

FOR: **DCAP Group, Inc. - NASDAQ: DCAP**  
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## **DCAP Subsidiary Obtains Commitment for New Premium Finance Line of Credit Increase in Size of Line Coupled with Interest Rate Reduction**

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**Hewlett, NY**—November 19, 2004 – DCAP Group, Inc. (NASDAQ: DCAP) announced today that its wholly-owned subsidiary, Payments, Inc., has obtained a commitment letter from M&T Bank for a new premium finance line of credit. Pursuant to the commitment, the size of the line initially will increase from \$18 million to \$25 million. Subject to certain conditions, M&T has proposed to arrange for an additional \$10 million credit facility on a “best efforts” basis. The line, previously scheduled to mature in July 2005, will be extended to June 2007. The increase in the size of the line is coupled with a reduction in the rate of interest charged. Payments, Inc. will now have the choice of a LIBOR-based rate, or a rate based upon M&T’s prime rate. The initial reduction in rate will be no less than 1.5% per annum. In addition, early redemption of up to \$2 million of company’s 12.625% subordinated debt is contemplated. M&T’s commitment is subject to certain conditions to closing.

“We are pleased to report this commitment”, said Barry Goldstein, DCAP’s CEO. “By increasing the line, and extending its maturity, we are now in a position to further the growth of the premium finance segment of our business. Coupled with the significant reduction in interest rate, M & T has shown the confidence in us that my staff has worked so hard to earn.”

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**About DCAP Group:**

DCAP Group, Inc. is the largest chain of independent storefront insurance agencies in the Northeast. DCAP is focused on building the business into a community-based, vertically integrated one-stop financial services center. The Company offers several services to its retail customers at the most competitive rates with a complete portfolio of insurance and related products and services, including premium financing. DCAP currently provides car, motorcycle, homeowner, business and life insurance products from a number of major carriers. The Company also offers tax return preparation services. The Company’s storefront agencies are located throughout the New York City metropolitan area and upstate New York as well as in New Jersey and Pennsylvania. More information is available at the Company's website at [www.dcapgroup.com](http://www.dcapgroup.com).

*Forward Looking Statements: Statements in this press release, other than purely historical information, including those contained in the comments above by management and the comments regarding the Company's future plans and objectives and expected operating results, and statements of the assumptions underlying such statements, constitute forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. The forward-looking statements contained herein are based on certain assumptions that may not be correct. They are subject to all of the risks and uncertainties incident to the Company's business that are described in the reports and statements filed by the Company with the Securities and Exchange Commission, including (among others) those listed in the Company's Form 10-KSB and the Form 10-QSB for the quarter ended September 30, 2004.*