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Title of Each Class of Securities to be Registered	Maximum Aggregate Offering Price
4.500% Senior Guaranteed Notes due 2014	\$1,000,0
Guarantee of 4.500% Senior Guaranteed Notes due 2014	
Floating Rate Senior Guaranteed Notes due 2014	\$1,250,0
Guarantee of Floating Rate Senior Guaranteed Notes due 2014	

- (1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.
- (2) In accordance with Rule 457(n), no additional registration fee is payable with respect to the guarantees.

<http://www.sec.gov/Archives/edgar/data/40729/000119312511030261/d424b5.htm>

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Prospectus Supplement
(To Prospectus dated January 3, 2011)



\$2,250,000,000
Ally Financial Inc.
4.500% Senior Guaranteed Notes due 2014
Floating Rate Senior Guaranteed Notes due 2014
Guaranteed by Certain Subsidiaries of Ally Financial Inc.

This is an offering of \$1,000,000,000 aggregate principal amount of 4.500% Senior Guaranteed Notes due 2014 (the “Fixed Rate Notes”) and \$1,250,000,000 aggregate principal amount of Floating Rate Senior Guaranteed Notes due 2014 (the “Floating Rate Notes”) and, together with the Fixed Rate Notes, the “Notes”) of Ally Financial Inc. (“Ally”). The Fixed Rate Notes will bear interest at a rate of 4.500% per year. The Floating Rate Notes will bear interest at a rate of three-month LIBOR plus 3.200%. Ally will pay interest on the Fixed Rate Notes semi-annually on February 11 and August 11, in cash on August 11, 2011. Ally will pay interest on the Floating Rate Notes quarterly on February 11, May 11, August 11 and November 11, 2011. The notes will mature on February 11, 2014.

The notes will be unsubordinated unsecured obligations of Ally and will rank equally in right of payment with all of Ally’s other unsubordinated unsecured indebtedness and senior in right of payment to all existing and future indebtedness that by its terms is expressly subordinated to Ally. The notes will be effectively subordinated to all existing and future secured indebtedness of Ally to the extent of the value of the assets securing such indebtedness and subordinated to all existing and future indebtedness and other liabilities (including trade payables) of subsidiaries of Ally that are not secured by the value of the assets of those subsidiaries.

The notes will be unconditionally guaranteed by Ally US LLC, IB Finance Holding Company, LLC, GMAC Latin America Finance Company, LLC, GMAC International Holdings B.V. and GMAC Continental LLC, each a subsidiary of Ally (collectively, the “note guarantors”), on a non-recourse basis (the “note guarantees”). The note guarantees will be unsubordinated unsecured obligations of each note guarantor and will rank equally in right of payment to all existing and future indebtedness of the applicable note guarantor that by its terms is expressly subordinated to the applicable note guarantor. The note guarantee will be effectively subordinated to any secured indebtedness of such note guarantor to the extent of the value of the assets securing such indebtedness and structurally subordinated to all of the existing and future indebtedness and other liabilities (including trade payables) of any non-guarantor to the extent of the value of the assets of such subsidiaries. See “Description of Notes—Ranking.”

The notes will be issued in denominations of \$2,000 and integral multiples of \$1,000. The notes will not be listed on any national securities exchange or quotation system. Currently, there is no public market for the notes. The notes are not subject to redemption prior to maturity and there is no sinking fund.

Investing in the notes involves risks. See “[Risk Factors](#)” beginning on page S-15 and incorporated by reference herein to consider before buying the notes.

	<u>Per Fixed Rate Note</u>	<u>Total</u>	<u>Per Floating Rate Note</u>
Price to Public(1)	100.000%	\$1,000,000,000	100.000%

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Underwriting discount	0.875%	\$ 8,750,000	0.8
Proceeds, before expenses, to Ally	99.125%	\$ 991,250,000	99.3

(1) Plus accrued interest, if any, from February 11, 2011

The notes are not savings or deposit accounts of Ally or any of its subsidiaries, and are not insured by the Federal Deposit Insurance Corporation (“FDIC”) or any other government agency or insurer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of this prospectus supplement or accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes will be ready for delivery in book-entry form through The Depository Trust Company (“DTC”) and its participants, S.A./N.V. and Clearstream Banking, société anonyme, on or about February 11, 2011.

Joint Book-Running Managers

Barclays Capital

Citi

Goldman, Sachs & Co.

Co-Managers

BNP PARIBAS

Deutsche Bank Securities

RBC Capital Markets

Aladdin Capital LLC

Blaylock Robert Van, LLC

CastleOak Securities, L.P.

February 8, 2011

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We provide information to you about this offering in two separate documents. The accompanying prospectus provides information about the securities we may offer from time to time. This prospectus supplement describes the specific details regarding this offering that are incorporated by reference in this prospectus supplement. If information in this prospectus supplement is inconsistent with the information in the accompanying prospectus, you should rely on this prospectus supplement.

Neither we nor the underwriters have authorized anyone to provide any information other than that contained or referred to in this prospectus supplement, the accompanying prospectus or any free writing prospectus prepared by or on behalf of us or to which we are a party, and can provide no assurance as to the reliability of, any other information that others may give you. We are not

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in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus or in any such free writing prospectus is accurate as of any date other than their respective dates.

The distribution of this prospectus supplement, the accompanying prospectus or any free writing prospectus and the accompanying prospectus in any jurisdiction may be restricted by law. Persons into whose possession this prospectus supplement, the accompanying prospectus or any free writing prospectus comes should inform themselves about and observe such restrictions. This prospectus supplement, the accompanying prospectus or any free writing prospectus does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which it is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is not directed.

References in this prospectus supplement to “the Company,” “we,” “us,” and “our” refer to Ally Financial Inc. and its subsidiaries (including Residential Capital, LLC, or “ResCap”) on a consolidated basis, unless the context otherwise requires, and the accompanying prospectus refers to Ally Financial Inc.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement contains or incorporates by reference documents containing various forward-looking statements under federal securities laws, including the Private Securities Litigation Reform Act of 1995, that are based upon our current expectations of future events that are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated.

The words “expect,” “anticipate,” “estimate,” “forecast,” “initiative,” “objective,” “plan,” “goal,” “project,” “outlook,” “evaluate,” “pursue,” “seek,” “may,” “would,” “could,” “should,” “believe,” “potential,” “continue,” or the negative of any of these words are used to identify forward-looking statements. All statements contained in or incorporated by reference into this prospectus supplement, other than historical statements, including without limitation statements about future events and financial performance, are forward-looking statements that involve certain risks and uncertainties.

While these statements represent our current judgment on what the future may hold, and we believe these judgments are based on reasonable assumptions, they are not guarantees of any events or financial results, and our actual results may differ materially due to numerous important factors that are discussed in our Report on Form 10-K for the fiscal year ended December 31, 2009, as updated by our subsequent Quarterly Reports on Form 10-Q, and the other documents specifically incorporated by reference herein. See “Incorporation by Reference; Where You Can Find More Information” for a discussion of the other documents specifically incorporated by reference herein. Some of the risks and uncertainties and assumptions are beyond our control, and may cause our actual results and performance to differ materially from our expectations. Our actual results to be materially different from our expectations include, among others, the risk factors set forth herein (see “Risk Factors” for a discussion of the risk factors).

- Our inability to repay our outstanding obligations to the U.S. Department of the Treasury (the “Treasury”), or to do so without a significant disruption to our business;
- Uncertainty of our ability to enter into transactions or execute strategic alternatives to realize the value of our ResCap operations;
- Securing low cost funding for the Company and ResCap and maintaining the mutually beneficial relationship between the Company and Chrysler;
- Our ability to maintain an appropriate level of debt and capital;
- The profitability and financial condition of GM and Chrysler;
- Our ability to realize the anticipated benefits associated with our conversion to a bank holding company, and the increased regulatory requirements we are now subject to;
- Continued challenges in the residential mortgage and capital markets;
- The potential for deterioration in the residual value of off-lease vehicles;
- The continuing negative impact on ResCap and our mortgage business generally due to the decline in the U.S. housing market;
- Any impact resulting from delayed foreclosure sales or related matters;
- The potential for legal liability resulting from claims related to the sale of private-label mortgage-backed securities;
- Risks related to potential repurchase obligations due to alleged breaches of representations and warranties in mortgage-backed securities.

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- Changes in U.S. government-sponsored mortgage programs or disruptions in the markets in which our mortgage subs
- Disruptions in the market in which we fund the Company's and ResCap's operations, with resulting negative impact o
- Changes in our accounting assumptions that may require or that result from changes in the accounting rules or their a
impact on earnings;
- Changes in the credit ratings of ResCap, Ally, Chrysler, or GM;
- Changes in economic conditions, currency exchange rates or political stability in the markets in which we operate;
- Changes in the existing or the adoption of new laws, regulations, policies or other activities of governments,
(including as a result of the recently enacted Dodd-Frank financial regulatory reform bill); and
- The success, or lack thereof, of this offering of notes.

Accordingly, you should not place undue reliance on the forward-looking statements contained or incorporated by referen
These forward-looking statements speak only as of the date of this prospectus supplement. We undertake no obligation to update public
looking statements, whether as a result of new information, future events or other such factors that affect the subject of these statements,
law.

INDUSTRY AND MARKET DATA

In this prospectus supplement and in the documents incorporated by reference herein, we rely on and refer to information a
We obtained this market data from independent industry publications or other publicly available information. Although we believe tha
the underwriters have not independently verified and do not guarantee the accuracy and completeness of this information.

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SUMMARY

This summary highlights some of the information contained, or incorporated by reference, in this prospectus supplement, our business and the notes. It does not contain all of the information that is important to you. You should carefully read this prospectus supplement, including the information incorporated by reference into this prospectus supplement, to understand fully the terms of the notes, as well as the risks that are important to you in making your investment decision. You should pay special attention to the “Risk Factors” beginning on page S-ii, and the “Cautionary Statement Regarding Forward-Looking Statements” beginning on page S-ii.

Unless stated otherwise, the discussion in this prospectus supplement of our business includes the business of Ally Financial Inc. and its indirect subsidiaries (including ResCap). Unless otherwise indicated or the context otherwise requires, “the Company,” “we,” “our,” and “Ally” refer to Ally Financial Inc. and its direct and indirect subsidiaries (including ResCap) on a consolidated basis and the term “Ally” refers only to Ally Financial Inc.

Our Company

Ally is one of the world’s largest automotive financial services companies with approximately \$173.2 billion of assets at December 31, 2008. Since 1919 as a wholly owned subsidiary of General Motors Corporation (currently General Motors Company or GM), Ally is the official financing partner for GM, Chrysler, Saab, Suzuki, Fiat, and Thor Industries vehicles and offers a full suite of automotive financing products and services in the United States and internationally. Our other business units include mortgage operations and commercial finance, and our subsidiary, Ally Bank, which offers online retail banking services and operates as a bank holding company. On December 24, 2008, we became a bank holding company under the Bank Holding Company Act of 1956. Our principal executive offices are located at 200 Renaissance Center, Detroit, Michigan 48265, and our telephone number is (866) 710-4444.

Our Business

Global Automotive Services and Mortgage are our primary lines of business.

Global Automotive Services

Our Global Automotive Services offer a wide range of financial services and products to retail automotive consumers, as well as commercial businesses. Our Global Automotive Services consist of three separate reportable segments — North American Automotive Finance, International Automotive Finance operations, and Insurance operations. Our North American Automotive Finance operations include Ally Bank and our subsidiary ResMor Trust. The products and services offered by our automotive finance services include the purchase of new and used vehicles and leases, offering of term loans to dealers, financing of dealer floorplans and other lines of credit to dealers, fleet leasing, and financing of commercial vehicles. In addition, our automotive finance services utilize bank deposit funding at Ally Bank, asset securitizations, whole-loan sales through our commercial finance operations, and debt issuances, to the extent available, as components of our diversified funding strategy.

We also offer vehicle service contracts and selected commercial insurance coverages in the United States and internationally. Our vehicle service contracts with mechanical breakdown and maintenance coverages. Our vehicle service contracts offer vehicle owners protection and roadside assistance for new and used vehicles beyond the manufacturer’s new vehicle warranty. Additionally, we offer commercial insurance coverages primarily covering dealers’ wholesale vehicle inventory.

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We have significantly streamlined our international presence to focus on strategic operations. Our International Automotive Group (IAG) originates the majority of originations in five core international markets: Germany, the United Kingdom, Brazil, Mexico, and China through our

On September 30, 2010, we announced that we were selected to be the preferred financing provider for Fiat vehicles in the United States for retail financing, leasing, wholesale financing, working capital and facility loans, and remarketing services to the new Fiat dealer network. We began announcing dealers that secured a Fiat franchise in the United States.

On August 6, 2010, we entered into an agreement (the "Agreement") with Chrysler to provide automotive financing products to dealers and customers. The Agreement replaced and superseded the legally binding term sheet that we entered into with Chrysler in 2009 that contemplated this definitive agreement. We are Chrysler's preferred provider of new wholesale financing for dealer inventory in the United States and other international markets upon the mutual agreement of the parties. We provide dealer financing and services and retail financing to customers as we deem appropriate according to our credit policies and in our sole discretion. Chrysler is obligated to provide us with subvention including the use of Ally for designated minimum threshold percentages of certain of Chrysler's retail financing subvention program through April 30, 2013, with automatic one-year renewals unless either we or Chrysler provides sufficient notice of nonrenewal.

On July 13, 2010, we announced our intention to rebrand the GMAC consumer and dealer-related automotive finance operations in the United States, Canada, and Mexico and begin using the Ally name during the month of August 2010. The Ally brand will be used for automotive financing for the following manufacturers: GM, Chrysler, Saab, Thor Industries, and Fiat United States and Mexico. Our automotive finance operations in the United States will continue to operate under the GMAC brand as options for further use of the Ally brand are evaluated.

On April 5, 2010, we announced that we expanded our automotive finance operations to include recreation vehicles and motorcycles as the preferred financial provider for their retail customers. During June 2010, we began accepting retail finance applications for motorcycles from Thor dealers in certain high volume states. We expect to expand retail financing nationwide to all qualified dealers in Thor's U.S. market.

On March 15, 2010, we announced that Spyker Cars N.V., which recently purchased Saab Automobile from GM, selected us as the provider of wholesale and retail financing for qualified Saab dealers and customers in North America and internationally.

Mortgage

Our Mortgage operations engage in the origination, purchase, servicing, sale, and securitization of consumer (i.e., residential) mortgage-related products. Mortgage operations include the Residential Capital, LLC legal entity, the mortgage operations of Ally Bank, the mortgage operations of ResMor Trust. In response to market conditions, our Mortgage operations substantially eliminated production of loans that do not meet the underwriting guidelines of the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), and the Government National Mortgage Association (Ginnie Mae) in the United States.

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The Note Guarantors

The notes will be guaranteed on a joint and several basis by the following subsidiaries of Ally: Ally US LLC (formerly Finance Holding Company, LLC), GMAC Latin America Holdings LLC, GMAC International Holdings B.V. and GMAC Continental Holdings LLC. Any debt or other obligations of Ally or of subsidiaries of the note guarantors that is owed to Ally or other subsidiaries of Ally will rank junior to the note guaranteed by the note guarantors.

Each note guarantor is a first-tier wholly owned subsidiary of Ally. A simplified structure chart of Ally and each of the note guarantors is shown below.



Ally US LLC (formerly known as GMAC US LLC). Ally US LLC (“US LLC”), a Delaware limited liability company, was incorporated on October 10, 2007 and is a wholly owned subsidiary of Ally. US LLC currently holds certain assets and intellectual property associated with the U.S. Automotive Finance business. In addition, all of our employees associated with the U.S. Automotive Finance business and our corporate functions are located in the U.S. As of September 30, 2010, US LLC and its subsidiaries had no material assets or liabilities. The registered office of US LLC is at Corporation Trust Center, 1209 N. Orange Street, New Castle County, Wilmington, Delaware 19801-1120.

IB Finance Holding Company, LLC. IB Finance Holding Company, LLC (“IB Finance”), a Delaware limited liability company, was incorporated on October 10, 2006 and is wholly owned by Ally. The registered office of IB Finance is at Corporation Trust Center, 1209 N. Orange Street, New Castle County, Wilmington, Delaware 19801-1120. IB Finance is a holding company that conducts no business other than holding all of the equity interests in Ally Bank. Ally Bank is a Utah chartered commercial non-member bank that provides banking products to consumers online at www.ally.com (such as Ally Bank, reference herein). Ally Bank’s deposit products include certificates of deposit savings accounts, online savings accounts, checking accounts, and money market accounts. The mortgage division of Ally Bank purchases first-lien residential mortgage loans, and offers mortgage warehouse financing. The automotive division of Ally Bank offers automotive financing primarily to select qualifying automotive dealerships in the United States. Ally Bank’s consumer business is targeted at the general public, as well as members of the GM dealer network, retirees, customers and shareholders of GM, Ally and its subsidiaries, and the owners, operators, and employees of the GM dealer, and the immediate family members of employees and retirees. As a result of the agreement with Chrysler, Ally Bank will continue to originate and service wholesale and consumer retail portfolios, with the majority of the Chrysler business being originated in Ally Bank. Neither Ally Bank nor IB Finance is directly guaranteeing the notes.

GMAC Latin America Holdings LLC. GMAC Latin America Holdings LLC (“Latin America LLC”), a Delaware limited liability company, was incorporated on August 18, 2006 and is a wholly owned direct subsidiary of Ally. The registered office of Latin America LLC is at Corporation Trust Center, 1209 N. Orange Street, New Castle County, Wilmington, Delaware 19801-1120. Latin America LLC is a holding company that conducts no business other than holding all of the equity interests in Ally Credit, S.A. de C.V., Sociedad Financiera de Objeto Limitado Filial (“Ally Credit”), and certain

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alignment of the business and management's current view of the mortgage business. Finally, we reflect modifications to the financial statements applicable to our North American Automotive Finance operations commercial loan portfolio.

On February 1, 2011, Ally reported net income of \$79 million for the fourth quarter of 2010, compared to a net loss of \$5.8 billion in 2009. Core pre-tax income, which reflects income from continuing operations before taxes and original issue discount (OID) and other adjustments, totaled \$533 million in the fourth quarter of 2010, compared to a core pre-tax loss of \$3.5 billion in the comparable prior year.

For the full-year 2010, Ally reported net income of \$1.1 billion, compared to a net loss of \$10.3 billion in 2009. Core pre-tax income of \$1.1 billion, compared to a core pre-tax loss of \$5.8 billion in the prior year.

The losses reported for the 2009 fourth quarter and full year were largely affected by losses related to legacy assets in the mortgage business.

Ally's consolidated cash and cash equivalents were \$11.7 billion as of December 31, 2010, compared to \$12.6 billion at September 30, 2010. The consolidated cash and cash equivalents balance are: \$672 million at ResCap, \$3.1 billion at Ally Bank and \$1.2 billion at the insurance company. The decrease in cash and cash equivalents during the quarter was the result of growth in the Company's loan and investment securities portfolios.

Ally's total equity at December 31, 2010, was \$20.5 billion, compared to \$21.0 billion at September 30, 2010. The company's 2010 tier 1 capital ratio was 15.0%, compared to 15.4% in the prior quarter. The decrease was due to quarterly results, net of dividend payments on weighted assets.

During 2010, Ally completed nearly \$36 billion of new funding transactions. During the year, the company issued more than \$9 billion in the domestic asset-backed securities (ABS) market, completed \$6 billion of international ABS transactions and revolving facilities with more than \$12 billion of capacity.

U.S. Treasury MCP Securities Converted to Common Equity

On December 30, 2010, Ally and the Treasury agreed to convert \$5.5 billion of the \$11.4 billion of MCP securities issued by the Treasury into common equity. This action represents a critical step toward full repayment of the Treasury's investments, as it changes the company's structure to one more typical of a bank holding company. It also removes GM's status as an affiliate of Ally Bank for the purposes of the Federal Reserve Act, which, among other things, impose limitations on transactions between banks and their affiliates. Transactions between Ally Bank and GM will continue to be subject to regulation and examination by the bank's primary federal regulator, the Federal Deposit Insurance Corporation. Ally Bank, which pays dividends by \$500 million per year, assists with capital preservation and is expected to improve profitability with a lower cost of funds.

Ally Bank

For purposes of quarterly financial reporting, Ally Bank's operating results are divided between the North American Automotive Finance Operations segments based on its underlying business activities. During the fourth quarter of 2010, Ally Bank reported pre-tax income of \$317 million, compared to a pre-tax loss from continuing operations of \$1.5 billion in the corresponding prior year.

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year period. Performance in the quarter was driven by continued strong automotive originations and improved cost of funds. The loss in the fourth quarter of 2010 was due to a loss on the sale of mortgage assets to the parent company of \$1.3 billion. Total assets at Ally Bank were \$70.2 billion at December 31, 2010, compared to \$66.2 billion at September 30, 2010. The growth in assets was due to the increase in automotive asset levels resulting from increased wholesale funding.

Global Automotive Services

Global Automotive Services consists of Ally's auto-centric businesses, including: North American Automotive Finance, International Automotive Finance, and Insurance. Global Automotive Services reported fourth quarter 2010 pre-tax income from continuing operations of \$765 million, compared to \$700 million in the comparable prior year period.

North American Automotive Finance, which includes results for the U.S. and Canada, reported pre-tax income from continuing operations of \$500 million in the fourth quarter of 2010, compared to \$343 million in the comparable prior year period. Results were driven by a significantly improved credit quality, continued growth in originations and stable wholesale penetration. Origination levels have been supported by the expanded features and benefits of the Ally Dealer Rewards program and access to a broader dealer network via Dealer Finance.

International Automotive Finance reported pre-tax income from continuing operations of \$12 million in the fourth quarter of 2010, compared to a loss of \$145 million in the same period last year. This improvement was driven by favorable loss performance and lower restructuring expenses. The quarter was negatively impacted by \$12 million of certain tax and legal provisions. The company's international operations consist of 15 countries, including the company's five core international markets: Germany, U.K., Brazil, Mexico and its joint venture in China.

Insurance, which focuses primarily on dealer-centric products, such as extended service contracts and dealer inventory insurance, reported pre-tax income from continuing operations of \$164 million in the fourth quarter of 2010, compared to \$85 million in the prior year period. Results were driven by improved loss performance related to the investment portfolio and lower acquisition and underwriting expenses.

Automotive originations and penetration

Total consumer financing originations increased 56% during the fourth quarter of 2010 to \$12.7 billion, compared to \$8.1 billion in the comparable prior year period. Fourth quarter 2010 consumer auto originations were comprised of \$9.9 billion of new originations, \$1.4 billion of used originations and \$1.4 billion of new leases, while fourth quarter 2009 consumer auto originations included \$6.8 billion of new originations, approximately \$1.0 billion of used originations and approximately \$300 million of new leases. Growth in consumer financing originations was driven by higher industry sales and improved penetration driven by year-end marketing programs. The increase in used originations during the quarter reflects the company's view of a growth opportunity. Leasing increased 11.0% of total originations in the fourth quarter from 4.1% in the corresponding period last year. The company maintains this business under prudent underwriting principles.

North American consumer financing originations in the fourth quarter of 2010 were \$10.2 billion, which included \$9.3 billion of new originations. Fourth quarter 2009 consumer financing originations in North America were \$6.6 billion, which included approximately \$5.9 billion in the U.S.

International consumer originations from continuing operations, which include a non-consolidated joint venture in China, were \$1.4 billion in the fourth quarter of 2010, compared to \$1.6 billion in the fourth quarter of 2009.

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quarter of 2009. International consumer originations continued to be driven by the company's five key markets with strong growth during the quarter. Consumer originations increased 100% in Brazil, 97% in China and 54% in Mexico compared to the fourth quarter of 2009.

Ally's U.S. wholesale penetration for GM dealer stock was 82.1% in the fourth quarter of 2010, compared to 83.7% in the fourth quarter of 2009. U.S. consumer penetration for GM was 49.7% during the fourth quarter of 2010, compared to 34.2% in the fourth quarter of 2009. Ally continues to diversify its business as GM incentivized business accounted for 22% of Ally's overall originations compared to 45% for full year 2009.

Ally's average U.S. wholesale penetration for Chrysler dealer stock was 76.0% in the fourth quarter of 2010, compared to 74.8% in the corresponding period last year. Ally's U.S. consumer penetration for Chrysler during the fourth quarter of 2010 was 49.4% in the prior quarter and 25.5% in the fourth quarter of 2009. The sequential quarterly decline was due to a change in the mix of originations.

Mortgage Operations

Ally's Mortgage Operations, which includes ResCap and the mortgage activities of Ally Bank and ResMor Trust, reported a pre-tax loss from continuing operations of \$123 million during the fourth quarter of 2010, versus a pre-tax loss from continuing operations of \$3.4 billion during the fourth quarter of 2009.

The company's Mortgage Operations business is now reported as two distinct segments: Origination and Servicing and *Legacy Portfolio and Other*. The principal activities of the Origination and Servicing segment include originating, purchasing, selling, and securitizing conforming and jumbo mortgage loans in the U.S. and Canada; servicing residential mortgage loans for Ally and others; and providing collateralized loan participations, which the Company refers to as warehouse lending. In addition, the segment also originates high-quality prime jumbo mortgage loans. The Company utilizes three primary channels for originating mortgages: wholesale lending, traditional retail lending and community financing. The *Legacy Portfolio and Other* segment primarily consists of loans originated prior to January 1, 2009, and includes non-core business activities including commercial mortgage loans.

The *Origination and Servicing* segment reported fourth quarter 2010 pre-tax income from continuing operations of \$173 million, compared to a pre-tax loss from continuing operations of \$180 million during the fourth quarter 2009. Results were driven by strong originations from the U.S. and Canada, higher net servicing revenue, lower provision for loan losses and lower non-interest expense.

Total mortgage loan production in the fourth quarter of 2010 was \$23.8 billion, compared to \$20.5 billion in the third quarter of 2010 and the fourth quarter of 2009. The vast majority of fourth quarter 2010 production was driven by the origination of prime conforming mortgage loans compared to the prior quarter, as the refinance market remained strong during the quarter. Approximately 84% of the company's mortgage loan production during the quarter was due to refinancings.

The *Legacy Portfolio and Other* segment of Mortgage Operations reported a pre-tax loss from continuing operations of \$105 million, compared to a billion pre-tax loss from continuing operations in the corresponding prior year period. The results in the quarter were primarily driven by higher originations of loans, significantly lower loan loss provision and lower representation and warranty expense compared to the fourth quarter of 2009.

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Fannie Mae Settlement

ResCap and certain of its subsidiaries reached an agreement with Fannie Mae to resolve potential repurchase exposures, representations and warranties. The agreement covers loans serviced by GMAC Mortgage on behalf of Fannie Mae prior to June 30, 2010, for securities that Fannie Mae purchased at various times prior to the settlement, including private label securities. The settlement was completed on July 1, 2010. The settlement includes a release of ResCap and its subsidiaries from potential liability related to “covered mortgages” with respect to their obligations. “Covered mortgages” include all mortgages serviced by GMAC Mortgage on behalf of Fannie Mae as of, or prior to, July 1, 2010, with certain exclusions. GMAC Mortgage continues to be responsible for other contractual obligations it has with Fannie Mae with respect to such matters as, for example, all indemnification obligations that may arise in connection with the servicing of mortgages.

Corporate and Other

Including OID, Corporate and Other reported a pre-tax loss from continuing operations of \$656 million in the fourth quarter of 2010, compared to a pre-tax loss from continuing operations of \$735 million in the comparable prior year period. The improved results in the fourth quarter of 2010 were primarily due to a lower loss provision expense in the Commercial Finance Group’s European operations and resort finance portfolio, which was sold in the fourth quarter. The performance of Corporate and Other during the fourth quarter of 2010 was also driven by the net impacts of the corporate funds transfer pricing, asset liability management activities and \$301 million of OID amortization expense. The net impact of the funds transfer pricing was primarily due to unallocated cost of maintaining the liquidity and investment portfolios and other unassigned funding costs and unassigned equity.

Ally Financial Preliminary Unaudited Fourth Quarter 2010 Financial Highlights

<u>Summary Statement of Income</u>	<u>4Q 2010</u>	<u>4Q 2009</u>
		(\$ in millions)
Financing revenue and other interest income		
Finance receivables and loans		
Consumer	\$1,109	\$1,022
Commercial	502	440
Notes receivable from General Motors	53	68
Total finance receivables and loans	<u>1,664</u>	<u>1,530</u>
Loans held-for-sale	140	165
Interest on trading securities	3	13
Interest and dividends on available-for-sale investment securities	87	70
Interest bearing cash	16	12
Other interest income, net	1	29
Operating leases	<u>751</u>	<u>1,224</u>
Total financing revenue and other interest income	2,662	3,043
Interest expense		
Interest on deposits	175	168
Interest on short-term borrowings	127	119
Interest on long-term debt	<u>1,436</u>	<u>1,339</u>

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Total interest expense	1,738	1,626
Depreciation expense on operating lease assets	<u>394</u>	<u>741</u>
Net financing revenue	530	676

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Summary Statement of Income	4Q 2010	4Q 2009	(\$ in m)
Other revenue			
Servicing fees	390	373	
Servicing asset valuation and hedge activities, net	(213)	(417)	
Total servicing income, net	177	(44)	
Insurance premiums and service revenue earned	450	476	
Gain on mortgage and automotive loans, net	404	145	
(Loss) gain on extinguishment of debt	-	(2)	
Other gain on investments, net	150	52	
Other income, net of losses	197	271	
Total other revenue	1,378	898	
Total net revenue	1,908	1,574	
Provision for loan losses	71	3,063	
Noninterest expense			
Compensation and benefits expense	416	410	
Insurance losses and loss adjustment expenses	212	242	
Other operating expenses	977	1,662	
Total noninterest expense	1,605	2,314	
Income (loss) from continuing operations before Income tax expense (benefit)	232	(3,803)	
Income tax expense (benefit) from continuing operations	36	(597)	
Net income (loss) from continuing operations	196	(3,206)	
(Loss) income from discontinued operations, net of tax	(117)	(1,747)	
Net income (loss)	\$79	\$(4,953)	
Reconciliation of Non-GAAP Financial Measures	4Q 2010	4Q 2009	(\$ in m)
Total net revenue (ex. OID)	\$2,209	\$1,889	
Provision for loan losses	71	3,063	
Controllable expenses(1)	923	1,168	
Other noninterest expenses	682	1,146	
Core pre-tax income (loss)(2)	\$533	\$(3,488)	
OID amortization expense	301	315	
Income tax expense (benefit)	36	(597)	
Income (loss) from discontinued operations	(117)	(1,747)	
Net income (loss)	\$79	\$(4,953)	

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- (1) Includes employee related costs, consulting and legal fees, marketing, information technology, facility, portfolio servicing and re
- (2) Core pre-tax income is defined as income from continuing operations before taxes and bond exchange original issue discount am

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Select Balance Sheet Data	Decce
Cash and cash equivalents	\$
Loans held for sale	
Finance receivables and loans, net(1)	
Consumer	
Commercial	
Notes receivables from General Motors	
Investments in operating leases, net(2)	
Total assets	1
Deposit liabilities	
Total debt(3)	

(1) Finance receivables and loans are net of unearned income, unamortized premiums and discounts, and deferred fees and costs

(2) Net of accumulated depreciation

(3) Represents both secured and unsecured on-balance sheet debt such as commercial paper, medium-term notes and long-term debt

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Summary of the Notes and the Note Guarantees

The summary below describes the principal terms of the notes and the note guarantees. Certain of the terms and conditions are important limitations and exceptions. The "Description of Notes" section of this prospectus supplement contains more detailed conditions of the notes.

For a description of certain considerations that should be taken into account in connection with an investment in the notes, see page S-15.

Issuer	Ally Financial Inc.
Notes Offered	\$1,000,000,000 aggregate principal amount of 4.500% Senior Guaranteed Floating Rate Senior Guaranteed Notes and \$1,250,000,000 aggregate principal amount of Floating Rate Senior Guaranteed Notes
Maturity Date	The notes will mature on February 11, 2014.
Interest	The Fixed Rate Notes will bear interest at a rate of 4.500% per year, payable quarterly, in arrears, on February 11 and August 11 of each year, commencing on August 11, 2011. The Floating Rate Notes will bear interest at a floating rate, reset quarterly, equal to three-month LIBOR plus 100 basis points, payable quarterly, in arrears, on February 11, May 11, August 11 and November 11 of each year, commencing on May 11, 2011.
Ranking	The notes will constitute unsubordinated unsecured indebtedness of Ally Financial Inc. The notes will: <ul style="list-style-type: none">• rank equally in right of payment with all of Ally's existing and future unsecured indebtedness;• rank senior in right of payment to all of Ally's existing and future secured indebtedness that is expressly subordinated to the notes;• be effectively subordinated to Ally's existing and future secured indebtedness to the value of the assets securing such indebtedness; and• be structurally subordinated to all of the existing and future indebtedness (including trade payables) of Ally's subsidiaries not guaranteed by Ally Financial Inc. to the value of the assets of such subsidiaries. As of September 30, 2010, the Company had approximately \$95.9 billion of total debt outstanding, consisting of \$53.6 billion of unsecured debt and \$42.3 billion of secured debt, respectively. As of September 30, 2010, Ally on a stand-alone basis had approximately \$42.3 billion of secured debt.

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\$48.6 billion in aggregate principal amount of total debt outstanding, a

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Note Guarantees

The note guarantees will constitute unsubordinated unsecured indebtedness of such note guarantor. The note guarantees will:

- rank equally in right of payment with all existing and future indebtedness of such note guarantor;
- rank senior in right of payment to all existing and future indebtedness of such note guarantor that by its terms is expressly subordinated to the note guarantee;
- be effectively subordinated to the note guarantors' existing and future indebtedness to the extent of the value of the assets securing such indebtedness;
- be structurally subordinated to all of the existing and future indebtedness of such note guarantor (including trade payables) of such note guarantor's non-guarantor subsidiaries to the extent of the value of the assets of such subsidiaries.

The obligations of a note guarantor under its note guarantee will be limited to the extent of the value of the assets of such note guarantor that will result in the obligations of such note guarantor under the note guarantee. The obligations of a note guarantor under its note guarantee will not constitute a fraudulent conveyance or fraudulent transfer under applicable law. **Risks Related to the Note Guarantees**—Because each note guarantee is limited to the value of the assets of the note guarantor, the note guarantees may be reduced, voided or released under circumstances beyond the control of Ally. See "Risks Related to the Note Guarantees" for more information. "payments from some or all of the note guarantors."

Redemption

The notes are not subject to redemption prior to maturity.

Certain Covenants

The indenture governing the notes contains covenants that, among other things, will:

- limit Ally's ability to:
 - grant liens on its assets to secure indebtedness without encumbrance on the notes; and
 - merge or consolidate, or transfer or dispose of all or substantially all of its assets to any other person;
- require Ally to provide certain periodic and interim reports to the holders of the notes.

The notes will contain covenants that will, among other things:

- require Ally to use the net sale proceeds of any sale, disposal or liquidation of any note guarantor held by Ally in a transaction following which Ally is no longer the sole or majority equity interest holder of the equity interests of such note guarantor to make an investment in the equity interests of such note guarantor or subsidiaries of note guarantors, including any subsidiary of a note guarantor or a subsidiary of a note guarantor, as described in the indenture.

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Certain Covenants—Limitation on Sale of Equity Interests of N

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	<ul style="list-style-type: none">• limit the ability of Ally’s subsidiaries (other than any note guarantors) to incur or guarantee certain other debt;• limit the ability of Ally and its subsidiaries to make payments to or for the benefit of Ally or its subsidiaries without the consent, waiver or amendment to the terms of the notes; and• require Ally to provide certain additional financial information to prospective investors, upon their request, under certain circumstances. <p>The guarantee agreement will contain covenants that will, among other things, require Ally to:</p> <ul style="list-style-type: none">• limit the ability of the note guarantors to merge or consolidate with or into another entity or to sell, lease, convey or otherwise dispose of substantially all of their assets; and• limit the ability of the note guarantors or any subsidiary of a note guarantor to:<ul style="list-style-type: none">○ grant liens on their assets to secure certain indebtedness other than the notes securing the notes;○ grant liens on their assets to secure any debt of ResCap or any subsidiary of ResCap;○ guarantee any debt of ResCap or any subsidiary of ResCap;○ engage in certain asset sales to Ally or any subsidiary of Ally or to any note guarantor or a subsidiary of a note guarantor; and○ engage in certain transactions with affiliates of Ally.
No Prior Market	<p>The notes will be new securities for which there is no market. Although we intend to make a market in the notes, they are not being offered with market making with respect to the notes may be discontinued without notice. Accordingly, we cannot assure you that a market for the notes will develop or be maintained.</p>
Use of Proceeds	<p>We intend to use the proceeds from this offering to make loans, purchase assets and for other corporate purposes. See “Use of Proceeds.”</p>
Considerations for Benefit Plan Investors	<p>For a discussion of certain prohibited transactions and fiduciary duty issues that may apply to you or on behalf of an employee benefit plan, see “Certain Benefit Plan Considerations” in the “Notice to Investors.”</p>
Risk Factors	<p>For a discussion of risks that you should consider carefully before making an investment in the notes, see “Risk Factors” in the “Notice to Investors.”</p>

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please read "Risk Factors."

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately \$2,230,312,500, after deducting underwriting discounts and estimated offering expenses payable by us. We estimate that our expenses, other than underwriting discounts and commissions, will be a

We intend to use the net proceeds from this offering to make loans as well as to purchase receivables and for other general corporate purposes, including the possible retirement of indebtedness. Pending the application of the proceeds, we may invest the proceeds in short-term securities.

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RISK FACTORS

Your decision whether to acquire the notes will involve risk. The risks described below are intended to highlight risks that are specific to related guarantees, but are not the only risks we face. You should be aware of, and carefully consider, the following risk factors, along with information provided or referred to in this prospectus supplement and the accompanying prospectus and the documents incorporated by discussions in our Annual Report on Form 10-K for the year ended December 31, 2009 and our Quarterly Reports on Form 10-Q for the 2010, June 30, 2010 and September 30, 2010, in each case, including all of the risks discussed in the Risk Factors section thereof, before the offering of the notes.

Risks Relating To The Notes

Our substantial level of indebtedness could materially adversely affect our ability to generate sufficient cash to fulfill our obligations and react to changes in our business and our ability to incur additional indebtedness to fund future needs.

We have a substantial amount of indebtedness, which requires significant interest and principal payments. As of September 30, 2010, we had \$95.9 billion in principal amount of indebtedness outstanding. Our existing and future secured indebtedness will rank effectively senior to our unsecured indebtedness to the extent of the value of the assets securing such indebtedness. We may incur additional indebtedness from time to time. If we do so, the amount of our unsecured indebtedness could be increased.

Our substantial level of indebtedness could have important consequences to holders of the notes, including the following:

- making it more difficult for us to satisfy our obligations with respect to our indebtedness, including the notes;
- requiring us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the cash available for other purposes;
- increasing our vulnerability to adverse economic and industry conditions, which could place us at a competitive disadvantage relative to our competitors that have relatively less indebtedness;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industries in which we operate;
- limiting our ability to borrow additional funds, or to dispose of assets to raise funds, if needed, for working capital requirements, research and development and other corporate purposes.

In addition, a breach of any of the restrictions or covenants in our debt agreements could cause a cross-default under our debt agreements. A portion of our indebtedness then may become immediately due and payable. We are not certain whether we would have, or be able to obtain, sufficient cash to make accelerated payments. If any of our indebtedness is accelerated, our assets may not be sufficient to repay in full such indebtedness and our ability to service our indebtedness could be materially and adversely affected.

We may not be able to generate sufficient cash to service all of our indebtedness, including the notes.

Our ability to make scheduled payments of principal and interest or to satisfy our obligations in respect of our indebtedness will depend on our future operating performance. Prevailing economic conditions (including interest rates and credit availability) among other things, on distributions to us from our subsidiaries and required capital levels with respect to certain of our banking and insurance contracts, business and other factors, many of which are beyond our control, could materially and adversely affect our ability to service our indebtedness.

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which are beyond our control, will also affect our ability to meet these needs. We may not be able to generate sufficient cash flow or secure sufficient borrowings in an amount sufficient to enable us to pay our indebtedness, or to fund our other liquidity needs. We may need to refinance our debt on or before maturity. We may not be able to refinance any of our indebtedness when needed on commercially reasonable terms or at all.

Our subsidiaries that are not note guarantors (including subsidiaries of the note guarantors that are not note guarantors) will not be restricted under the indenture for the notes. Your right to receive payments on the notes and the note guarantees are effectively subordinated to the claims of non-guarantor subsidiaries.

Our subsidiaries that are not note guarantors will not guarantee the notes and will not be restricted under the indenture for the notes. In the event of a bankruptcy or insolvency, the claims of creditors of those non-guarantor subsidiaries would also rank effectively senior to the notes, and the claims of creditors of those non-guarantor subsidiaries, or any of their respective subsidiaries, has any obligation to pay any amounts due on the notes or funds for our payment obligations, whether by dividends, distributions, loans or other payments. In the event of a bankruptcy, liquidation or other event, non-guarantor subsidiaries, holders of their liabilities, including trade creditors, will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to us. The notes and the indenture and the guarantee agreement relating to the notes give us interests in (through merger, consolidation or otherwise) the non-guarantor subsidiaries, or sell all or substantially all of the assets of any of our subsidiaries in each case, without the consent of the holders of the notes in certain circumstances.

Our less than wholly owned subsidiaries may also be subject to restrictions on their ability to distribute cash to us in their respective jurisdictions. As a result, we may not be able to access their cash flows to service our debt obligations, including obligations in respect of the notes.

The notes and the note guarantees will be effectively subordinated to our and the note guarantors' existing and future secured indebtedness on certain of our assets or certain assets of the note guarantors.

As of September 30, 2010, we had approximately \$42.3 billion in aggregate principal amount of secured indebtedness represented by the notes and the note guarantees will not be secured by any of our assets. As a result, our and the note guarantors' existing and future secured indebtedness will be subordinated to the claims of secured creditors of our and the note guarantors' existing and future secured indebtedness represented by the notes and the note guarantees, to the extent of the value of the assets securing such indebtedness. In the event of a bankruptcy, liquidation or other event, secured creditors of our and the note guarantors' secured creditors will have a superior claim to their collateral, as applicable. If any of the foregoing occurs, we cannot assure you that our assets will be sufficient to pay amounts due on the notes. The existing and future liabilities of our subsidiaries, excluding those subsidiaries that do guarantee the notes, will be senior to the indebtedness represented by the notes to the extent of the value of the assets of such subsidiaries.

In addition, if we default under any of our existing or future secured indebtedness, the holders of such indebtedness could have a claim against the pledged assets thereunder, together with accrued interest, immediately due and payable. If we are unable to repay such indebtedness, the holders of such indebtedness could have a claim against the pledged assets to the exclusion of the holders of the notes, even if an event of default exists under the indenture governing the notes. Because the notes will not be secured by any of our assets, it is possible that there would be no assets remaining from which your claims against us could be satisfied. If such assets remained, they might be insufficient to satisfy your claims in full.

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Your ability to transfer the notes may be limited by the absence of an active trading market, and there is no assurance that any active market will develop for the notes.

The notes are issues of securities for which there is no established public market. The underwriters have advised us that there is no active market for the notes, as permitted by applicable laws and regulations; however, the underwriters are not obligated to make a market in any of the notes or to engage in market-making activities at any time without notice. Therefore, an active market for any of the notes may not develop or, if developed, it may be limited. Any market for the notes will depend upon, among other things, the number of holders of the notes, our performance, the market for similar securities, the interest of securities dealers in making a market in the notes and other factors. A liquid trading market may not develop for the notes. If a market does develop, the prices may be lower than the initial offering price of the notes. If an active market does not develop or is not maintained, the price of the notes may be adversely affected. Historically, the market for non-investment grade debt securities has been subject to disruptions that have caused significant price declines in securities similar to the notes. The market, if any, for any of the notes may not be free from similar disruptions and any such disruptions may affect the price at which you may sell your notes.

A court could deem the issuance of the notes to be a fraudulent conveyance and void all or a portion of the obligations represented by the notes.

In a bankruptcy proceeding, a trustee, debtor in possession, or someone else acting on behalf of the bankruptcy estate may attempt to void obligations incurred prior to the bankruptcy proceeding on the basis that such transfers and obligations constituted fraudulent conveyances. Fraudulent conveyances are generally defined to include transfers made or obligations incurred for less than reasonably equivalent value or fair consideration, transfers made to an inadequately capitalized or in similar financial distress or that rendered the debtor insolvent, inadequately capitalized or unable to pay its debts, transfers made or obligations incurred with the intent of hindering, delaying or defrauding current or future creditors. A trustee or someone else acting on behalf of the bankruptcy estate may generally recover transfers or void obligations outside of bankruptcy under applicable fraudulent transfer laws, within the applicable statute of limitations, which is typically longer than two years. In bankruptcy, a representative of the estate may also assert such claims. If a court were to find that the issuance of the notes constituted circumstances constituting a fraudulent conveyance, the court could void all or a portion of the obligations under the notes. In addition, the value of any consideration holders received with respect to the notes could also be subject to recovery from such holders and possibly from subsequent transferees.

Therefore, a note could be voided, or claims in respect of a note could be subordinated to all other debts of Ally, if Ally at the time of the issuance of the notes was evidenced by the notes received less than reasonably equivalent value or fair consideration for the issuance of the notes, and:

- was insolvent or rendered insolvent by reason of such issuance or incurrence;
- was engaged in a business or transaction for which Ally's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they mature.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any jurisdiction where a fraudulent transfer has occurred. Generally, however, a debtor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than all of its assets at fair valuation;

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A court could deem the note guarantees a fraudulent conveyance and void all or a portion of the obligations of the note guarantors.

If a court were to find that any of the note guarantors issued the note guarantees under circumstances constituting a fraudulent conveyance, all or a portion of the obligations under such note guarantee and, if payment had already been made under the relevant note guarantee, payment to the relevant note guarantor.

A note guarantee could be voided, or claims in respect of a note guarantee could be subordinated to all other debts of the note guarantor at the time it incurred the obligation evidenced by the note guarantee received less than reasonably equivalent value or fair value of the note guarantee, and:

- was insolvent or rendered insolvent by reason of such issuance or incurrence;
- was engaged in a business or transaction for which such applicable note guarantor's remaining assets constituted unreasonably small capital for such business or transaction;
- intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they mature.

We cannot assure you as to what standard a court would apply in determining whether a note guarantor would be considered to have made a fraudulent conveyance. Any note guarantee provided by any note guarantor was a fraudulent conveyance and voided such note guarantee, or held it unenforceable, would cease to have any claim in respect of such note guarantor providing such voided note guarantee and would be a creditor solely of the remaining note guarantors.

The guarantee agreement relating to the notes will contain a provision intended to limit each note guarantor's liability to the extent of the value of the note guarantee received without causing the incurrence of obligations under its note guarantee to be a fraudulent transfer. This provision may not be effective to prevent the note guarantee from being voided under fraudulent transfer law, or may eliminate the note guarantor's obligations or reduce the note guarantor's obligations to the extent that it makes the note guarantee worthless. In a recent Florida bankruptcy case, a similar provision was found to be ineffective to protect the note guarantors.

If the note guarantees were legally challenged, any note guarantee could also be subject to the claim that, since the note guarantee was for the benefit, and only indirectly for the benefit of the applicable note guarantor, the obligations of the applicable note guarantor were incurred for the benefit of the note guarantors. A court could thus void the obligations under the note guarantees, subordinate them to the applicable note guarantor's other debt or take of the notes.

A court could deem the note guarantee of GMAC International Holdings a fraudulent conveyance or a violation of other laws or regulations of GMAC International Holdings under Dutch law.

To the extent that Dutch law applies, a guarantee granted by a legal entity may, under certain circumstances, be nullified if (i) the note guarantee was granted without an obligation to do so (*onverplicht*), (ii) the creditor concerned was prejudiced as a consequence of the note guarantee being granted both the legal entity and, unless the guarantee was granted for no consideration (*om niet*), the beneficiary of the note guarantee, or (iii) the note guarantor knew that one or more of the entities' creditors (existing or future) would be prejudiced. Also to the extent that Dutch insolvency law applies, a note guarantee may be nullified by the receiver (*curator*) on behalf of and for the benefit of all creditors of the insolvent debtor.

In addition, if a Dutch company grants a guarantee and that guarantee is not in the company's corporate interest, the guarantee may be voided by the company, its receiver and its administrator (*bewindvoerder*).

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and, as a consequence, not be valid, binding and enforceable against it. In determining whether the granting of such guarantee is in the interest of the company, Dutch courts would consider the text of the objects clause in the articles of association of the company and whether the company derives a benefit from the transaction in respect of which the guarantee was granted. In addition, if it is determined that there are no, or insufficient, commercial reasons for the company that grants the guarantee, then such company (and any bankruptcy receiver) may contest the enforcement of the guarantee. If a strong financial and commercial interdependence exists, the transaction may be declared void if it appears that the granting of the guarantee is not in the relevant company's objectives.

If Dutch law applies, a guarantee or security governed by Dutch law may be voided by a court, if the document was executed under duress (*dwaling*), fraud (*bedrog*), duress (*bedreiging*) or mistake (*dwaling*) of a party to the agreement contained in that document.

In addition, a guarantee issued by a Dutch company may be suspended or voided by the Enterprise Chamber of the District Court of Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) on the motion of a trade union and of other entities entitled thereto in the articles of association of the relevant Dutch company. Likewise, the guarantee or security itself may be upheld by the Enterprise Chamber, yet actual payment under the guarantee may be suspended.

The notes, the indenture and guarantee agreement related thereto contain only limited restrictions on the business and activities of the note guarantors to sell the equity interests in note guarantors.

The notes, the guarantee agreement and the indenture relating thereto will permit the note guarantors to, among other things, dispose of their assets, pledge their assets or incur indebtedness or other obligations in each case without the consent of the holders of the notes, subject to certain exceptions. To the extent that the note guarantors engage in any such transactions, the amount of assets of such note guarantors available to satisfy the note guarantees may be reduced or eliminated.

Although we will be required to use the proceeds of any sale, disposal or transfer of the equity interests of any note guarantor following which Ally ceases to own a majority of the equity interests of such note guarantor to reinvest in a note guarantor or a subsidiary of Ally, the note guarantee of such former subsidiary will be released and it will have no further obligation with respect to the notes.

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CAPITALIZATION

The following table sets forth on a consolidated basis:

- the actual capitalization of Ally as of September 30, 2010; and
- the adjusted capitalization of Ally as of September 30, 2010, on an as adjusted basis to reflect the issuance of the notes

This table should be read in conjunction with the “Selected Historical Consolidated Financial Data” elsewhere in this prospectus supplement, our consolidated financial statements and related notes that are contained in our Annual Report on Form 10-K for the year ended December 31, 2009, and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2010 which are incorporated by reference into this prospectus supplement.

Cash and cash equivalents

Short-term debt:

Secured

Unsecured

Total short-term debt

Long-term debt:

Secured

Due within one year

Due after one year

Total secured long-term debt

Unsecured

Existing debt due within one year

Existing debt due after one year⁽²⁾

New senior guaranteed notes

Total unsecured long-term debt

Total long-term debt

Total equity

Total capitalization

Totals may not add up due to rounding.

(1) Reflects proceeds from the issuance of notes offered hereby.

(2) Balance includes \$951 million of fair value adjustment that was unallocated on September 30, 2010, which is required to balance total debt.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following tables set forth selected historical financial information for Ally on a consolidated basis derived from its: (i) the nine months ended September 30, 2009 and 2010 and as of September 30, 2010, which are incorporated by reference into this prospectus supplement; (ii) unaudited financial statements for the years ended December 31, 2007, 2008 and 2009 and as of December 31, 2008 and 2009, which are incorporated by reference into this prospectus supplement; and (iii) audited financial statements for the years ended December 31, 2005 and 2006 and as of December 31, 2005 and 2006, which are incorporated by reference into this prospectus supplement. The historical financial information presented may not be indicative of our future results. The historical financial information presented may not be indicative of results to be expected for the entire year ending December 31, 2010. The results for the nine months ended September 30, 2010 are not necessarily indicative of results to be expected for the entire year ending December 31, 2010.

The selected historical financial information should be read in conjunction with “Management’s Discussion and Analysis of Operations” and our financial statements and the corresponding notes, which are incorporated by reference in this prospectus supplement.

	For the Years Ended December 31,				
	2005	2006	2007	2008	2009
	(in millions)				
Financial Statement Data:					
Revenue:					
Total financing revenue and other interest income	\$22,249	\$24,193	\$21,898	\$18,225	\$13,191
Interest expense	12,428	14,687	13,626	10,574	7,321
Depreciation expense on operating lease assets	4,657	5,055	4,551	5,478	3,741
Impairment of investment in operating leases	—	—	—	1,218	—
Net financing revenue	5,164	4,451	3,721	955	2,129
Total other revenue(1)	7,726	7,849	6,169	15,288	4,421
Total net revenue	12,890	12,300	9,890	16,243	6,550
Provision for loan losses	1,064	1,942	3,039	3,102	5,611
Impairment of goodwill and other intangible assets(2)	712	840	385	16	—
Total other non-interest expense	7,973	7,624	7,831	8,354	7,861
Income (loss) from continuing operations before income tax expense (benefit)	3,141	1,894	(1,365)	4,771	(6,921)
Income tax expense (benefit) from continuing operations(3)	1,084	31	514	(131)	711
Net income (loss) from continuing operations	2,057	1,863	(1,879)	4,902	(7,000)
Income (loss) from discontinued operations, net of tax	225	262	(453)	(3,034)	(3,291)
Net income (loss)	\$2,282	\$2,125	\$(2,332)	\$1,868	\$(10,291)

- (1) 2008 amount includes \$12.6 billion for gains on the extinguishment of debt, primarily related to private exchange and cash tender offers settled during the fourth quarter. 2009 amount includes \$1.2 billion primarily related to the rebalancing of our investment portfolio at our Insurance operations.
- (2) Relates primarily to goodwill and other intangible asset impairments taken at our Insurance operations in 2008, our Mortgage operations in 2007, our Commercial Finance operations in 2008, and former commercial mortgage operations in 2005.
- (3) Effective June 30, 2009, Ally converted from a limited liability company into a corporation and, as a result, became subject to corporate U.S. federal, state, and local tax. Conversion to a corporation resulted in a change in tax status and a net deferred tax liability of \$1.2 billion was established through income tax expense. Effective November 30, 2009, our subsidiaries, converted to limited liability companies (LLCs) and became pass-through entities for U.S. federal income tax purposes. Our conversion to an LLC resulted in a \$791 million net deferred tax liability through income tax expense.

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	As of December 31,			
	2005	2006	2007	2008
	(in millions)			
Balance Sheet Data:				
Cash and cash equivalents	\$ 15,424	\$ 15,459	\$ 17,677	\$ 15,1
Total investment in operating leases, net	31,211	24,184	32,348	26,3
Total finance receivables and loans, net	186,490	172,845	126,627	98,2
Total assets	324,321	291,971	248,939	189,4
Total deposit liabilities	12,526	11,854	15,281	19,8
Total debt	254,698	236,985	193,148	126,3
Total equity	21,685	14,369	15,565	21,8

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DESCRIPTION OF NOTES

General

Ally will issue 4.500% Senior Guaranteed Notes due 2014 (the “Fixed Rate Notes”) and Floating Rate Senior Guaranteed Notes” and, together with the Fixed Rate Notes, the “notes”) under the indenture dated as of July 1, 1982 (as amended by the first supplemental indenture dated as of April 1, 1986, the second supplemental indenture dated as of June 15, 1987, the third supplemental indenture dated as of September 30, 1987, the fourth supplemental indenture dated as of January 1, 1998, and the fifth supplemental indenture dated as of September 30, 1998, and together with the “Indenture”) among Ally and The Bank of New York Mellon (successor to Morgan Guaranty Trust Company of New York), as trustee. The Fixed Rate Notes and Floating Rate Notes will constitute a separate series of notes from those series previously issued under such Indenture. The terms of the Fixed Rate Notes and Floating Rate Notes from or that are in addition to the terms of the Indenture will be set forth in the resolution or resolutions of the board of directors of Ally authorizing the issuance of the notes. For purposes of amending or modifying the Indenture, the holders of the notes will generally vote as a class with the holders of the debt securities of all other series at the time outstanding under the Indenture (together with the notes, the “Debt Securities”).

The following description is a summary of certain provisions of the Indenture, the notes, and the Guarantee Agreement (as amended) and is qualified in its entirety by reference to such documents in their entirety and is qualified in its entirety by reference to such documents in their entirety. The Indenture, the notes, or the Guarantee Agreement in their entirety and is qualified in its entirety by reference to such documents in their entirety. The Indenture at Ally’s address set forth under “Incorporation by Reference; Where You Can Find More Information.”

Except as specified otherwise, a “business day” is any day which is not a Saturday or Sunday or a day on which banking institutions in the United States are authorized or obligated by law or executive order to close and, in the case of the Floating Rate Notes, is also a London business day. For purposes of the Floating Rate Notes, the amount of the Floating Rate Notes is also a London business day. Amount; Maturity and Interest—Floating Rate Notes.”

The notes will be issued only in fully registered book-entry form without coupons only in minimum denominations of \$2,000 and in multiples of \$1,000 above that amount. The notes will be issued in the form of global notes. Global notes will be registered in the name of Ally Bank, New York, as described under “Book-Entry, Delivery and Form of Notes.”

Principal Amount; Maturity and Interest—Fixed Rate Notes

Ally will issue Fixed Rate Notes in an initial aggregate principal amount of \$1,000,000,000. The Fixed Rate Notes will mature on August 11, 2014.

The Fixed Rate Notes will be denominated in U.S. dollars and all payments of principal and interest thereon will be paid in U.S. dollars.

The Fixed Rate Notes will bear interest at a rate of 4.500% per year and will be payable semi-annually, in cash in arrears, on August 11, 2011, and on August 11, 2012, to the persons in whose name the Fixed Rate Notes are registered at the close of business on the day immediately preceding such interest payment date. Interest on the Fixed Rate Notes will be computed on the basis of a 360-day year of 30 days per month.

The “regular record date” for payments is the calendar day immediately preceding the relevant interest payment date.

Interest on the Fixed Rate Notes will accrue from and including the date the Fixed Rate Notes are issued (the “issue date”) and to the date of the most recent interest payment date (whether or not such interest payment date was a business day) for which interest has been paid or provided for in the Indenture.

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If an interest payment date falls on a day that is not a business day, the interest payment will be postponed to the next succeeding business day, with the same force and effect as if made on the date such payment was due, and no interest will accrue as a result of such delay.

Principal Amount; Maturity and Interest—Floating Rate Notes

Ally will issue Floating Rate Notes in an initial aggregate principal amount of \$1,250,000,000. The Floating Rate Notes will be issued in an initial aggregate principal amount of \$1,250,000,000.

The Floating Rate Notes will be denominated in U.S. dollars and all payments of principal and interest thereon will be paid in U.S. dollars.

We will pay interest on the Floating Rate Notes quarterly on February 11, May 11, August 11 and November 11 of each year (each an “interest payment date”). If any interest payment date would otherwise be a day that is not a business day, the interest payment date will be the immediately preceding business day that is a business day, except that if that business day is in the immediately preceding calendar month, the interest payment date will be the immediately preceding business day.

The “regular record date” for payments is the date 15 calendar days prior to each interest payment date.

The interest rate on the Floating Rate Notes will be reset quarterly on February 11, May 11, August 11 and November 11 of each year (each an “interest reset date”). If any interest reset date would otherwise be a day that is not a business day, the interest reset date will be the immediately succeeding business day that is a business day, except that if that business day is in the immediately succeeding calendar month, the interest reset date will be the immediately preceding business day.

The “initial interest reset period” (or “initial interest period”) will be the period from and including the settlement date to but excluding the first interest reset date. Thereafter, each “interest reset period” (or “interest period”) will be the period from and including an interest reset date to but excluding the next interest reset date; *provided* that the final interest reset period for the notes will be the period from and including the interest reset date to but excluding the maturity date. Interest on the Floating Rate Notes will be computed on the basis of the actual number of days in the interest period divided by 360 days per year.

The interest rate for the first interest period (or “initial interest reset period”) will be the three-month U.S. dollar London Interbank Offered Rate (LIBOR) determined on February 9, 2011, plus a margin of 3.200%. Thereafter, the interest rate for any interest period will be U.S. dollar LIBOR as determined on the applicable interest determination date (as defined below), plus a margin of 3.200%.

The interest rate applicable to each interest reset period commencing on the related interest reset date, or the settlement date, will be the rate determined as of the applicable interest determination date. The “interest determination date” will be the second business day preceding the settlement date, in the case of the initial interest reset period, or thereafter the applicable interest reset date. A “London interbank market” means the market for deposits in U.S. dollars are transacted in the London interbank market.

The Bank of New York Mellon, or its successor appointed by us, will act as calculation agent. Three-month LIBOR will be determined as of the applicable interest determination date in accordance with the following provisions:

- (i) LIBOR is the rate for deposits in U.S. dollars for the three-month period which appears on Reuters approximately 11:00 a.m., London time, on the applicable interest determination date. “Reuters LIBOR 01” means the display of the three-month LIBOR rate on the Reuters Service (or such other page as may replace the LIBOR 01 page on that service, any

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successor service or such other service or services as may be nominated by the British Bankers' Association for the purpose of determining the offered rates for U.S. dollar deposits). If no rate appears on Reuters LIBOR 01, LIBOR for such interest determination date shall be determined with the provisions of paragraph (ii) below.

(ii) With respect to an interest determination date on which no rate appears on Reuters LIBOR 01 as of approximately 11:00 a.m., New York City time, on such interest determination date, the calculation agent shall request the principal London offices of each of four major banks (or their affiliates of the underwriters) in the London interbank market selected by the calculation agent (after consultation with the company) to provide a quotation with a quotation of the rate at which deposits of U.S. dollars having a three-month maturity, commencing on the date of such interest determination date, are offered by it to prime banks in the London interbank market. Such quotations, if any, shall be provided immediately following such interest determination date, in a principal amount equal to an amount of not less than U.S. \$1,000,000. If at least two such quotations are provided, LIBOR for such interest determination date shall be the arithmetic mean of such quotations as calculated by the calculation agent. If fewer than two quotations are provided, LIBOR for such interest determination date shall be the arithmetic mean of the rates quoted as of approximately 11:00 a.m., New York City time, on such interest determination date by the principal London offices of the banks (or their affiliates of the underwriters) selected by the calculation agent (after consultation with the company) for loans in U.S. dollars having a three-month maturity commencing on the second London business day immediately following such interest determination date in an amount equal to an amount of not less than U.S. \$1,000,000 that is representative for a single transaction in such market at such time. If the banks selected as aforesaid by the calculation agent are not quoting such rates as mentioned in this sentence, LIBOR for such interest determination date will be LIBOR determined with respect to the immediately preceding interest determination date.

Note Guarantees

Each of Latin America LLC, GMAC International Holdings, Continental LLC, IB Finance and US LLC (each a subsidiary of Ally) will, pursuant to a guarantee agreement to be dated as of the issue date (the "Guarantee Agreement") among Ally, each note guarantor and Ally, irrevocably and unconditionally guarantee (the "note guarantees") on an unsubordinated basis the performance and punctual payment of the notes, including acceleration or otherwise, of all payment obligations of Ally in respect of the notes (pursuant to the terms thereof and of the Indenture), including (w) principal of, or premium, if any, interest or additional interest on the notes, (x) expenses, (y) indemnification or (z) otherwise (all such obligations of the note guarantors being herein called the "guaranteed obligations").

Each note guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable law governing the note guarantee, as it relates to such note guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfers, or the rights of creditors generally. See "Risk Factors—Risks Relating to the Note Guarantees."

Each note guarantee will be a continuing guarantee and shall:

- (1) subject to the next succeeding paragraph, remain in full force and effect until payment in full of all the guaranteed obligations;
- (2) subject to the next succeeding paragraph, be binding upon each such note guarantor and its successors; and
- (3) inure to the benefit of and be enforceable by the Trustee and the holders of the notes and their successors, transferees and assigns.

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A note guarantee of a note guarantor will be automatically released upon:

(1) the sale, disposition or other transfer (including through merger or consolidation) of a majority of the equity of the applicable note guarantor (including the disposition or other transfer following which the applicable note guarantor is no longer a subsidiary of Ally), of the applicable note guarantor, or the disposition or other transfer is made in compliance with the Indenture; or

(2) the discharge of Ally's obligations in respect of the notes in accordance with the terms of the Indenture and the Indenture Supplement.

Not all of Ally's subsidiaries will guarantee the notes. The notes will be effectively subordinated to all debt and other liabilities (including lease obligations) of subsidiaries that do not provide note guarantees.

Ranking

The notes will rank equally in right of payment with all existing and future unsubordinated unsecured indebtedness of Ally and senior in right of payment to existing and future indebtedness of Ally that by its terms is expressly subordinated to the notes. The notes will rank senior to any secured indebtedness of Ally to the extent of the value of the assets securing such debt. As of September 30, 2010, we had approximately \$1.5 billion principal amount of secured debt outstanding.

The notes will be structurally subordinated to all of the existing and future indebtedness and other liabilities (including trade payables) of subsidiaries that do not provide note guarantees to the extent of the value of the assets of such subsidiaries.

Each note guarantee will rank equally in right of payment with all existing and future unsubordinated unsecured indebtedness of such note guarantor and senior in right of payment to existing and future indebtedness of such note guarantor, if any, that by its terms is expressly subordinated to the note guarantee. Each note guarantee will be effectively subordinated to any secured indebtedness of such note guarantor to the extent of the value of the assets securing such debt and will be structurally subordinated to all of the existing and future indebtedness and other liabilities (including trade payables) of such note guarantor.

Redemption

The notes are not subject to redemption prior to maturity, and there is no sinking fund for the notes.

Certain Covenants

Limitation on Liens

The Indenture provides that Ally will not pledge or otherwise subject to any lien any of its property or assets unless the note guarantee ranks equally and ratably with any and all other obligations and indebtedness secured thereby so long as any such other obligations and indebtedness secured thereby do not apply to:

- the pledge of any assets to secure any financing by Ally of the exporting of goods to or between, or the marketing of goods (other than in Canada), in connection with which Ally reserves the right, in accordance with customary and established banking practices, to take a security interest in cash, securities or receivables, for the purpose of securing banking accommodations or as the result of acceptances or in aid of other similar borrowing arrangements;

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- the pledge of receivables payable in foreign currencies (other than Canadian dollars) to secure borrowings in foreign currencies
- any deposit of assets of Ally with any surety company or clerk of any court, or in escrow, as collateral in connection with any appeal by Ally from any judgment or decree against it, or in connection with other proceedings in actions at law or in equity
- any lien or charge on any property, tangible or intangible, real or personal, existing at the time of acquisition of such property (or through merger or consolidation) or given to secure the payment of all or any part of the purchase price thereof or to secure any debt prior to, at the time of, or within 60 days after, the acquisition thereof for the purpose of financing all or any part of the purchase price
- any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any of the foregoing in the foregoing four clauses of this paragraph; provided, however, that the amount of any and all obligations and interest thereon shall not exceed the amount thereof so secured immediately prior to the time of such extension, renewal or replacement and the amount of any replacement shall be limited to all or a part of the property which secured the charge or lien so extended, renewed or replaced (or such property).

Merger and Consolidation

The Indenture provides that Ally will not merge or consolidate with another corporation or sell or convey all or substantial part of its assets to another person, firm or corporation unless either Ally is the continuing corporation or the new corporation shall expressly assume the interest due under the Debt Securities. In either case, the Indenture provides that neither Ally nor a successor corporation may be in default of performance at the time of merger or consolidation or sale or conveyance. Additionally, the Indenture provides that in the case of any such merger or consolidation, the successor corporation may continue to issue securities under the Indenture.

The Guarantee Agreement will provide that no note guarantor will merge or consolidate with another corporation or sell or convey all or substantial part of its assets to another person, firm or corporation unless either it is the continuing corporation or the new corporation shall expressly assume the obligations of the guarantor of Ally's obligations under the notes. In either case, the Guarantee Agreement will provide that neither the note guarantor nor a successor guarantor may be in default of performance immediately after such merger or consolidation or sale or conveyance.

SEC Reports and Reports to Holders

Ally will be required to file with the Trustee within fifteen days after Ally is required to file the same with the SEC, copies of all information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may from time to time by rule require) that Ally may be required to file with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if Ally is not required to file with the SEC pursuant to either of such sections, then to file with the Trustee and the SEC, in accordance with the rules and regulations prescribed from time to time by the SEC, the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act. Ally will also file with the Trustee and the SEC, in accordance with the rules and regulations prescribed from time to time by the SEC, such additional information, documents and reports as may be required to ensure compliance by Ally with the conditions and covenants provided for in the Indenture as may be required from time to time by such rules and regulations. Ally has agreed that, for so long as any notes remain outstanding during any period when it is not subject to

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Section 13 or 15(d) of the Exchange Act, or otherwise permitted to furnish the SEC with certain information pursuant to Rule 12g3-2(b) to the holders of the notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144-103, as amended.

Limitation on Sale of Equity Interests of Note Guarantors

Ally will not be permitted to sell, dispose of or otherwise transfer any of the equity interests of any note guarantor held by Ally unless Ally ceases to own a majority of the equity interests of such note guarantor (a “note guarantor equity sale”) unless the net sale proceeds are used within five business days following the receipt by Ally of such net sale proceeds from such note guarantor equity sale to make payments to note guarantors or subsidiaries of note guarantors, including any subsidiary of Ally that becomes a note guarantor or a subsidiary of a note guarantor. In the description of notes, the term “subsidiary” when used in respect to any person shall include a direct or indirect subsidiary of such person.

Limitation on Liens on Assets of Note Guarantors

The Guarantee Agreement will provide that, so long as the notes remain outstanding, no note guarantor nor any subsidiary of a note guarantor shall be otherwise subject to any lien any of its property or assets to secure (a) any debt (as defined below) of Ally or any direct or indirect subsidiary of ResCap or (b) any debt incurred to repay, retire, redeem, refund, refinance, replace, defease, cancel, repurchase or exchange of such debt. The foregoing clause (a), in each case unless the notes are secured by such pledge or lien equally and ratably with such debt so long as any such debt is outstanding. Provided, that financings, securitizations and hedging activities conducted by a subsidiary of Ally in the ordinary course of business at the time of the payment of debt described in clause (a) prior to its stated maturity shall not be deemed to be covered by clause (b).

The Guarantee Agreement will provide that no note guarantor, nor any subsidiary of a note guarantor, will pledge or otherwise encumber any property or assets to secure any debt of ResCap or any subsidiary of ResCap.

“debt” shall mean, with respect to any specified person, any indebtedness of such person: (1) in respect of borrowed money, notes, debentures or similar instruments issued by such person; (2) in respect of letters of credit, banker’s acceptances or other similar instruments of such person; (3) in respect of capital lease obligations (that does not constitute interest expense) and attributable to such person; (4) representing the portion of capital lease obligations (that does not constitute interest expense) and attributable to such person; (5) representing the balance deferred and unpaid of the purchase price of any property or services acquired by or rendered to such person within 12 months after such property is acquired or such services are completed; (6) representing obligations of such person with respect to the repurchase of any preferred stock; and (7) hedging obligations in connection with debt referred to in clauses (1) through (6).

“person” means any individual, corporation, general or limited partnership, limited liability company, joint venture, estate, trust or other entity of any kind or nature.

Limitation on Guarantees of Debt

Ally will not permit any of its subsidiaries, other than any note guarantor, to guarantee the payment of (a) any debt of Ally or (b) any debt incurred to repay, retire, redeem, refund, refinance, replace, defease, cancel, repurchase or exchange any such debt. In each case such subsidiary executes and delivers a joinder to the Guarantee Agreement providing for a guarantee by such subsidiary of the debt. Provided, that financings, securitizations and hedging activities conducted by a subsidiary of Ally in the ordinary course of business at the time of the payment of debt described in clause (a) prior to its stated maturity shall not be deemed to be

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covered by clause (b). In the event that any subsidiary rendering a guarantee of the notes is released and discharged in full of the guarantee of the notes shall be automatically and unconditionally released and discharged.

The Guarantee Agreement will provide that no note guarantor, nor any subsidiary of a note guarantor, will guarantee the payment of the notes by any subsidiary of ResCap.

Limitation on Asset Sales by Note Guarantors

The Guarantee Agreement will provide that no note guarantor, nor any subsidiary of a note guarantor, will make an Asset Sale by any subsidiary or other affiliate of Ally that is not a note guarantor or a subsidiary of a note guarantor, other than:

- any Asset Sale on terms not less favorable in any material respect to such note guarantor or subsidiary, as applicable, than the terms that might have been obtained in a comparable transaction at such time on an arm's length basis from a person who is not Ally or an affiliate of Ally (as determined in good faith by such note guarantor or subsidiary or, if the consideration received in connection with such Asset Sale (or series of related Asset Sales) exceeds \$250 million, as determined in good faith by the board of directors of Ally, or, if the consideration received with such Asset Sale (or series of related Asset Sales) exceeds \$500 million, subject to a customary fairness opinion from an independent appraisal or investment banking firm of national standing to the effect that (i) the financial terms of such Asset Sale are not less favorable to such note guarantor or subsidiary of such note guarantor, as applicable, from a financial point of view or (ii) the financial terms of such Asset Sale are not less favorable in any material respect to such note guarantor or subsidiary of such note guarantor, as applicable, than those that might have been obtained in a comparable transaction at such time on an arm's length basis from a person who is not an affiliate of Ally);
- any Asset Sale to a note guarantor or to a subsidiary of a note guarantor (other than to ResCap or any of its subsidiaries or to any subsidiary that will become a note guarantor or subsidiary of a note guarantor);
- any Asset Sale of the equity interests of a subsidiary of a note guarantor provided that such subsidiary shall become a note guarantor or subsidiary of a note guarantor if such Asset Sale occurs;
- any Asset Sale in connection with financing, securitization and hedging activities conducted by Ally or any subsidiary of Ally on terms not less favorable in any material respect to such note guarantor or subsidiary, as applicable, than the terms that might have been obtained in a comparable transaction at such time on an arm's length basis from a person who is not Ally or an affiliate of Ally; or
- any Asset Sale in connection with the disposition of all or substantially all of the assets of any note guarantor in connection with the provisions described in the second paragraph above under "—Merger and Consolidation."

"Asset Sale" means:

- (1) the conveyance, sale, transfer or other disposition, whether in a single transaction or a series of related transactions, by any note guarantor or any of its subsidiaries (including, without limitation, any agreement with respect to a transaction that involves the monetizing the value of such property or assets) (each referred to in this definition as a "disposition"); or
- (2) the issuance or sale of equity interests (other than directors' qualifying shares and shares issued to foreign investors to the extent received by applicable law) of any

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subsidiary of a note guarantor (including, without limitation, any agreement with respect to a transaction for the sale or monetizing the value of such equity interests), whether in a single transaction or a series of related transactions

in each case, other than:

- (a) any disposition of property or assets by a note guarantor or subsidiary of a note guarantor or issuance of securities by a note guarantor to a note guarantor or another subsidiary of a note guarantor (other than to ResCap or any of its subsidiaries become note guarantors or subsidiaries of note guarantors);
- (b) any disposition of cash or cash equivalents other than the disposition of any cash or cash equivalents that represent the proceeds of property or assets or the sale or the issuance or sale of capital stock (collectively, "Subject Assets"), and the proceeds (if made in lieu of such disposition of cash or cash equivalents) would not otherwise comply with the coverage of the Note Guarantors";
- (c) any disposition of property or assets by any note guarantor or subsidiary of a note guarantor or issuance of securities by a subsidiary of a note guarantor which property, assets or equity interests, as applicable, so sold or issued in the foregoing transactions, have an aggregate fair market value (as determined in good faith by such note guarantor or subsidiary);
- (d) the granting of any lien permitted by the covenant described above under "—Limitation on Liens on Assets of Note Guarantors";
- (e) foreclosure on assets or property.

Limitation on Transactions with Affiliates

The Guarantee Agreement will provide that each note guarantor will not, and will not permit any of its subsidiaries to, not, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any contract, agreement, loan, advance or guarantee with, or for the benefit of, any affiliate of Ally involving aggregate consideration in excess of \$500 million (each of the foregoing, an "affiliate transaction"), unless: (i) such affiliate transaction is on terms that are not less favorable in any material respect to the relevant subsidiary than those that could reasonably have been obtained in a comparable arm's length transaction by such note guarantor or subsidiary with an unaffiliated party; and (ii) with respect to any affiliate transaction or series of related affiliate transactions involving aggregate consideration in excess of \$500 million, Ally must obtain and deliver to the trustee a written opinion of a nationally recognized independent appraisal firm stating that the transaction is fair to such note guarantor or such subsidiary, as the case may be, from a financial point of view.

The foregoing limitation does not limit, and shall not apply to:

- (1) any disposition permitted under the covenant "—Limitation on Asset Sales by Note Guarantors";
- (2) the payment of reasonable and customary fees and indemnities to members of the board of directors of Ally or any subsidiary;
- (3) the payment of reasonable and customary compensation and other benefits (including retirement, health, and other employee benefit plans) and indemnities to officers and employees of Ally or any subsidiary;

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- (4) transactions between or among any note guarantor or subsidiary of a note guarantor and any other note guarantor, provided, however that this exception shall not apply to ResCap or any of its subsidiaries if ResCap is a note guarantor or subsidiary of note guarantors;
- (5) the issuance of equity interests of any note guarantor otherwise permitted hereunder and capital contributions to any note guarantor;
- (6) any agreement or arrangement as in effect on the issue date of the notes and any amendment or modification of the notes or modification is not more disadvantageous to the holders of the notes in any material respect; and
- (7) transactions with GM or any of its subsidiaries, or any customers, clients, suppliers or purchasers or sellers of GM or its subsidiaries in the ordinary course of business.

Payments for Consent

Ally will not, and will not permit any of its subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, other than the face amount of the notes, for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the notes, unless such consideration is offered to be paid or agreed to be paid to all holders of the notes which so consent, waive or agree to amend in the documents relating to such consent, waiver or agreement.

Modification of the Indenture

The Indenture contains provisions permitting Ally and the Trustee to modify or amend the Indenture or any supplemental indentures of the Debt Securities issued, with the consent of the holders of not less than 66-2/3% in aggregate principal amount of the Debt Securities affected by such modification or amendment, voting as one class, provided that, without the consent of the holder of each Debt Security so affected, no such modification or amendment shall:

- extend the fixed maturity of any Debt Securities, or reduce the principal amount thereof, or premium, if any, or the amount of payment of interest thereon, without the consent of the holder of each Debt Security so affected; or
- reduce the aforesaid percentage of Debt Securities, the consent of the holders of which is required for any such modification or amendment, below the consent of the holders of all Debt Securities then outstanding under the Indenture.

The Indenture contains provisions permitting Ally and the Trustee to enter into indentures supplemental to the Indenture, with respect to the Debt Securities at the time outstanding, for one or more of the following purposes:

- to evidence the succession of another corporation to Ally, or successive successions, and the assumption by Ally of the obligations, covenants, agreements and obligations;
- to add to the covenants such further covenants, restrictions, conditions or provisions as Ally's board of directors and the Trustee may deem necessary for the protection of the holders of Debt Securities;
- to permit or facilitate the issuance of Debt Securities in coupon form, registrable or not registrable as to principal, and to issue such securities with securities issued thereunder in fully registered form;

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- to cure any ambiguity or to correct or supplement any provision contained therein or in any supplemental indenture inconsistent with any other provision contained therein or in any supplemental indenture; to convey, transfer, assign, or with the Trustee; or to make such other provisions in regard to matters or questions arising under the Indenture interests of the holders of any Debt Securities; or
- to evidence and provide for the acceptance and appointment by a successor trustee.

Notwithstanding the foregoing, holders of the notes shall vote as a separate class with respect to amendments, modifications (including, for the avoidance of doubt, with respect to amendments to or waivers of the following covenants that will be set forth in the last sentence under “—Certain Covenants—SEC Reports and Reports to Holders”, the covenant described under “—Certain Covenants—Interests of Note Guarantors”, the covenant described in the first paragraph under “—Certain Covenants—Limitation on Guarantees of Debt”, under “—Certain Covenants—Payments for Consent”, and all such covenants and provisions hereinafter referred to as, the “Additional Covenants”, other Debt Securities shall not have any voting rights with respect to such matters as they relate to the notes.

The Guarantee Agreement will contain provisions:

- permitting Ally, the note guarantors and the Trustee to modify or amend the Guarantee Agreement with the consent of a majority in aggregate principal amount of the notes voting together as a single class provided that, without the consent of the holders of the notes, no modification shall, except with respect to the covenant described in the second paragraph under “—Certain Covenants—Limitation on Liens on Assets of Note Guarantors,” the covenant described under “—Certain Covenants—Limitation on Guarantees of Debt,” the covenant described under “—Certain Covenants—Limitation on Transactions with Affiliates of Note Guarantors” and the covenant described under “—Certain Covenants—Limitation on Transactions with Affiliates of Note Guarantors” permitted, modify the note guarantees in any way adverse to the holders of the notes; and
- permitting Ally, the note guarantors and the Trustee without the consent of the holders of the notes to (i) enter into or amend the Guarantee Agreement to add note guarantors, (ii) provide for the assumption by a successor guarantor of the obligations of the note guarantors, (iii) release any note guarantee in accordance with the terms of the Indenture and the Guarantee Agreement, (iv) modify the covenants, restrictions, conditions or provisions as Ally’s board of directors and the Trustee shall consider to be for the benefit of the holders of the notes, (v) cure any ambiguity or correct or supplement any provision contained therein which may be defective or inconsistent with the terms of the Indenture and the Guarantee Agreement, (vi) make such other provisions in regard to matters or questions arising under the Guarantee Agreement as may be necessary to protect the interests of the holders of any notes and (vii) evidence and provide for a successor trustee.

Events of Default

An event of default with respect to the notes is defined in the Indenture as being (the “Indenture Events of Default”):

- default in payment of any principal or premium, if any;
- default for 30 days in payment of any interest;

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Ally) sufficient to pay at maturity or upon redemption all notes not theretofore delivered to the Trustee for cancellation, including principal and interest due or to become due to such date of maturity or date fixed for redemption, as the case may be, and if in either case Ally shall also pay all sums payable under the Indenture by Ally with respect to the notes.

All such moneys deposited with the Trustee shall be held in trust and applied by it to the payment, either directly or through its paying agent (acting as its own paying agent), to the holders of the notes for the payment or redemption of which such moneys have been deposited with the Trustee to become due thereon for principal and interest (and premium, if any).

Further Issues

Ally may from time to time, without notice to or the consent of the registered holders of the notes, create and issue further notes, which may be offered by this prospectus supplement in all respects, or in all respects except for the payment of interest accruing prior to the issue date of the first payment of interest following the issue date of such further notes. Such further notes may be consolidated and form a single series of notes, or may be offered by a separate prospectus supplement and have the same terms as to status, redemption or otherwise as the notes offered by this prospectus supplement.

Concerning the Trustee

The Trustee will be designated by Ally as the initial paying agent, transfer agent and registrar to the notes. The Corporate Trust Administration is currently located at 101 Barclay Street, Floor 8W, New York, N.Y. 10286, U.S.A., Attention: Corporate Trust Administration.

The Indenture provides that the Trustee, prior to the occurrence of an Event of Default and after the curing of all such Events of Default (if any occurred), undertakes to perform such duties and only such duties as are specifically set forth in the Indenture. If any such Event of Default occurs and is not cured, the Trustee will use the same degree of care and skill in its exercise of the rights and powers vested in it by the Indenture as a prudent person would use under the circumstances in the conduct of his own affairs. The Indenture also provides that the Trustee or any agent of Ally or the Trustee, in its capacity, may become the owner or pledgee of notes with the same rights it would have if it were not the Trustee provided, however, the Trustee or any paying agent shall, until used or applied as provided in the Indenture, be held in trust thereunder for the purposes for which it shall be segregated from other funds except to the extent required by law.

Governing Law and Consent to Jurisdiction

The Indenture is and the notes will be governed by and will be construed in accordance with the laws of the State of New York.

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BOOK-ENTRY, DELIVERY AND FORM OF NOTES

Except as set forth below, notes will be issued in registered global form (the “Global Notes”) without interest coupons in and integral multiples of \$1,000 in excess thereof. The Global Notes will be deposited upon issuance with the Trustee, as custodian for registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for notes in certificated form except in the limited circumstances described in the Exchange of Book-Entry Notes for Certificated Notes.” Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will be entitled to receive physical delivery of Certificated Notes (as defined below). Transfers of beneficial interests in the Global Notes will be effected through the procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change

Initially, the Trustee will act as paying agent and registrar. The notes may be presented for registration of transfer and exchange

Certain Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a general overview. The operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them from time to time. For these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company created to hold securities for its participating organizations and to facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry channels. The Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. The services of DTC are available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with DTC, either directly or indirectly (collectively, the “Indirect Participants”).

Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants. Ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records maintained by DTC for the Participants.

DTC has also advised us that, pursuant to procedures established by it, ownership of interests in the Global Notes will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants (with respect to other owners of beneficial interest in the Global Notes).

The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Ownership of beneficial interests in a Global Note to such persons will be limited to that extent. Because DTC can act only on behalf of Participants, Indirect Participants and certain banks, the ability of a person having beneficial interests in a Global Note to pledge such interests, to participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate

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Except as described below, owners of interests in the Global Notes will not have notes registered in their names, will not have notes in certificated form and will not be considered the registered owners or “holders” thereof under the indenture governing the notes.

Payments in respect of the principal of, premium, if any, and interest on a Global Note registered in the name of DTC or its nominee in its capacity as the registered holder under the indenture governing the notes. Under the terms of the indenture governing the notes, we and our agents in whose names the notes, including the Global Notes, are registered as the owners thereof for the purpose of receiving such payments, shall be whatsoever. Consequently, none of us, the Trustee or any of our or the Trustee’s agents has or will have any responsibility or liability for or in connection with any Participant’s or Indirect Participant’s records relating to or payments made on account of beneficial ownership interest in the notes, including supervising or reviewing any of DTC’s records or any Participant’s or Indirect Participant’s records relating to the beneficial ownership of the notes, (ii) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants. DTC has advised us that the purpose of any payment in respect of securities such as the notes (including principal and interest), is to credit the accounts of the relevant Participants on the payment date, in amounts proportionate to their respective holdings in the principal amount of beneficial interest in the relevant securities, unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Participants and the Indirect Participants in respect of notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants. The responsibility of DTC, the Trustee or us. Neither we nor the Trustee will be liable for any delay by DTC or any of its Participants in identifying the beneficial owners of notes, and we and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Except for trades involving only Euroclear and Clearstream participants, interests in the Global Notes are expected to be eligible for the Euroclear Funds Settlement System, and secondary market trading activity in such interests will, therefore, settle in immediately available funds, in accordance with the procedures of DTC and its Participants. See “—Same-Day Settlement and Payment.” Subject to the transfer restrictions set forth under the indenture, transfers between Participants in DTC will be effected in accordance with DTC’s procedures, and will be settled in same-day funds, and transfers to or from Euroclear or Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Crossmarket transfers between the Participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected by DTC in accordance with DTC’s rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depository; however, such transfers will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the established deadlines of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, instruct its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Notes. Payments in respect of notes will be made in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream participants will be able to deliver notes directly to the depositories for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a holder of notes only at the direction of one or more of its Participants. DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the notes as the Participants has or have given such direction. However, if there is an Event of Default under the notes, DTC reserves the right to exchange notes in certificated form and to distribute such notes to its Participants.

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Neither we nor the Trustee nor any of our or their respective agents will have any responsibility for the performance by Participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Book-Entry Notes for Certificated Notes

A Global Note is exchangeable for definitive notes in registered certificated form (“Certificated Notes”) if (i) DTC notifies us to continue as depository for the Global Notes and we thereupon fail to appoint a successor depository within 90 days or (ii) we at any time fail to represent the Global Notes. In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon request given to the Trustee by or on behalf of DTC in accordance with the indenture governing the notes, and in accordance with the certificated form governing the notes. In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests therein shall be issued in any approved denominations, requested by or on behalf of DTC (in accordance with its customary procedures) and will be referred to in “Transfer Restrictions,” unless we determine otherwise in compliance with applicable law.

Same-Day Settlement and Payment

Payments in respect of the notes represented by the Global Notes (including principal, premium, if any, and interest) shall be made by immediately available funds to the accounts specified by the Global Note holder. With respect to notes in certificated form, we will make principal, premium, if any, and interest by wire transfer of immediately available funds to the accounts specified by the holders thereof or, if no such account is specified, by check to each such holder’s registered address. The notes represented by the Global Notes are expected to trade in DTC’s Same-Day Settlement program. Permitted secondary market trading activity in such notes will, therefore, be required by DTC to be settled in immediately available funds. Payments in any Certificated Notes will also be settled in immediately available funds.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note from DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement date (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised us that payments to Euroclear or Clearstream as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream participant to a Participant in DTC’s Same-Day Settlement program on the settlement date of DTC, but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for the securities settlement date of DTC’s settlement date.

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CERTAIN BENEFIT PLAN AND IRA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of the notes, holding and, to the extent of an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), a plan described in the prospectus supplement including an individual retirement account (“IRA”) or a Keogh plan, a plan subject to provisions under applicable federal, state, local, and foreign laws that are similar to the provisions of Title I of ERISA or Section 4975 of the Code (“Similar Laws”) and any entity whose underlying asset is an investment of any such employee benefit or retirement plan’s investment in such entity (each of which we refer to as a “Plan”).

General Fiduciary Matters. ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to ERISA and the Code (an “ERISA Plan”) and prohibit certain transactions involving the assets of an ERISA Plan with its fiduciaries or other interested persons. ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management of such an ERISA Plan, or who renders investment advice for a fee or other compensation to such an ERISA Plan, is generally considered a fiduciary of such a Plan. Employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 408(a)(7)(C) of ERISA and Section 4975(g)(3) of the Code) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) are not subject to the requirements of ERISA (but may be subject to similar prohibitions under Similar Laws).

In considering the purchase, holding and, to the extent relevant, disposition of notes with a portion of the assets of a Plan, a fiduciary must act in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code and the fiduciary’s duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transactions rules under ERISA and any other applicable Similar Laws.

Prohibited Transaction Issues. Section 406 of ERISA prohibits ERISA Plans from engaging in specified transactions in which the Plan or an ERISA Plan engages with entities who are “parties in interest,” within the meaning of Section 3(14) of ERISA, and Section 4975 of the Code imposes an excise tax on a fiduciary of an ERISA Plan who, within the meaning of Section 4975 of the Code, who engage in similar transactions, in each case unless an exemption is available. A person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. A fiduciary of an ERISA Plan that engages in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code. The occurrence of a prohibited transaction could cause the IRA to lose its tax-exempt status.

The purchase and/or holding of notes by an ERISA Plan with respect to which Ally, the underwriters or a note guarantor (or any of them) is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. The U.S. Department of Labor has issued prohibited transaction class exemptions, or “PTCEs,” that may apply to the acquisition and holding of notes. The exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 85-13 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance contracts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(1) of the Code provides a limited exemption, commonly referred to as the “service provider exemption,” from the prohibited transaction provisions of ERISA and the Code for certain transactions between an ERISA Plan and a person that is a party in interest and/or a disqualified person (other than a fiduciary) who, directly or indirectly, has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of any ERISA Plan.

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the transaction) solely by reason of providing services to the Plan or by relationship to a service provider, provided that the ERISA Plan receives more than adequate consideration in connection with the transaction. There can be no assurance that all of the conditions of any such exemption will be met. If the notes are acquired by a purchaser, or thereafter, if the facts relied upon for utilizing a prohibited transaction exemption change.

Because of the foregoing, the notes should not be acquired or held by any person investing "plan assets" of any Plan, unless the acquisition does not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or similar violation of any applicable Similar Laws.

Representation. Each purchaser and holder of notes will be deemed to have represented and warranted that either (i) it is not a Plan or a portion of the assets used to acquire or hold the notes constitutes assets of any Plan or (ii) the purchase and holding of a note will not constitute a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the restrictions imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons acting on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 406 of ERISA, and Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the notes. The sale of the notes does not constitute a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements under ERISA, Section 406 of ERISA, or Similar Laws by such Plans generally or any particular plan, or that such an investment is appropriate for Plans generally or any particular Plan.

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MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of material U.S. federal income tax consequences of the acquisition, ownership and disposition of the notes. This summary is not intended to be a complete analysis of all the potential tax considerations. This summary is based upon the Internal Revenue Code of 1986, as amended (the “Code”), the Treasury Regulations promulgated or proposed thereunder (the “Regulations”) and administrative and judicial interpretations thereof, all of which are subject to change, possibly on a retroactive basis. This summary is limited to the tax consequences of those persons (“U.S. Holders”) (as defined below) and “Non-U.S. Holders” (as defined below), who are original beneficial owners of the notes, who purchase notes at their initial offering of this prospectus supplement for cash and who hold such notes as capital assets within the meaning of Section 1221 of the Code. This summary does not address all aspects of U.S. federal income taxation that might be relevant to particular holders in light of their particular investment circumstances. This summary does not address specific tax consequences that may be relevant to particular persons (including, for example, financial institutions, broker-dealers, partnerships, trusts, estates, entities treated as partnerships for U.S. federal income tax purposes or investors in such entities, expatriates, tax-exempt organizations, persons whose functional currency other than the U.S. dollar or persons in special situations, such as those who have elected to mark securities to market, persons who enter into a straddle, hedge or conversion transaction or other integrated investment). In addition, this summary does not address U.S. federal alternative minimum tax or consequences under other federal tax laws such as estate or gift tax laws or the tax laws of any state, local or foreign jurisdiction. We have consulted with the Internal Revenue Service (the “IRS”) with respect to the statements made and the conclusions reached in this summary, and we cannot guarantee the accuracy of such statements and conclusions.

This summary is for general information only and is not tax advice. Prospective purchasers of the notes are urged to consult with their tax advisor concerning the U.S. federal income taxation and other tax consequences (e.g., U.S. federal estate or gift tax) to them of acquiring, owning or disposing of the notes, as well as the application of state, local and foreign income and other tax laws.

For purposes of the following summary, a “U.S. Holder” is a beneficial owner of notes that is, for U.S. federal income tax purposes, (i) an individual who is a resident of the United States; (ii) a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income tax regardless of the source; or (iv) a trust, in which one or more U.S. persons are able to exercise primary supervision over the trust’s administration and one or more U.S. persons have the authority to control all its investments. An election to be treated as a U.S. person is in effect with respect to such trust. A “Non-U.S. Holder” is a beneficial owner of notes who is not a U.S. Holder or a partnership for U.S. federal income tax purposes.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds the notes, the tax treatment of the notes will depend on the status of the partner and the activities of the partnership. If you own an interest in such an entity, you should consult your own tax advisor.

U.S. Federal Income Taxation of U.S. Holders

Payments of Stated Interest

Payments of stated interest on the notes will generally be taxable as ordinary interest income at the time they accrue or are paid, in accordance with the U.S. Holder’s regular method of accounting for U.S. federal income tax purposes.

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Sale, Exchange, Retirement or Other Disposition of the Notes

When a U.S. Holder sells or exchanges a note, or if a note that a U.S. Holder holds is retired or otherwise disposed of, the U.S. Holder will recognize gain or loss equal to the difference between the amount realized on the transaction (excluding amounts attributable to accrued interest not taxable to such U.S. Holder as ordinary interest income to the extent not already included in income) and such U.S. Holder's tax basis in the note generally will equal the cost of the note to such U.S. Holder.

The gain or loss that a U.S. Holder recognizes on the sale, exchange, retirement or other disposition of a note generally will be long-term capital gain or loss on the sale, exchange, retirement or other disposition of a note will be long-term capital gain or loss if such U.S. Holder holds the note for one year on the date of disposition. Net long-term capital gain recognized by certain non-corporate U.S. Holders generally is subject to tax as capital gain or ordinary income. The deductibility of capital losses is subject to limitations.

Information Reporting and Backup Withholding

Information returns will be filed with the IRS in connection with payments of stated interest on the notes and the proceeds from the redemption (including a retirement) of the notes. A U.S. Holder will be subject to United States backup withholding on these payments if the U.S. Holder does not provide a tax identification number and comply with certain certification procedures or otherwise establish an exemption from backup withholding. An exemption from backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and a refund, provided that the required information is timely furnished to the IRS.

U.S. Federal Income Taxation of Non-U.S. Holders

Payments of Interest

Subject to the discussion of backup withholding below, payments of interest on the notes by the Company or its paying agent will be subject to U.S. federal withholding tax under the "portfolio interest exemption," provided that:

- (1) such payments are not effectively connected with the conduct of a U.S. trade or business;
- (2) the Non-U.S. Holder does not actually or constructively own 10% or more of the total combined voting power of the Company to vote;
- (3) the Non-U.S. Holder is not a controlled foreign corporation that, for U.S. federal income tax purposes, is treated as a partner in a partnership (within the meaning of Section 864(d)(4) of the Code) to us;
- (4) the Non-U.S. Holder is not a bank described in Section 881(c)(3)(A) of the Code; and
- (5) either (a) the beneficial owner of the notes certifies on an applicable IRS Form W-8 (or a suitable substitute) under penalties of perjury, that it is not a "U.S. person" (as defined in the Code) and provides its name and address, and if the beneficial owner is an organization, bank or other financial institution that holds customers' securities in the ordinary course of its business, it certifies that it is an institution (within the meaning of Section 881(c)(3)(A) of the Code) and holds the notes on behalf of the beneficial owner certifies, under penalties of perjury, that such payments are not subject to U.S. federal withholding tax from the beneficial owner by it or by a financial institution between it and the beneficial owner and furnishes a copy of the certification to the Company or its paying agent;

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If a Non-U.S. Holder cannot satisfy the requirements of the “portfolio interest exemption,” payments of interest made to such Holder will be subject to a 30% U.S. federal withholding tax unless the beneficial owner of the note provides a properly executed:

- (1) IRS Form W-8BEN (or successor form) claiming, under penalties of perjury, an exemption from, or reduction of, U.S. federal income tax under an applicable income tax treaty, or
- (2) IRS Form W-8ECI (or successor form) stating that interest paid on the note is not subject to withholding tax because it is paid to a Non-U.S. Holder with a U.S. trade or business of the beneficial owner (in which case such interest generally will be subject to U.S. federal income tax in the manner described below).

Please consult your tax advisor about the specific methods for satisfying these requirements. A claim for exemption or a reduction of U.S. federal income tax will not be valid if the person receiving the applicable form has actual knowledge or reason to know that the statements on the form are false.

If interest on the note is effectively connected with a U.S. trade or business of the beneficial owner (and if required by applicable law, the interest is attributable to a U.S. permanent establishment or, in the case of an individual, fixed base), the Non-U.S. Holder will be subject to U.S. federal income tax on a net income basis generally in the same manner as if it were a U.S. Holder. In addition, if such Non-U.S. Holder is a foreign corporation, it will be subject to U.S. federal profits tax equal to 30% (or a lower applicable treaty rate) of its effectively connected earnings and profits attributable to such interest.

Sale, Exchange, Retirement or Other Disposition of the Notes

Subject to the discussion of backup withholding below, no withholding of U.S. federal income tax will generally be required on interest payments to a Non-U.S. Holder (except with respect to accrued and unpaid interest as described above under “—U.S. Federal Income Taxation of Non-U.S. Holders—”) on the sale, exchange or other disposition of a note.

A Non-U.S. Holder will not be subject to U.S. federal income tax on any gain realized on the sale, exchange, retirement or other disposition of a note if (i) the Non-U.S. Holder is an individual who is present in the United States for a period or periods aggregating 183 or more days in the United States during the calendar year of the disposition and certain other conditions are met, in which case the Non-U.S. Holder will be subject to U.S. federal income tax on such gain (net of certain expenses) at a rate of 30% (or a lower applicable treaty rate) or (ii) such gain is effectively connected with a U.S. trade or business (and, if required by applicable law, the gain is attributable to a U.S. permanent establishment or, in the case of an individual, fixed base), in which case the Non-U.S. Holder will be subject to U.S. federal income tax on such gain in the same manner as described above with respect to effectively connected interest.

Information Reporting and Backup Withholding

Information returns will be filed with the IRS in connection with interest payments on the notes. Unless the Non-U.S. Holder provides the issuer with the necessary procedures to establish that it is not a U.S. person, information returns may be filed with the IRS in connection with the proceeds from a sale, exchange, retirement or other disposition of the notes, and the Non-U.S. Holder may be subject to United States backup withholding on payments of interest on the notes or on the proceeds from a sale, exchange, retirement or other disposition of the notes. The certification procedures required to claim the exemption from withholding tax on interest described above are also the requirements necessary to avoid backup withholding as well. The amount of any backup withholding from a payment to a Non-U.S. Holder will be treated as a prepayment against the Non-U.S. Holder’s U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the Non-U.S. Holder files a return with the IRS.

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UNDERWRITING

Subject to the terms and conditions in the underwriting agreement among us and the underwriters, we have agreed to sell the notes and the underwriters have severally agreed to purchase from us, the entire principal amount of the notes indicated in the following table.

<u>Name of Underwriter</u>	<u>Principal Amount of Fixed Rate Notes</u>
Barclays Capital Inc.	\$192,500,000
Citigroup Global Markets Inc.	192,500,000
Goldman, Sachs & Co.	192,500,000
RBS Securities Inc.	192,500,000
BNP Paribas Securities Corp.	52,500,000
Deutsche Bank Securities Inc.	52,500,000
RBC Capital Markets, LLC	52,500,000
Scotia Capital (USA) Inc.	52,500,000
Aladdin Capital LLC	5,000,000
Blaylock Robert Van, LLC	5,000,000
CastleOak Securities, L.P.	5,000,000
Samuel A. Ramirez & Company, Inc.	5,000,000
Total	<u>\$1,000,000,000</u>

The obligations of the underwriters under the underwriting agreement, including their agreement to purchase notes from us, under the underwriting agreement provides that the underwriters will purchase all the notes if any of them are purchased.

The underwriters initially propose to offer the notes to the public at the public offering price that appears on the cover of the prospectus. In the initial offering, the underwriters may change the public offering price and any other selling terms. The underwriters may offer and sell the notes through their affiliates. The offering of the notes by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject or suspend the offering.

In the underwriting agreement, we have agreed that:

- we will not, during the offering of the notes, without the prior written consent of Barclays Capital Inc., Citigroup Global Markets Inc., Goldman Sachs & Co. and RBS Securities Inc., offer, sell, contract to sell or otherwise dispose of in a capital markets transaction any of the notes guaranteed by us or any of the note guarantors and having a tenor of more than one year; and
- we will indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, and the underwriters may be required to make in respect of those liabilities.

The following table shows the underwriting discount that we will pay to the underwriters in connection with the offering of the notes:

	<u>Per Fixed Rate Note</u>	<u>Total</u>
Price to Public(1)	100.000%	\$1,000,000,000
Underwriting discount	0.875%	\$8,750,000
Proceeds, before expenses, to Ally	99.125%	\$991,250,000

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(1) Plus accrued interest, if any, from February 11, 2011

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The expenses of the offering, not including the underwriting discounts, are estimated at approximately \$500,000 and are payable to the underwriter.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), the underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented (“Relevant Implementation Date”) it has not made and will not make an offer of the notes which are the subject of the offering contemplated by this prospectus to the public in that Relevant Member State other than:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive;
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the notes shall require the issuer or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of notes to the public” in relation to any notes in any Member State means any communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable or induce any person to acquire or subscribe the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent applicable in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

Each underwriter has represented and agreed that:

- (a) (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell the notes other than to persons to whom it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their investment activity, and the issue of the notes would otherwise constitute a contravention of Section 19 of the FSMA by the issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue of the notes in circumstances in which Section 21(1) of the FSMA does not apply to the issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done in or from the United Kingdom in connection with or otherwise involving the United Kingdom.

Each underwriter has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any notes with a denomination of less than €50,000 (or its other currency equivalent) other than to persons who trade or in the course of their profession or business (which includes banks, stockbrokers, insurance companies, pension funds, other

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institutional investors and finance companies and treasury departments of large enterprises) unless one of the other exemptions from the conditions contained in Section 5:2 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) is applicable and the conditions attached to the exemptions are complied with.

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the “Financial Instruments and Exchange Law”) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any person resident in Japan, including any corporation or other entity organized under the laws of Japan, or to, or for the benefit of, any person, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and the conditions of, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

The notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an advertisement, invitation or document within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being an advertisement, invitation or document within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued by or on behalf of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are intended to influence, or which are published in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be offered or sold to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) made thereunder.

This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, no offer of the notes may be made in Singapore by any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be made in Singapore, the notes may not be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore, (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person under Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an individual) whose business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor; or (c) shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for 6 months after the date on which they were acquired the notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or to a person under Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) where the transfer is to a person who is an accredited investor.

The notes are a new issue of securities, and there is currently no established trading market for the notes. We do not intend to list the notes on any national securities exchange or for inclusion of the notes on any automated dealer quotation system. The underwriters have advised that there is no established trading market for the notes, but they are not obligated to do so. The underwriters may discontinue any market making in the notes at any time in the future and we cannot assure you that a liquid trading market will develop for the notes, that you will be able to sell your notes at a particular time or that the price you receive for your notes will be favorable.

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You should be aware that the laws and practices of certain countries require investors to pay stamp taxes and other charges on securities.

In connection with the offering of the notes, the underwriters may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the underwriters. Stabilizing transactions involve purchases in the open market for the purpose of pegging, fixing or maintaining the price of the notes. Syndicate covering transactions involve purchases after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may result in a price higher than it would otherwise be in the absence of those transactions. If the underwriters engage in stabilizing or syndicate covering transactions, they may do so at any time.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which include commercial and investment banking, financial advisory, lending, investment management, investment research, principal investment management and other financial activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, currently perform, and may in the future perform advisory and investment banking services for us, for which they have received customary compensation and may provide such services in the future. Certain of the relationships involve transactions that are material to us or our affiliates and for which the underwriters and their affiliates have received significant fees. In addition, the underwriters and/or their affiliates serve as agents and lenders under certain of our securities.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold, for their own account, actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for their customers and such investment and securities activities may involve securities and/or instruments of the issuer. The underwriters and their respective affiliates may make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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INCORPORATION BY REFERENCE; WHERE YOU CAN FIND MORE INFORMATION

The SEC allows us to incorporate by reference into this prospectus supplement the information in other documents that we file with the SEC. We disclose important information to you by referring you to those documents. The information incorporated by reference is considered part of this prospectus supplement, and information in documents that we file later with the SEC will automatically update and supersede information contained in this prospectus supplement or contained in this prospectus supplement. We incorporate by reference in this prospectus supplement the documents listed below:

- (a) Annual Report on Form 10-K for the year ended December 31, 2009, portions of which have been updated by Current Reports on Form 8-K filed on August 6, 2010 and October 13, 2010;
- (b) Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2010, June 30, 2010 (as amended by Current Reports on Form 8-K filed on November 15, 2010) and September 30, 2010; and
- (c) Current Reports on Form 8-K filed on January 5, 2010 (two reports and other than with respect to Item 7.01 of the Current Report on Form 8-K filed on January 5, 2010), January 12, 2010 (two reports), March 9, 2010, April 2, 2010, April 12, 2010, April 16, 2010 (two reports), May 24, 2010, May 26, 2010, July 16, 2010, August 6, 2010, August 12, 2010, October 13, 2010, October 14, 2010, December 27, 2010, December 30, 2010, and January 14, 2011.

We are also incorporating by reference any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), after the date of this prospectus supplement and prior to the consummation of the offering, except for information we are not incorporating any information furnished under Item 2.02 or Item 7.01 of any Current Report on Form 8-K.

Any statement contained in this prospectus supplement or in a document (or part thereof) incorporated or considered to be incorporated by reference into this prospectus supplement shall be considered to be modified or superseded for purposes of this prospectus supplement to the extent that a subsequent statement in this prospectus supplement or in any other subsequently filed document (or part thereof) that is, or is considered to be, incorporated by reference into this prospectus supplement modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a particular statement of information set forth in the document that it modifies or supersedes. Any statement so modified or superseded shall not be considered, in whole or in part, to constitute part of this prospectus supplement.

Copies of each of the documents incorporated by reference into this prospectus supplement (other than an exhibit to a filing incorporated by reference into that filing) may be obtained at no cost, by writing or calling us at the following address and telephone number:

Ally Financial Inc.
Attention: Investor Relations
440 South Church Street, 16th Floor
Charlotte, North Carolina 28202
Tel: (866) 710-4623

Ally is subject to the informational requirements of the Exchange Act and in accordance therewith files reports and other information with the SEC. You may read and copy any document Ally files with the SEC at the SEC's public reference room at 1000 L Street, N.W., Washington, DC 20549. You may also obtain copies of the same documents from the public reference room of the SEC in Washington, DC at 1-800-SEC-0330 or visit the SEC's website at www.sec.gov for further information on the public reference room. Ally's filings are available on the SEC's Electronic Document Gathering and Retrieval System, which is commonly known by the acronym "EDGAR," and which may be accessed at <http://www.sec.gov/Archives/edgar/data/40729/000119312511030261/d424b5.htm>

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as from commercial document retrieval services.

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LEGAL MATTERS

Certain legal matters with respect to the notes offered hereby will be passed upon for Ally by Davis Polk & Wardwell LLP. The notes offered hereby will be passed upon for the underwriters by Cahill Gordon & Reindel LLP.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The consolidated financial statements of Ally, as of December 31, 2009 and 2008, and for each of the three years in the period covered by the prospectus by reference from the Company's Current Report on Form 8-K, filed on October 13, 2010, and the effectiveness of the internal control over financial reporting, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in the prospectus by reference from the aforementioned Form 8-K and the Company's Annual Report on Form 10-K for the year ended December 31, 2009. The consolidated financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in the auditing profession.

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PROSPECTUS



ALLY FINANCIAL INC.

**SENIOR GUARANTEED NOTES
GUARANTEES OF SENIOR GUARANTEED NOTES**

Ally Financial Inc. may sell from time to time senior guaranteed notes in one or more offerings. The senior guaranteed notes will be issued by Ally US LLC, IB Finance Holding Company, LLC, GMAC Latin America Holdings LLC, GMAC International Holdings B.V. and GMAC Finance International B.V., each a subsidiary of Ally on an unsubordinated basis.

We may offer and sell these securities to or through one or more underwriters, dealers or agents, or directly to investors, on a contingent commission basis. The applicable prospectus supplement will provide the names of any underwriters, dealers or agents, the specific terms of the plan of distribution, including underwriting discounts and commissions. The securities offered by this prospectus, unless stated otherwise in the applicable prospectus supplement, will be listed on any exchange, listing authority or quotation system.

This prospectus may not be used to sell securities unless accompanied by a prospectus supplement that will describe the method of offering. You should read this prospectus and the applicable prospectus supplement carefully before you invest.

Investing in the securities offered by this prospectus involves risks. See “[Risk Factors](#)” beginning on page 10 and contained in our periodic reports filed with the Securities and Exchange Commission, as well as the other information or incorporated by reference in this prospectus.

The securities offered by this prospectus will not be savings accounts, deposits or other obligations of any bank and will not be insured by the Federal Deposit Insurance Corporation or any other government agency.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or the prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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The date of this prospectus is January 3, 2011

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We have not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, information that others may give you. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in or incorporated by reference in this prospectus or any prospectus supplement or in any such free writing prospectus is accurate as of the date hereof or as of any date thereafter.

References in this prospectus to “the Company,” “we,” “us,” and “our” refer to Ally Financial Inc. and its direct and indirect subsidiaries (collectively, “Ally Financial,” “Ally,” “Ally Capital, LLC, or “ResCap”) on a consolidated basis, unless the context otherwise requires, and the term “Ally” refers only to Ally Financial Inc.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the SEC utilizing a “shelf” registration process. Under this shelf process, we may from time to time sell the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. This prospectus supplement may add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with the prospectus supplement described under the heading “Information Incorporated by Reference; Where You Can Find More Information”.

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INFORMATION INCORPORATED BY REFERENCE; WHERE YOU CAN FIND MORE INFORMATION

The Securities and Exchange Commission (“SEC”) allows us to “incorporate by reference” into this prospectus the information in our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, and our Current Reports on Form 8-K, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference into this prospectus, and information in documents that we file later with the SEC will automatically update and supersede information contained in the prospectus, the SEC or contained in this prospectus or a prospectus supplement. We incorporate by reference in this prospectus the documents listed below.

- (a) Annual Report on Form 10-K for the year ended December 31, 2009, portions of which have been updated by the Current Reports on Form 8-K filed on August 6, 2010 and October 13, 2010;
- (b) Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2010, June 30, 2010 (as amended by the Quarterly Reports on Form 10-Q filed on November 15, 2010) and September 30, 2010; and
- (c) Current Reports on Form 8-K filed on January 5, 2010 (two reports and other than with respect to Item 7.01 and Exhibits 99.1 and 99.2), January 12, 2010 (two reports), March 9, 2010, April 2, 2010, April 12, 2010, April 16, 2010 (two reports), May 11, 2010, May 12, 2010, May 13, 2010, May 14, 2010, May 17, 2010, May 18, 2010, May 19, 2010, May 20, 2010, May 21, 2010, May 24, 2010, May 25, 2010, May 26, 2010, July 16, 2010, August 6, 2010, August 12, 2010, October 13, 2010, October 19, 2010, November 4, 2010, and December 30, 2010.

We are also incorporating by reference all future filings we make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on or after the date of this prospectus and prior to the termination of the offering under this prospectus and until the offering is completed, except that, unless otherwise indicated, we are not incorporating any information furnished under Item 2.02 or Item 7.01 of any Current Report on Form 8-K. Notwithstanding the foregoing, we are not incorporating any document or information deemed to have been furnished and not filed in accordance with the Exchange Act.

Ally is subject to the informational requirements of the Exchange Act and, in accordance therewith, files reports and information with the SEC. You may read and copy any document that Ally files with the SEC at the SEC’s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may also obtain copies of the same documents from the public reference room of the SEC in Washington by paying a fee. Please call the SEC at (800) 368-1099 or the SEC’s website at <http://www.sec.gov> for further information on the public reference room. In addition, the SEC maintains an Internet website at <http://www.sec.gov> which interested persons can electronically access our SEC filings, including the registration statement and the exhibits and schedules thereto.

You may also obtain a copy of any or all of the documents referred to above that may have been or may be incorporated by reference into this prospectus (including certain exhibits to the documents) at no cost to you by writing or telephoning us at the following address and telephone number:

Ally Financial Inc.
Attention: Investor Relations
440 South Church Street, 14th Floor
Charlotte, North Carolina 28202
Tel: (866) 710-4623

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains or incorporates by reference documents containing various forward-looking statements within the meaning of the securities laws, including the Private Securities Litigation Reform Act of 1995, that are based upon our current expectations and assumptions concerning our future performance, subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated.

The words “expect,” “anticipate,” “estimate,” “forecast,” “initiative,” “objective,” “plan,” “goal,” “project,” “outlook,” “priorities,” “pursue,” “seek,” “may,” “would,” “could,” “should,” “believe,” “potential,” “continue,” or the negative of any of these words or similar words are intended to identify forward-looking statements. All statements contained in or incorporated by reference into this prospectus, other than statements of historical fact, including limitation statements about future events and financial performance, are forward-looking statements that involve certain risks and uncertainties.

While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, they are not guarantees of any events or financial results, and our actual results may differ materially due to numerous important factors that are described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009, as updated by our subsequent Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and the other documents specifically incorporated by reference herein. See “Information Incorporated by Reference” and “Risk Factors – More Information”. Many of these risks, uncertainties and assumptions are beyond our control, and may cause our actual results and performance to differ from our expectations. Accordingly, you should not place undue reliance on the forward-looking statements contained or incorporated by reference in this prospectus. Forward-looking statements speak only as of the date on which the statements were made. We undertake no obligation to update publicly our forward-looking statements, whether as a result of new information, future events or other such factors that affect the subject of these statements, except as required by law.

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SUMMARY

This summary highlights some of the information contained, or incorporated by reference, in this prospectus to help you understand the terms of the senior guaranteed notes (the "notes"). It does not contain all of the information that is important to you. You should carefully read the prospectus, including the information incorporated by reference into this prospectus, to understand fully the terms of the notes, as well as the other information important to you in making your investment decision. Each time we offer securities, we will provide a prospectus supplement containing the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read any prospectus supplement when making your investment decision. You should pay special attention to the "Risk Factors" beginning on page iv and any prospectus supplement when making your investment decision. You should pay special attention to the "Risk Factors" beginning on page iv and the section entitled "Cautionary Statement Regarding Forward-Looking Statements" beginning on page iv.

Our Company

Ally Financial Inc. (formerly GMAC Inc.) is one of the world's largest automotive financial services companies. Founded in 1985 as a subsidiary of General Motors Corporation (currently General Motors Company or GM), Ally is the official preferred source of financing for GM, Suzuki, Fiat, and Thor Industries vehicles and offers a full suite of automotive financing products and services in key markets around the world. Our units include mortgage operations and commercial finance, and our subsidiary, Ally Bank, which offers online retail banking products and services, is a bank holding company. On December 24, 2008, we became a bank holding company under the Bank Holding Company Act of 1956, as amended.

Our principal executive offices are located at 200 Renaissance Center, Detroit, Michigan 48265, and our telephone number is (313) 486-2000.

The Note Guarantors

The notes will be guaranteed on a joint and several basis by the following subsidiaries of Ally: Ally US LLC (formerly known as Ally US LLC), Ally US Holding Company, LLC, GMAC Latin America Holdings LLC, GMAC International Holdings B.V. and GMAC Continental LLC. The obligations of the subsidiaries of the note guarantors that is owed to Ally or other subsidiaries of Ally will rank junior to the note guarantees or will be held in subordination to the note guarantees.

Each note guarantor is a first-tier wholly owned subsidiary of Ally. A simplified structure chart of Ally and each of the note guarantors is shown below.



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Securities Being Offered

The notes will be unsubordinated unsecured obligations of Ally and will rank equally in right of payment with all of Ally's existing unsecured indebtedness and senior in right of payment to all existing and future indebtedness that by its terms is expressly subordinated or effectively subordinated to all existing and future secured indebtedness of Ally to the extent of the value of the assets securing such indebtedness and senior in right of payment to all existing and future indebtedness and other liabilities (including trade payables) of subsidiaries of Ally that are not secured by the value of the assets of those subsidiaries.

The notes will be unconditionally guaranteed by Ally US LLC, IB Finance Holding Company, LLC, GMAC Latin America Holding Company, International Holdings B.V. and GMAC Continental LLC, each a subsidiary of Ally (collectively, the "note guarantors"), on an unsubordinated unsecured basis (the "note guarantees"). The note guarantees will be unsubordinated unsecured obligations of each note guarantor and will rank equally in right of payment with all of the applicable note guarantor's existing and future unsubordinated unsecured indebtedness, including each note guarantor's guarantee of other indebtedness, and senior in right of payment to all existing and future indebtedness of the applicable note guarantor that by its terms is expressly subordinated or effectively subordinated to any secured indebtedness of such note guarantor to the extent of the value of the assets of such note guarantor subsidiaries of such note guarantor to the extent of the value of the assets of such subsidiaries. See "Description of Notes—1

Unless we state otherwise in the applicable prospectus supplement, the notes will not be subject to redemption prior to maturity or the sinking fund for the notes.

Ratio of Earnings to Fixed Charges

Our ratio of earnings to fixed charges for the years ended December 31, 2009, 2008, 2007, 2006 and 2005 were 0.04, 1.52, 0.91, 0.91 and 0.91, respectively. Our ratio of earnings to fixed charges for the nine months ended September 30, 2010 was 1.18. See "Ratio of Earnings to Fixed Charges—1

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RISK FACTORS

Your decision whether to acquire the notes will involve risk. The risks described below are intended to highlight risks that are specific to the notes, but are not the only risks we face. You should be aware of, and carefully consider, the following risk factors, along with all other risk factors provided or referred to in this prospectus and the documents incorporated by reference herein, including the discussions in our Annual Report on Form 10-K ended December 31, 2009 (as may be amended or supplemented in subsequent reports on Form 10-K, Form 10-Q or Form 8-K). In addition, risks are described from time to time in periodic reports that we file with the SEC. If any of the following risks actually occur, the value of the notes may decline, in whole or in part of your investment. The risks discussed below also include forward-looking statements, and our actual results may differ materially from those set forth in our forward-looking statements.

Risks Relating To The Notes

Our substantial level of indebtedness could materially adversely affect our ability to generate sufficient cash to fulfill our obligations and our ability to react to changes in our business and our ability to incur additional indebtedness to fund future needs.

We have a substantial amount of indebtedness, which requires significant interest and principal payments. Our existing and future debt is effectively senior to the notes offered hereby to the extent of the value of the assets securing such indebtedness. We may incur additional debt in the future. If we do so, the risks related to our high level of indebtedness could be increased.

Our substantial level of indebtedness could have important consequences to holders of the notes, including the following:

- making it more difficult for us to satisfy our obligations with respect to our indebtedness, including the notes;
- requiring us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing our liquidity for other purposes;
- increasing our vulnerability to adverse economic and industry conditions, which could place us at a competitive disadvantage relative to companies that have relatively less indebtedness;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industries in which we operate; and
- limiting our ability to borrow additional funds, or to dispose of assets to raise funds, if needed, for working capital, capital expenditures, and development and other corporate purposes.

In addition, a breach of any of the restrictions or covenants in our debt agreements could cause a cross-default under other debt agreements. If our indebtedness then may become immediately due and payable. We are not certain whether we would have, or be able to obtain, sufficient cash to make such accelerated payments. If any of our indebtedness is accelerated, our assets may not be sufficient to repay in full such indebtedness and our ability to service such indebtedness may be impaired.

We may not be able to generate sufficient cash to service all of our indebtedness, including the notes.

Our ability to make scheduled payments of principal and interest or to satisfy our obligations in respect of our indebtedness, to refinance our indebtedness, to make capital expenditures will depend on our future operating performance. Prevailing economic conditions (including interest rates), regulatory changes, other things, on distributions to us from our subsidiaries and required capital levels with respect to certain of our banking and insurance contracts, and other factors, many of

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which are beyond our control, will also affect our ability to meet these needs. We may not be able to generate sufficient cash flows from our operations or to obtain sufficient additional borrowings in an amount sufficient to enable us to pay our indebtedness, or to fund our other liquidity needs. We may need to refinance our debt on or before maturity. We may not be able to refinance any of our indebtedness when needed on commercially reasonable terms or at all.

Our subsidiaries that are not note guarantors (including subsidiaries of the note guarantors that are not note guarantors) will not guarantee the notes and will not be restricted under the indenture for the notes or the note guarantees. Your right to receive payments on the notes and the note guarantees will not be restricted by the indebtedness of our non-guarantor subsidiaries.

Our subsidiaries that are not note guarantors will not guarantee the notes and will not be restricted under the indenture for the notes or the note guarantees. Accordingly, in the event of a bankruptcy or insolvency, the claims of creditors of those non-guarantor subsidiaries would not be paid from the assets of the issuer of the notes, to the extent of the assets of those subsidiaries. None of the non-guarantor subsidiaries, or any of their respective subsidiaries, will be required to provide amounts due on the notes or to provide us with funds for our payment obligations, whether by dividends, distributions, loans or other payments. In the event of a bankruptcy, liquidation or reorganization of any of our non-guarantor subsidiaries, holders of their liabilities, including trade creditors, will not be required to satisfy any of their claims from the assets of those non-guarantor subsidiaries before any assets are made available for distribution to us. The notes and the note guarantees agreement relating thereto will permit us to sell our interests in (through merger, consolidation or otherwise) the non-guarantor subsidiaries and the assets of any of the non-guarantor subsidiaries, in each case, without the consent of the holders of the notes in certain circumstances.

Our less than wholly owned subsidiaries may also be subject to restrictions on their ability to distribute cash to us in their financial statements. As a result, we may not be able to access their cash flows to service our debt obligations, including obligations in respect of the notes.

The notes and the note guarantees will be effectively subordinated to our and the note guarantors' existing and future secured indebtedness on certain of our assets or certain assets of the note guarantors.

The notes and the note guarantees will not be secured by any of our assets. As a result, our and the note guarantors' existing and future secured indebtedness will rank effectively senior to the indebtedness represented by the notes and the note guarantees, to the extent of the value of the assets securing the notes. In the event of any distribution or payment of our or the note guarantors' assets in any foreclosure, dissolution, winding-up, liquidation or reorganization proceeding, our or the note guarantors' secured creditors will have a superior claim to their collateral, as applicable. If any of the foregoing occurs, we cannot assure you that there will be sufficient assets to pay amounts due on the notes. The existing and future liabilities of our subsidiaries, excluding those secured by the notes, will be structurally senior to the indebtedness represented by the notes to the extent of the value of the assets of such subsidiaries.

In addition, if we default under any of our existing or future secured indebtedness, the holders of such indebtedness could declare such indebtedness, together with accrued interest, immediately due and payable. If we are unable to repay such indebtedness, the holders of such indebtedness could pledge the pledged assets to the exclusion of the holders of the notes, even if an event of default exists under the indenture governing the notes and the note guarantees because the notes will not be secured by any of our assets, it is possible that there would be no assets remaining from which your claims against us remained, they might be insufficient to satisfy your claims in full.

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A court could deem the issuance of the notes to be a fraudulent conveyance and void all or a portion of the obligations represented by

In a bankruptcy proceeding, a trustee, debtor in possession, or someone else acting on behalf of the bankruptcy estate may seek to void obligations incurred prior to the bankruptcy proceeding on the basis that such transfers and obligations constituted fraudulent conveyances, generally defined to include transfers made or obligations incurred for less than reasonably equivalent value or fair consideration when the transferee was inadequately capitalized or in similar financial distress or that rendered the debtor insolvent, inadequately capitalized or unable to pay its obligations. Such transfers made or obligations incurred with the intent of hindering, delaying or defrauding current or future creditors. A trustee or such other person may void such transfers and avoid such obligations made within two years prior to the commencement of a bankruptcy proceeding. Furthermore, under applicable law, a trustee may generally recover transfers or void obligations outside of bankruptcy under applicable fraudulent transfer laws, within the applicable statute of limitations, typically longer than two years. In bankruptcy, a representative of the estate may also assert such claims. If a court were to find that Ally's transfers or obligations under circumstances constituting a fraudulent conveyance, the court could void all or a portion of the obligations under the notes. In addition, if any consideration holders received with respect to the notes could also be subject to recovery from such holders and possibly from subsequent transferees.

Therefore, a note could be voided, or claims in respect of a note could be subordinated to all other debts of Ally, if Ally at the time of issuance evidenced by the notes received less than reasonably equivalent value or fair consideration for the issuance of the notes, and:

- was insolvent or rendered insolvent by reason of such issuance or incurrence;
- was engaged in a business or transaction for which Ally's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they mature.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding in which a fraudulent transfer has occurred. Generally, however, a debtor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than all of its assets at fair valuation;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

We cannot assure you as to what standard a court would apply in determining whether Ally would be considered to be insolvent. If Ally is found insolvent after giving effect to the issuance of the new securities, it could void the notes, or potentially impose other forms of damages.

With respect to certain actions under the indenture governing the notes, holders of the notes will vote together as a single class with holders of notes issued under the indenture governing the notes that are adversely affected by such actions; therefore the voting interest of a holder of notes with respect to such actions will be diluted.

For purposes of the indenture governing the notes, the notes offered hereby and all other debt securities issued thereunder will constitute a single class of debt securities. Therefore, any action under the indenture governing the notes other than those actions affecting only the notes will require the approval of the holders of the notes.

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holders of not less than 66²/₃% in aggregate principal amount of the debt securities issued thereunder that are affected thereby. See “Description of the Indenture.” Consequently, any action requiring the consent of holders of the notes under the indenture governing the notes may also require the consent of a significant portion of the remaining debt securities issued thereunder, and the individual voting interest of each holder of the notes may be diluted with respect to such actions. In addition, holders of debt securities could vote in favor of certain actions under the indenture that holders of the notes voting in favor of such consent to such action could be received nonetheless. We also may, from time to time, issue additional debt securities under the indenture that may further dilute the individual voting interest of each holder of the notes with respect to such actions.

In the event that a bankruptcy court orders the substantive consolidation of any of the note guarantors with Ally or any of its other subsidiaries, payments could be delayed or reduced.

We believe that Ally and the note guarantors have observed and will observe certain corporate and other formalities and operating procedures that are generally recognized requirements for maintaining the separate existence of the note guarantors and that the assets and liabilities of the note guarantors are distinct from those of Ally and its other subsidiaries. However, we cannot assure you that a bankruptcy court would agree in the event that Ally or any of its subsidiaries becomes a debtor under the United States Bankruptcy Code. If a bankruptcy court so orders the substantive consolidation of the note guarantors with Ally or its subsidiaries, noteholders should expect payments on the notes to be delayed and/or reduced.

Risks Relating To The Note Guarantees

Because each note guarantor’s liability under the note guarantees may be reduced, voided or released under certain circumstances, your recovery may be reduced from some or all of the note guarantors.

The holders of the notes will have the benefit of the guarantees of the note guarantors. However, the guarantees by the note guarantors are limited to the amount that the note guarantors are permitted to guarantee under applicable law. As a result, a note guarantor’s liability under its note guarantee may be reduced depending on the amount of other obligations of such note guarantor. Further, under the circumstances discussed below, a court under Federal bankruptcy, fraudulent conveyance and transfer statutes could void the obligations under a note guarantee or further subordinate it to all other obligations of the note guarantor. The holders of the notes will lose the benefit of a particular note guarantee if it is released under certain circumstances described under “Description of the Note Guarantees.”

A court could deem the note guarantees a fraudulent conveyance and void all or a portion of the obligations of the note guarantors.

If a court were to find that any of the note guarantors issued the note guarantees under circumstances constituting a fraudulent conveyance, a court could void all or a portion of the obligations under such note guarantee and, if payment had already been made under the relevant note guarantee, require the note guarantor to make payment to the relevant note guarantor.

A note guarantee could be voided, or claims in respect of a note guarantee could be subordinated to all other debts of the applicable note guarantor at the time it incurred the obligation evidenced by the note guarantee received less than reasonably equivalent value or fair consideration for the note guarantee, and:

- was insolvent or rendered insolvent by reason of such issuance or incurrence;
- was engaged in a business or transaction for which such applicable note guarantor’s remaining assets constituted unreasonably small capital for such business or transaction;
- intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they mature.

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We cannot assure you as to what standard a court would apply in determining whether a note guarantor would be considered to be a fraudulent conveyance and voided such note guarantee, or held it unenforceable for the purpose of having any claim in respect of such note guarantor providing such voided note guarantee and would be a creditor solely of Ally as issuer of the notes of the note guarantors.

The guarantee agreement relating to the notes will contain a provision intended to limit each note guarantor's liability to the maximum extent permitted by law without causing the incurrence of obligations under its note guarantee to be a fraudulent transfer. This provision may not be effective to prevent the note guarantee from being voided under fraudulent transfer law, or may eliminate the note guarantor's obligations or reduce the note guarantor's obligations to the extent that the note guarantee is rendered the note guarantee worthless. In a recent Florida bankruptcy case, a similar provision was found to be ineffective to protect the note guarantors.

If the note guarantees were legally challenged, any note guarantee could also be subject to the claim that, since the note guarantee was granted for the benefit of the applicable note guarantor and only indirectly for the benefit of the applicable note guarantor, the obligations of the applicable note guarantor were incurred for less than the value of the note guarantee and could thus void the obligations under the note guarantees, subordinate them to the applicable note guarantor's other debt or take other action to avoid the notes.

A court could deem the note guarantee of GMAC International Holdings a fraudulent conveyance or a violation of other laws and void the obligations of GMAC International Holdings under Dutch law.

To the extent that Dutch law applies, a guarantee granted by a legal entity may, under certain circumstances, be nullified by any court if (i) the guarantee was granted without an obligation to do so (*onverplicht*), (ii) the creditor concerned was prejudiced as a consequence of the guarantee and (iii) the guarantee was granted both the legal entity and, unless the guarantee was granted for no consideration (*om niet*), the beneficiary of the guarantee knew or should have known that more of the entities' creditors (existing or future) would be prejudiced. Also to the extent that Dutch insolvency law applies, a guarantee granted by a legal entity may be voided by a court if the guarantee was granted by a receiver (*curator*) on behalf of and for the benefit of all creditors of the insolvent debtor.

In addition, if a Dutch company grants a guarantee and that guarantee is not in the company's corporate interest, the guarantee may be voided by a court if the company, its receiver and its administrator (*bewindvoerder*) and, as a consequence, not be valid, binding and enforceable against it. In determining whether such guarantee is in the interest of the relevant company, the Dutch courts would consider the text of the objects clause in the articles of association of the company and whether the company derives certain commercial benefits from the transaction in respect of which the guarantee was granted. In addition, if the company derives no, or insufficient, commercial benefits from the transaction for the company that grants the guarantee, then such company (and any bank) may be held liable for the enforcement of the guarantee. It remains possible that even where strong financial and commercial interdependence exists, the transaction may be voided if that the granting of the guarantee cannot serve the realization of the relevant company's objectives.

If Dutch law applies, a guarantee or security governed by Dutch law may be voided by a court, if the document was executed through fraud (*bedrog*), duress (*bedreiging*) or mistake (*dwalings*) of a party to the agreement contained in that document.

In addition, a guarantee issued by a Dutch company may be suspended or voided by the Enterprise Chamber of the Court of Appeal (*Ondernemingskamer van het Gerechtshof te Amsterdam*) on the motion of a trade union and of other entities entitled thereto in the articles of association of the relevant Dutch company. Likewise, the guarantee or security itself may be upheld by the Enterprise Chamber, yet actual payment under it may be suspended.

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The notes, the indenture and guarantee agreement related thereto contain only limited restrictions on the business and activities of the note guarantors to sell the equity interests in note guarantors.

The notes, the guarantee agreement and the indenture relating thereto will permit the note guarantors to, among other things, transfer their assets, pledge their assets or incur indebtedness or other obligations in each case without the consent of the holders of the notes and certain exceptions. To the extent that the note guarantors engage in any such transactions, the amount of assets of such note guarantors available to satisfy the note guarantees may be reduced or eliminated.

Although we will be required to use the proceeds of any sale, disposal or transfer of the equity interests of any note guarantor held by Ally which Ally ceases to own a majority of the equity interests of such note guarantor to reinvest in a note guarantor or a subsidiary of a note guarantor, the note guarantee of such former subsidiary will be released and it will have no further obligation with respect to the notes.

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USE OF PROCEEDS

Unless otherwise indicated in a prospectus supplement, the net proceeds from the sale of the notes will be used for general corporate working capital, retirement of debt and other business purposes.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for the periods presented:

(\$ in millions)	Nine months ended September 30, 2010 (a)	Year ended	
		2009 (a)	2008 (a)
Ratio of earnings to fixed charges (b)	1.18	0.04	1.52

- (a) During 2009, we committed to sell certain operations of our International Automotive Finance operations, Insurance operations, and Commercial Finance Group. We report these businesses separately as discontinued operations in the Consolidated Financial Statements and Consolidated Financial Statements for further discussion of our discontinued operations. All reported periods of the calculation of fixed charges exclude discontinued operations.
- (b) The ratio indicates a less than one-to-one coverage for the years ended December 31, 2009 and 2007. Earnings available for fixed charges for the years ended December 31, 2009 and 2007, were inadequate to cover total fixed charges. The deficit amounts for the ratio were \$6,938 million for the years ended December 31, 2009 and 2007, respectively.

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DESCRIPTION OF SENIOR GUARANTEED NOTES AND GUARANTEES OF SENIOR GUARANTEED

The following description of the terms of the senior guaranteed notes and the guarantees of the senior guaranteed notes provides a general overview of the securities to which any prospectus supplement may relate. We will describe in any prospectus supplement the particular terms of the securities, to the extent, if any, to which the general provisions apply to the senior guaranteed notes.

General

Ally will issue the notes under the indenture dated as of July 1, 1982 (as amended by the first supplemental indenture dated as of July 1, 1982, the second supplemental indenture dated as of June 15, 1987, the third supplemental indenture dated as of September 30, 1996, the fourth supplemental indenture dated as of September 30, 1998, and the fifth supplemental indenture dated as of September 30, 1998, and together with such supplemental indentures, the “Indenture”) issued by New York Mellon (successor to Morgan Guaranty Trust Company of New York), as trustee (the “Trustee”). The notes will constitute a series previously issued under such Indenture. Those terms of the notes that differ from or that are in addition to the terms of the Indenture or resolutions of the board of directors or the executive committee of Ally authorizing the issuance of the notes. For purposes of amending the Indenture, the holders of the notes will generally vote as a single class with the holders of debt securities of all other series at the time outstanding under the Indenture, the “Debt Securities”).

The following description is a summary of certain provisions of the Indenture, the notes, and the Guarantee Agreement (as defined in the Indenture, the notes, or the Guarantee Agreement in their entirety and is qualified in its entirety by reference to such documents. You may find Ally’s address set forth under “Information Incorporated by Reference; Where You Can Find More Information”.

The notes will be issued only in fully registered book-entry form without coupons only in minimum denominations of \$2,000 plus any interest of \$1,000 above that amount. The notes will be issued in the form of global notes. Global notes will be registered in the name of a nominee as described under “Book-Entry, Delivery and Form of Notes.”

Principal Amount; Maturity and Interest

Unless we state otherwise in the applicable prospectus supplement, the notes will be denominated in U.S. dollars and all payments of principal and interest will be paid in U.S. dollars.

The notes will bear interest at a fixed or floating rate or rates for the period or periods of time specified in the applicable prospectus supplement. Otherwise in the applicable prospectus supplement, interest on the notes will be computed on the basis of a 360-day year of twelve 30-day months.

Interest on the notes will accrue from and including the date the notes are issued (the “issue date”) or from and including the most recent interest payment date (whether or not such interest payment date was a business day) for which interest has been paid or provided for to but excluding the relevant interest payment date.

If an interest payment date falls on a day that is not a business day, the interest payment will be postponed to the next succeeding business day and effect as if made on the date such payment was due, and no interest will accrue as a result of such delay.

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Note Guarantees

Each of Latin America LLC, GMAC International Holdings, Continental LLC, IB Finance and US LLC (each a subsidiary of Ally) pursuant to a guarantee agreement to be dated as of the issue date (the “Guarantee Agreement”) among Ally, each note guarantor and the issuer, irrevocably and unconditionally guarantee (the “note guarantees”) on an unsubordinated basis the performance and punctual payment with or without acceleration or otherwise, of all payment obligations of Ally in respect of the notes (pursuant to the terms thereof and of the Indenture), whether (w) principal of, or premium, if any, interest or additional interest on the notes, (x) expenses, (y) indemnification or (z) otherwise (all such obligations of note guarantors being herein called the “guaranteed obligations”).

Each note guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable note guarantor, as it relates to such note guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfers of creditors generally. See “Risk Factors—Risks Relating to the Note Guarantees.”

Each note guarantee will be a continuing guarantee and shall:

- (1) subject to the next succeeding paragraph, remain in full force and effect until payment in full of all the guaranteed obligations of the notes;
- (2) subject to the next succeeding paragraph, be binding upon each such note guarantor and its successors; and
- (3) inure to the benefit of and be enforceable by the Trustee and the holders of the notes and their successors, transferees and assigns.

A note guarantee of a note guarantor will be automatically released upon:

- (1) the sale, disposition or other transfer (including through merger or consolidation) of a majority of the equity interests (including any other transfer following which the applicable note guarantor is no longer a subsidiary of Ally), of the applicable note guarantor if such transfer is made in compliance with the Indenture; or
- (2) the discharge of Ally’s obligations in respect of the notes in accordance with the terms of the Indenture and the notes.

Not all of Ally’s subsidiaries will guarantee the notes. The notes will be effectively subordinated to all debt and other liabilities (including trade payables and other obligations) of subsidiaries that do not provide note guarantees.

Ranking

The notes will rank equally in right of payment with all existing and future unsubordinated unsecured indebtedness of Ally, including trade payables, in right of payment to existing and future indebtedness of Ally that by its terms is expressly subordinated to the notes. The notes will be effectively subordinated to secured indebtedness of Ally to the extent of the value of the assets securing such debt.

The notes will be structurally subordinated to all of the existing and future indebtedness and other liabilities (including trade payables and other obligations) of subsidiaries that do not provide note guarantees to the extent of the value of the assets of such subsidiaries.

Each note guarantee will rank equally in right of payment with all existing and future unsubordinated unsecured indebtedness of Ally, including trade payables, senior in right of payment to existing and future

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indebtedness of such note guarantor, if any, that by its terms is expressly subordinated to the note guarantee of such note guarantor. Each subordinated to any secured indebtedness of such note guarantor to the extent of the value of the assets securing such debt and will be subordinate to existing and future indebtedness and other liabilities (including trade payables) of any non-guarantor subsidiaries of such note guarantor.

Redemption

Unless we state otherwise in the applicable prospectus supplement, the notes will not be subject to redemption prior to maturity and the notes.

Certain Covenants

Limitation on Liens

The Indenture provides that Ally will not pledge or otherwise subject to any lien any of its property or assets unless the notes are secured equally and ratably with any and all other obligations and indebtedness secured thereby so long as any such other obligations and indebtedness covenant does not apply to:

- the pledge of any assets to secure any financing by Ally of the exporting of goods to or between, or the marketing thereof in (including Canada), in connection with which Ally reserves the right, in accordance with customary and established banking practice, to create a lien, cash, securities or receivables, for the purpose of securing banking accommodations or as the basis for the issuance of any other similar borrowing arrangements;
- the pledge of receivables payable in foreign currencies (other than Canadian dollars) to secure borrowings in foreign countries;
- any deposit of assets of Ally with any surety company or clerk of any court, or in escrow, as collateral in connection with, or to secure Ally from any judgment or decree against it, or in connection with other proceedings in actions at law or in equity by or against Ally;
- any lien or charge on any property, tangible or intangible, real or personal, existing at the time of acquisition of such property (including merger or consolidation) or given to secure the payment of all or any part of the purchase price thereof or to secure any indebtedness at the time of, or within 60 days after, the acquisition thereof for the purpose of financing all or any part of the purchase price thereof;
- any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any lien or charge on the foregoing four clauses of this paragraph; provided, however, that the amount of any and all obligations and indebtedness secured by the amount thereof so secured immediately prior to the time of such extension, renewal or replacement and that such extension, renewal or replacement be limited to all or a part of the property which secured the charge or lien so extended, renewed or replaced (plus improvements).

Merger and Consolidation

The Indenture provides that Ally will not merge or consolidate with another corporation or sell or convey all or substantially all of its assets to any firm or corporation unless either Ally is the continuing corporation or the new corporation shall expressly assume the interest and principal obligations of the Debt Securities. In either case, the Indenture provides that neither Ally nor a successor corporation may be in default of performance of its obligations at the time of consolidation or sale or conveyance. Additionally, the Indenture provides that in the case of any such merger or consolidation or sale or conveyance, the corporation may continue to issue securities under the Indenture.

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The Guarantee Agreement will provide that no note guarantor will merge or consolidate with another corporation or sell or convey to another person, firm or corporation unless either it is the continuing corporation or the new corporation shall expressly assume the obligation of Ally's obligations under the notes. In either case, the Guarantee Agreement will provide that neither the note guarantor nor any successor of performance immediately after such merger or consolidation or sale or conveyance.

SEC Reports and Reports to Holders

Ally will be required to file with the Trustee within fifteen days after Ally is required to file the same with the SEC, copies of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may from time to time by rules or regulations require) that Ally may be required to file with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if Ally is not required to file information pursuant to either of such sections, then to file with the Trustee and the SEC, in accordance with the rules and regulations prescribed from time to time by the SEC, the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act if Ally is registered on a national securities exchange as may be prescribed from time to time in such rules and regulations. In addition, Ally will be required to file with the SEC, in accordance with the rules and regulations prescribed from time to time by the SEC, such additional information, documents and reports as may be required for compliance by Ally with the conditions and covenants provided for in the Indenture as may be required from time to time by such rules and regulations. Ally has agreed that, for so long as any notes remain outstanding during any period when it is not subject to Section 13 or 15(d) of the Exchange Act, it will furnish the SEC with certain information pursuant to Rule 12g3-2(b) of the Exchange Act, it will furnish to the holders of the notes and to any transferee, upon request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act of 1933, as amended.

Limitation on Sale of Equity Interests of Note Guarantors

Ally will not be permitted to sell, dispose of or otherwise transfer any of the equity interests of any note guarantor held by Ally in which Ally ceases to own a majority of the equity interests of such note guarantor (a "note guarantor equity sale") unless the net sale proceeds of such sale are used within five business days following the receipt by Ally of such net sale proceeds from such note guarantor equity sale to make an investment in note guarantors or subsidiaries of note guarantors, including any subsidiary of Ally that becomes a note guarantor or a subsidiary of a note guarantor. For the purposes of this description of notes, the term "subsidiary" when used in respect to any person shall include a direct or indirect subsidiary of such person.

Limitation on Liens on Assets of Note Guarantors

The Guarantee Agreement will provide that, so long as the notes remain outstanding, no note guarantor nor any subsidiary of a note guarantor shall be otherwise subject to any lien any of its property or assets to secure (a) any debt (as defined below) of Ally or any direct or indirect parent, subsidiary or subsidiary of ResCap or (b) any debt incurred to repay, retire, redeem, refund, refinance, replace, defease, cancel, repurchase or exchange of the notes. The foregoing clause (a), in each case unless the notes are secured by such pledge or lien equally and ratably with such debt so long as any such debt is provided, that financings, securitizations and hedging activities conducted by a subsidiary of Ally in the ordinary course of business and the payment of debt described in clause (a) prior to its stated maturity shall not be deemed to be covered by clause (b).

The Guarantee Agreement will provide that no note guarantor, nor any subsidiary of a note guarantor, will pledge or otherwise subject any of its property or assets to secure any debt of ResCap or any subsidiary of ResCap.

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“debt” shall mean, with respect to any specified person, any indebtedness of such person: (1) in respect of borrowed money of such person; (2) in respect of notes, debentures or similar instruments issued by such person; (3) in respect of letters of credit, banker’s acceptances or other similar instruments issued by such person; (4) representing the portion of capital lease obligations (that does not constitute interest expense) and attributable debt in respect of such person; (5) representing the balance deferred and unpaid of the purchase price of any property or services acquired by or rendered to such person, whether such property is acquired or such services are completed; (6) representing obligations of such person with respect to the redemption, repurchase or other payment of preferred stock; and (7) hedging obligations in connection with debt referred to in clauses (1) through (6).

“person” means any individual, corporation, general or limited partnership, limited liability company, joint venture, estate, trust or other legal entity of any kind or nature.

Limitation on Guarantees of Debt

Ally will not permit any of its subsidiaries, other than any note guarantor, to guarantee the payment of (a) any debt of Ally or any subsidiary of Ally or (b) any debt incurred to repay, retire, redeem, refund, refinance, replace, defease, cancel, repurchase or exchange any such debt referred to in clause (a) if such subsidiary executes and delivers a joinder to the Guarantee Agreement providing for a guarantee by such subsidiary of the notes on which such financings, securitizations and hedging activities conducted by a subsidiary of Ally in the ordinary course of business and not incurred to repay, retire, redeem, refund, refinance, replace, defease, cancel, repurchase or exchange any such debt described in clause (a) prior to its stated maturity shall not be deemed to be covered by clause (b). In the event that any subsidiary of Ally is released and discharged in full of the guarantee of all such other debt, then the guarantee of the notes shall be automatically and uncon-

The Guarantee Agreement will provide that no note guarantor, nor any subsidiary of a note guarantor, will guarantee the payment of any debt of any subsidiary of ResCap.

Limitation on Asset Sales by Note Guarantors

The Guarantee Agreement will provide that no note guarantor, nor any subsidiary of a note guarantor, will make an Asset Sale (as defined in the Guarantee Agreement) through any subsidiary or other affiliate of Ally that is not a note guarantor or a subsidiary of a note guarantor, other than:

- any Asset Sale on terms not less favorable in any material respect to such note guarantor or subsidiary, as applicable, than would have been obtained in a comparable transaction at such time on an arm’s length basis from a person who is not Ally or a subsidiary of Ally, as determined in good faith by such note guarantor or subsidiary or, if the consideration received in connection with such Asset Sale (or series of related Asset Sales) exceeds \$250 million, as determined in good faith by the board of directors of Ally, or, if the consideration received in connection with such Asset Sale (or series of related Asset Sales) exceeds \$500 million, subject to a customary fairness opinion from an independent accounting firm of national standing to the effect that (i) the financial terms of such Asset Sale are fair to such note guarantor or subsidiary, as applicable, from a financial point of view or (ii) the financial terms of such Asset Sale are not less favorable in any material respect to such note guarantor or subsidiary of such note guarantor, as applicable, than those that might reasonably have been obtained in a comparable transaction on an arm’s length basis from a person who is not an affiliate of Ally);
- any Asset Sale to a note guarantor or to a subsidiary of a note guarantor (other than to ResCap or any of its subsidiaries if ResCap is a note guarantor or subsidiaries of note guarantors);
- any Asset Sale of the equity interests of a subsidiary of a note guarantor provided that such subsidiary shall become a note guarantor if such Asset Sale occurs;

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- any Asset Sale in connection with financing, securitization and hedging activities conducted by Ally or any subsidiary of Ally on terms not less favorable in any material respect to such note guarantor or subsidiary, as applicable, than those that could reasonably have been obtained in a comparable transaction at such time on an arm's length basis from a person who is not Ally or a subsidiary of Ally;
- any Asset Sale in connection with the disposition of all or substantially all of the assets of any note guarantor in a manner described in the second paragraph above under "—Merger and Consolidation."

"Asset Sale" means:

- (1) the conveyance, sale, transfer or other disposition, whether in a single transaction or a series of related transactions, of property or assets of any of its subsidiaries (including, without limitation, any agreement with respect to a transaction that has the effect of conveying such property or assets) (each referred to in this definition as a "disposition"); or
- (2) the issuance or sale of equity interests (other than directors' qualifying shares and shares issued to foreign nationals or otherwise exempt by applicable law) of any subsidiary of a note guarantor (including, without limitation, any agreement with respect to a transaction conveying or monetizing the value of such equity interests), whether in a single transaction or a series of related transactions,

in each case, other than:

- (a) any disposition of property or assets by a note guarantor or subsidiary of a note guarantor or issuance of securities by a subsidiary of a note guarantor or another subsidiary of a note guarantor (other than to ResCap or any of its subsidiaries if ResCap or such subsidiary is a subsidiary of note guarantors);
- (b) any disposition of cash or cash equivalents other than the disposition of any cash or cash equivalents that represent proceeds from the sale of property or assets or the sale or the issuance or sale of capital stock (collectively, "Subject Assets"), and the disposition of such Subject Assets (including the disposition of cash or cash equivalents) would not otherwise comply with the covenant "Limitation on Asset Sales by Note Guarantors";
- (c) any disposition of property or assets by any note guarantor or subsidiary of a note guarantor or issuance or sale of equity interests by any note guarantor which property, assets or equity interests, as applicable, so sold or issued in any transaction or series of related transactions having a market value (as determined in good faith by such note guarantor or subsidiary) of less than \$25 million;
- (d) the granting of any lien permitted by the covenant described above under "—Limitation on Liens on Assets of Note Guarantors";
- (e) foreclosure on assets or property.

Limitation on Transactions with Affiliates

The Guarantee Agreement will provide that each note guarantor will not, and will not permit any of its subsidiaries to, make any purchase or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, loan, advance or guarantee with, or for the benefit of, any affiliate of Ally involving aggregate consideration of more than \$25 million (each of the foregoing, an "affiliate transaction"), unless: (i) such affiliate transaction is on terms that are not less favorable in any material respect to such note guarantor or subsidiary than those that could reasonably have been obtained in a comparable arm's

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length transaction by such note guarantor or such subsidiary with an unaffiliated party; and (ii) with respect to any affiliate transaction or series of related affiliate transactions involving aggregate consideration in excess of \$250 million, such affiliate transaction is approved by the board of directors of Ally. If such affiliate transaction or series of related affiliate transactions involving aggregate consideration in excess of \$500 million, Ally must obtain the written opinion of a nationally recognized investment banking, accounting or appraisal firm stating that the transaction is fair to such noteholders. In the case may be, from a financial point of view.

The foregoing limitation does not limit, and shall not apply to:

- (1) any disposition permitted under the covenant “—Limitation on Asset Sales by Note Guarantors”;
- (2) the payment of reasonable and customary fees and indemnities to members of the board of directors of Ally or a subsidiary;
- (3) the payment of reasonable and customary compensation and other benefits (including retirement, health, option, deferred compensation plans) and indemnities to officers and employees of Ally or any subsidiary;
- (4) transactions between or among any note guarantor or subsidiary of a note guarantor and any other note guarantor or any subsidiary of a note guarantor, provided, however that this exception shall not apply to ResCap or any of its subsidiaries if ResCap or such subsidiaries be a subsidiary of note guarantors;
- (5) the issuance of equity interests of any note guarantor otherwise permitted hereunder and capital contributions to any note guarantor;
- (6) any agreement or arrangement as in effect on the issue date of the notes and any amendment or modification thereto so long as such amendment or modification is not more disadvantageous to the holders of the notes in any material respect; and
- (7) transactions with GM or any of its subsidiaries, or any customers, clients, suppliers or purchasers or sellers of goods or services in the ordinary course of business.

Payments for Consent

Ally will not, and will not permit any of its subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether in cash or otherwise, to any holder of any notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the notes, if such consideration is offered to be paid or agreed to be paid to all holders of the notes which so consent, waive or agree to amend in the notes and the documents relating to such consent, waiver or agreement.

Modification of the Indenture

The Indenture contains provisions permitting Ally and the Trustee to modify or amend the Indenture or any supplemental indentures or Debt Securities issued, with the consent of the holders of not less than 66-²/₃% in aggregate principal amount of the Debt Securities which are so modified or amended, voting as one class, provided that, without the consent of the holder of each Debt Security so affected, no such modification or amendment shall:

- extend the fixed maturity of any Debt Securities, or reduce the principal amount thereof, or premium, if any, or reduce the rate of interest thereon, without the consent of the holder of each Debt Security so affected; or
- reduce the aforesaid percentage of Debt Securities, the consent of the holders of which is required for any such modification or amendment, to less than 66-²/₃% of the principal amount of the Debt Securities then outstanding under the Indenture.

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The Indenture contains provisions permitting Ally and the Trustee to enter into indentures supplemental to the Indenture, without the consent of the holders of Debt Securities at the time outstanding, for one or more of the following purposes:

- to evidence the succession of another corporation to Ally, or successive successions, and the assumption by any successor of the obligations, agreements and obligations;
- to add to the covenants such further covenants, restrictions, conditions or provisions as Ally's board of directors and the Trustee shall consider to be for the protection of the holders of Debt Securities;
- to permit or facilitate the issuance of Debt Securities in coupon form, registrable or not registrable as to principal, and to permit the issuance of Debt Securities with securities issued thereunder in fully registered form;
- to cure any ambiguity or to correct or supplement any provision contained therein or in any supplemental indenture which may be defective or inconsistent with any other provision contained therein or in any supplemental indenture; to convey, transfer, assign, mortgage or pledge any property to the Trustee; or to make such other provisions in regard to matters or questions arising under the Indenture as shall not adversely affect the interests of the holders of any Debt Securities; or
- to evidence and provide for the acceptance and appointment by a successor trustee.

Notwithstanding the foregoing, holders of the notes shall vote as a separate class with respect to amendments, modifications or waivers (including, for the avoidance of doubt, with respect to amendments to or waivers of the following covenants that will be set forth in the next section: the last sentence under “—Certain Covenants—SEC Reports and Reports to Holders”, the covenant described under “—Certain Covenants—Limitation on Guarantees of Debt”, the covenant described under “—Certain Covenants—Limitation on Assets of Note Guarantors”, the covenant described in the first paragraph under “—Certain Covenants—Limitation on Guarantees of Debt”, the covenant described under “—Certain Covenants—Payments for Consent”, and all such covenants and provisions hereinafter referred to as, the “Additional Covenants”). Holders of other Debt Securities shall not have any voting rights with respect to such matters as they relate to the notes.

The Guarantee Agreement will contain provisions:

- permitting Ally, the note guarantors and the Trustee to modify or amend the Guarantee Agreement with the consent of the holders of the notes in aggregate principal amount of the notes voting together as a single class provided that, without the consent of the holder of the notes, shall, except with respect to the covenant described in the second paragraph under “—Certain Covenants—Merger and Consolidation”, the covenant described under “—Certain Covenants—Limitation on Liens on Assets of Note Guarantors,” the covenant described in the first paragraph under “—Certain Covenants—Limitation on Guarantees of Debt,” the covenant described under “—Certain Covenants—Limitation on Assets of Note Guarantors,” the covenant described under “—Certain Covenants—Limitation on Transactions with Affiliates” and as otherwise expressly provided, not make any modification or amendments to the guarantees in any way adverse to the holders of the notes; and
- permitting Ally, the note guarantors and the Trustee without the consent of the holders of the notes to (i) enter into modifications to the Guarantee Agreement to add note guarantors, (ii) provide for the assumption by a successor guarantor of the obligations under the Indenture and the Guarantee Agreement, (iii) release any note guarantee in accordance with the terms of the Indenture and the Guarantee Agreement, (iv) add to the covenants such further covenants, restrictions, conditions or provisions as Ally's board of directors and the Trustee shall consider to be for the protection of the holders of the notes, (v) cure any ambiguity or correct or supplement any provision contained therein which may be defective or inconsistent with any other provision contained therein or in any supplemental indenture; to convey, transfer, assign, mortgage or pledge any property to the Trustee; or to make such other provisions in regard to matters or questions arising under the Guarantee Agreement as shall not adversely affect the interests of the holders of any notes and (vii) evidence and provide for a successor trustee.

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Events of Default

An event of default with respect to the notes is defined in the Indenture as being (the “Indenture Events of Default”):

- default in payment of any principal or premium, if any;
- default for 30 days in payment of any interest;
- default in the performance of any other covenant in the Indenture or the notes for 30 days after notice by the Trustee or holder of a majority in aggregate principal amount of Debt Securities at the time outstanding; or
- certain events of bankruptcy, insolvency or reorganization with respect to Ally.

Furthermore, an event of default (the “Guarantee Event of Default,” and a Guarantee Event of Default or any Indenture Event of Default) shall have occurred if at any time (a) any note guarantee of any note guarantor ceases to be in full force and effect (other than in accordance with the terms of the note guarantee and the Indenture), (b) any note guarantee of any note guarantor is declared null and void and unenforceable or found to be invalid, or (c) the note guarantor asserts in writing that its note guarantee is not in effect or is not its legal, valid or binding obligation (other than by reason of release of a note guarantee in accordance with the terms of the applicable Indenture and the note guarantee).

In case any of the first, second or third Indenture Events of Default above, or the Guarantee Event of Default, shall occur and be continuing, the Trustee or the holders of not less than 25% in aggregate principal amount of the Debt Securities affected thereby then outstanding may declare all of the Debt Securities affected thereby to be due and payable. In case an event of default as set out in the fourth Indenture Event of Default shall occur and be continuing, the Trustee or the holders of not less than 25% in aggregate principal amount of all the Debt Securities then outstanding, voting in person or by proxy, shall declare the principal of all outstanding Debt Securities to be due and payable. Any Event of Default with respect to the notes may be waived and a default payment rescinded by the holders of a majority in aggregate principal amount of the notes, or of all the outstanding Debt Securities, as they may vote. If all amounts due other than amounts due upon acceleration are provided to the Trustee and all defaults are remedied. For such purposes, all Debt Securities shall have been declared to be payable, all series will be treated as a single class. Ally is required to file with the Trustee a statement of the absence of certain defaults under the terms of the Indenture. The Indenture provides that the Trustee may withhold notice to the securityholders in payment of principal, premium, if any, or interest, if it considers it in the interest of the securityholders to do so.

The holders of the notes shall vote as a separate class from the holders of the other Debt Securities with respect to any defaults or events of default relating thereto as a result of any covenants, obligations or provisions affecting only the notes, including the Additional Covenants.

Subject to the provisions of the Indenture relating to the duties of the Trustee in case an Event of Default shall occur and be continuing, the Trustee shall have the obligation to exercise any of its rights or powers under the Indenture at the request, order or direction of any of the securityholders, unless such exercise is not in the best interests of the securityholders or unless the Trustee is offered to the Trustee reasonable indemnity satisfactory to it.

Subject to such provisions for the indemnification of the Trustee and to certain other limitations, the holders of a majority in aggregate principal amount of the notes shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any power conferred on the Trustee.

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Satisfaction and Discharge

The Indenture shall cease to be of further effect with respect to the notes if at any time (a) Ally shall have delivered to the Trustee theretofore authenticated (other than any notes which shall have been destroyed, lost or stolen and which shall have been replaced or paid theretofore delivered to the Trustee for cancellation shall have become due and payable, or are by their terms to become due and payable for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption, and Ally shall deposit with the Trustee as trust funds the entire amount (other than moneys repaid by the Trustee or any paying agent to Ally) sufficient to pay at maturity the principal (and premium, if any) and interest due or to become due to the holders of the notes, and (b) Ally shall have delivered to the Trustee for cancellation, including principal (and premium, if any) and interest due or to become due to the holders of the notes for redemption, as the case may be, and if in either case Ally shall also pay or cause to be paid all other sums payable under the Indenture.

All such moneys deposited with the Trustee shall be held in trust and applied by it to the payment, either directly or through any paying agent (as its own paying agent), to the holders of the notes for the payment or redemption of which such moneys have been deposited with the Trustee, and to become due thereon for principal and interest (and premium, if any).

Further Issues

Ally may from time to time, without notice to or the consent of the registered holders of the notes, create and issue further notes or securities offered by this prospectus in all respects, or in all respects except for the payment of interest accruing prior to the issue date of such further notes, or the payment of interest following the issue date of such further notes. Such further notes may be consolidated and form a single series with the notes and have the same terms as to status, redemption or otherwise as the notes offered by this prospectus.

Concerning the Trustee

The Trustee will be designated by Ally as the initial paying agent, transfer agent and registrar to the notes. The Corporate Trust Office is located at 101 Barclay Street, Floor 8W, New York, N.Y. 10286, U.S.A., Attention: Corporate Trust Administration.

The Indenture provides that the Trustee, prior to the occurrence of an Event of Default and after the curing of all such Events of Default, shall undertake to perform such duties and only such duties as are specifically set forth in the Indenture. If any such Event of Default has occurred, the Trustee will use the same degree of care and skill in its exercise of the rights and powers vested in it by the Indenture as a prudent manager would use in the conduct of his own affairs. The Indenture also provides that the Trustee or any agent of Ally or the Trustee, in their capacity as such, may become the owner or pledgee of notes with the same rights it would have if it were not the Trustee provided, however, that all moneys deposited with the Trustee as trust funds, and all moneys received by the Trustee as paying agent shall, until used or applied as provided in the Indenture, be held in trust thereunder for the purposes for which they were received, and not from other funds except to the extent required by law.

Governing Law and Consent to Jurisdiction

The Indenture is and the notes will be governed by and will be construed in accordance with the laws of the State of New York.

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BOOK-ENTRY, DELIVERY AND FORM OF NOTES

Except as set forth below, notes will be issued in registered, global form without coupons in minimum denominations of \$2,000 and in any multiple thereof (the “Global Notes”). The Global Notes will be deposited upon issuance with the Trustee, as custodian for DTC, in New York, New York, in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described below.

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a participant in DTC. Beneficial interests in the Global Notes may not be exchanged for notes in certificated form except in the limited circumstances described below. “Book-Entry Notes for Certificated Notes.” Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will receive physical delivery of Certificated Notes (as defined below).

In addition, transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and the applicable rules (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

Initially, the Trustee will act as paying agent and registrar. The notes may be presented for registration of transfer and exchange at any time.

Certain Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a matter of information. The operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them from time to time. We urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the “Participants”) to facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts. Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to the system is available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant (collectively, the “Indirect Participants”).

Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or their Indirect Participants. Ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of DTC maintained by the Participants.

DTC has also advised us that, pursuant to procedures established by it, ownership of interests in the Global Notes will be shown on the records of DTC. Transfers of ownership interests in the Global Notes will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to the Indirect Participants).

Investors in the Global Notes may hold their interests therein directly through DTC, if they are Participants in such system, or indirectly through Indirect Participants who are Participants in such system. All interests in a Global Note may be subject to the procedures and requirements of DTC.

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The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability of a person having beneficial interests in a Global Note to pledge such interests to participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate.

Except as described below, owners of interests in the Global Notes will not have notes registered in their names, will not receive physical certificates, and will not be considered the registered owners or “holders” thereof under the indenture governing the notes.

Payments in respect of the principal of, premium, if any, and interest on a Global Note registered in the name of DTC or its nominee as the registered holder under the indenture governing the notes. Under the terms of the indenture governing the notes, we and the Trustee, whose names the notes, including the Global Notes, are registered as the owners thereof for the purpose of receiving such payments and interest thereon, and whatsoever. Consequently, none of us, the Trustee or any of our or the Trustee’s agents has or will have any responsibility or liability for or supervising or reviewing any of DTC’s records or any Participant’s or Indirect Participant’s records relating to the beneficial ownership interest in the Global Notes, or (ii) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants. DTC has advised us that its policy of any payment in respect of securities such as the notes (including principal and interest), is to credit the accounts of the relevant Participant on the payment date, in amounts proportionate to their respective holdings in the principal amount of beneficial interest in the relevant security unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Participants and the Indirect Participants in respect of notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants. Neither we nor the Trustee will be liable for any delay by DTC or any of its Participants in identifying the beneficial owners of notes, and we and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Except for trades involving only Euroclear and Clearstream participants, interests in the Global Notes are expected to be eligible for trading in the Settlement System, and secondary market trading activity in such interests will, therefore, settle in immediately available funds, subject to the procedures of DTC and its Participants. See “—Same-Day Settlement and Payment.” Transfers between Participants in DTC will be effected in accordance with the procedures, and will be settled in same-day funds, and transfers between participants in Euroclear or Clearstream will be effected in accordance with their respective rules and operating procedures.

Crossmarket transfers between the Participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected in accordance with DTC’s rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depository; however, such transfers may require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the established deadlines of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, require its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Note to the depository in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream participants may deliver interests directly to the depositories for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a holder of notes only at the direction of one or more Participants who have credited the interests in the Global Notes and

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only in respect of such portion of the aggregate principal amount of the notes as to which such Participant or Participants has or have given notice of an Event of Default under the notes, DTC reserves the right to exchange the Global Notes for notes in certificated form and to distribute

Neither we nor the Trustee nor any of our or their respective agents will have any responsibility for the performance by DTC or its agents of the obligations of the Participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Book-Entry Notes for Certificated Notes

A Global Note is exchangeable for definitive notes in registered certificated form (“Certificated Notes”) if (i) DTC notifies us that it will continue as depository for the Global Notes and we thereupon fail to appoint a successor depository within 90 days or (ii) we at any time fail to continue as depository for the Global Notes. In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon request given to the Trustee by or on behalf of DTC in accordance with the indenture governing the notes, and in accordance with the certification procedures set forth in the indenture governing the notes. In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests therein will be issued in any approved denominations, requested by or on behalf of DTC (in accordance with its customary procedures).

Same-Day Settlement and Payment

Payments in respect of the notes represented by the Global Notes (including principal, premium, if any, and interest) will be made from immediately available funds to the accounts specified by the Global Note holder. With respect to notes in certificated form, we will make all payments of interest by wire transfer of immediately available funds to the accounts specified by the holders thereof or, if no such account is specified, to the Global Note holder’s registered address. The notes represented by the Global Notes are expected to trade in DTC’s Same-Day Funds Settlement System. The market trading activity in such notes will, therefore, be required by DTC to be settled in immediately available funds. We expect that secondary market trading activity in such notes will, therefore, be required by DTC to be settled in immediately available funds. We expect that secondary market trading activity in such Notes will also be settled in immediately available funds.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement cycle (the next business day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised us that cash received from the result of sales of interests in a Global Note by or through a Euroclear or Clearstream participant to a Participant in DTC will be received by the Participant in DTC, but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream.

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VALIDITY OF SECURITIES

The validity of the securities in respect of which this prospectus is being delivered will be passed on for us by Davis Polk & Ward

EXPERTS

The consolidated financial statements of Ally, as of December 31, 2009 and 2008, and for each of the three years in the period ended December 31, 2007, incorporated in this prospectus by reference from the Company's Current Report on Form 8-K, filed on October 13, 2010, and the effectiveness of the Company's internal control over financial reporting, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in the report of Deloitte & Touche LLP herein by reference from the aforementioned Form 8-K and the Company's Annual Report on Form 10-K for the year ended December 31, 2009. The consolidated financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in the field.

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The logo for Ally Bank, featuring the word "ally" in a bold, lowercase, sans-serif font. The letter 'a' is stylized with a white dot.

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