg, Founder & CEO at Brightstar. “With an expansive network, unparalleled team, and expanded resources, Cam and his team are well-positioned to capitalize on the exciting prospects for this sector of the economy.”

Kirkland & Ellis, LLC is acting as legal advisor to XLerate and Jefferies LLC is acting as financial advisor. Katten Muchin Rosenman LLP is acting as legal advisor to America’s Auto Auction and Harris Williams is acting as financial advisor.

About America’s Auto Auction

[America’s Auto Auction](#) (“AAA”) is a leading full-service vehicle auction services provider that facilitates the remarketing of vehicles. Based in Dallas, Texas, AAA facilitates the selling and buying of vehicles, primarily via 23 physical auction sites across 15 states. The Company also has a financing affiliate, Auction Credit Enterprises. For more information, please visit www.americasautoauction.com.

About XLerate Group

[XLerate Group](#) is a leading full-service auction services provider that facilitates the remarketing of vehicles, delivering a critical liquidity function to for the vehicle sales ecosystem. Based in Carmel, IN, XLerate facilitates the selling and buying of vehicles at physical auction sites across 13 states as well as on digital platforms. The Company also has a full-service financing affiliate, XL Funding. The company's daily mission is simple and straightforward: provide the highest quality service and operational execution for dealers and institutional customers. For more information, please visit <https://www.xlerategroup.com>.

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About Brightstar Capital Partners

[Brightstar Capital Partners](#) is a private equity firm focused on partnering with exceptional families, founders, entrepreneurs and management teams where the firm is ideally positioned to drive value creation. Brightstar employs an operationally intensive approach that leverages its extensive experience and relationship network to help companies reach their full potential. For more information, please visit <https://brightstarcp.com>.

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