

Ally Financial Inc.
Form S-3ASR
August 10, 2015
Table of Contents

As filed with the Securities and Exchange Commission on August 10, 2015

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

ALLY FINANCIAL INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

38-0572512
(I.R.S. Employer
Identification Number)

200 Renaissance Center
P.O. Box 200
Detroit, Michigan 48265-2000

(866) 710-4623

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

David J. DeBrunner

200 Renaissance Center

Detroit, Michigan 48265-2000

(866) 710-4623

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copy to:

Jeffrey Belisle, Esq.

200 Renaissance Center

Detroit, Michigan 48265-2000

(866) 710-4623

Richard A. Drucker, Esq.

Davis Polk & Wardwell LLP

450 Lexington Avenue

New York, New York 10017

(212) 450-4000

Approximate date of commencement of proposed sale to the public: As soon as practicable on or after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

Edgar Filing: Ally Financial Inc. - Form S-3ASR

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Ally Financial Term Notes Due from Nine Months to Thirty Years from Date of Issue	(1)	(1)	(1)	(1)

(1) An indeterminate amount of securities to be offered at indeterminate prices is being registered pursuant to this registration statement. The registrant is deferring payment of the registration fee pursuant to Rule 456(b) and is omitting this information in reliance on Rule 456(b) and Rule 457(r).

Table of Contents

PROSPECTUS

\$3,000,000,000*

Ally Financial Inc.

Ally Financial Term Notes

Due from 9 Months to 30 Years from Date of Issue

Ally Financial Inc. may offer to sell its notes (Ally Financial Term Notes) from time to time. While Ally initially is targeting an aggregate principal amount of \$3,000,000,000 of issuances of Ally Financial Term Notes, Ally has registered an indeterminate amount of Ally Financial Term Notes and may issue a greater aggregate principal amount of Ally Financial Term Notes. The specific terms of each Ally Financial Term Note will be set prior to the time of sale and described in a pricing supplement to this prospectus. You should read this prospectus, including the documents incorporated by reference herein, and the applicable pricing supplement carefully before you invest.

The Ally Financial Term Notes will mature from 9 months to 30 years from date of issue, as specified in the applicable pricing supplement.

The Ally Financial Term Notes may be subject to redemption or repayment at our option or the option of the holder, as specified in the applicable pricing supplement.

The Ally Financial Term Notes will bear interest at either a fixed or floating rate, as specified in the applicable pricing supplement. The floating interest rate formula may be based on the Treasury Rate, the Prime Rate, or LIBOR.

Interest on fixed rate Ally Financial Term Notes will be paid monthly, quarterly, semi-annually or annually or as otherwise specified in the applicable pricing supplement. Interest on floating rate Ally Financial Term Notes will be paid on dates specified in the applicable pricing supplement.

Unless otherwise specified in the applicable pricing supplement, the Ally Financial Term Notes will have minimum denominations of \$1,000 increased in integral multiples of \$1,000.

Investing in the Ally Financial Term Notes offered by this prospectus involves risks. See Risk Factors beginning on page 6 of this prospectus and contained in our periodic reports filed with the Securities and Exchange

Commission, as well as the other information contained or incorporated by reference in this prospectus.

The Ally Financial Term Notes will be offered through selling agents (the Agents) on a delayed or continuous basis. The Agents have agreed to use their reasonable efforts to solicit purchases of the Ally Financial Term Notes. Unless otherwise specified in an applicable pricing supplement, the Ally Financial Term Notes will not be listed on any securities exchange, listing authority or quotation system, and there can be no assurance that the Ally Financial Term Notes offered will be sold or that there will be a secondary market for the Ally Financial Term Notes.

The Agents have advised us that they intend to make a market in the Ally Financial Term Notes, but the Agents are not obligated to do so, and any market-making with respect to the Ally Financial Term Notes may be discontinued without notice at any time. No termination date for the offering of the Ally Financial Term Notes has been established.

	Per Ally Financial Term Note		Total	
Price to public	100.000%, unless otherwise specified in an applicable Pricing Supplement		\$3,000,000,000*	
Agents' discounts and concessions	0.400%	4.000%	\$12,000,000	\$120,000,000*
Proceeds, before expenses, to Ally	96.000%	99.600%	\$2,880,000,000	\$2,988,000,000*

The Ally Financial Term Notes will not be savings accounts, deposits or other obligations of any bank and will not be insured or guaranteed 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 determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Incapital LLC

Citigroup

J.P. Morgan

Morgan Stanley

RBC Capital Markets

The date of this prospectus is August 10, 2015.

Table of Contents

TABLE OF CONTENTS

	Page
<u>About This Prospectus</u>	1
<u>Cautionary Statement Regarding Forward-Looking Statements</u>	2
<u>Summary</u>	3
<u>Risk Factors</u>	6
<u>Description of Ally Financial Inc.</u>	11
<u>Principal Executive Offices</u>	11
<u>Ratio of Earnings to Fixed Charges</u>	12
<u>Use of Proceeds</u>	13
<u>Description of Ally Financial Term Notes</u>	14
<u>U.S. Federal Income Tax Consequences</u>	36
<u>Plan of Distribution</u>	40
<u>Information Incorporated by Reference: Where You Can Find More Information</u>	42
<u>Legal Opinions</u>	43
<u>Experts</u>	43

Unless the context indicates otherwise, references in this prospectus to the Company, Ally, we, us and our refer Ally Financial Inc.

AGENTS AND DEALERS PARTICIPATING IN THE OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE ALLY FINANCIAL TERM NOTES OFFERED IN THIS PROSPECTUS, INCLUDING STABILIZING TRANSACTIONS, SHORT-COVERING TRANSACTIONS AND PENALTY BIDS. THESE TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

* The \$3,000,000,000 aggregate principal amount listed on the cover of this prospectus is only an indicative amount. Ally has registered an indeterminate amount of securities pursuant to a shelf registration statement and issuances pursuant to this shelf registration statement may, in the aggregate, exceed \$3,000,000,000. If Ally issues in excess of \$3,000,000,000, references to, and calculations based upon, this amount will be adjusted accordingly although such references and calculations will not be updated through a post-effective amendment of Ally's shelf registration statement of which this prospectus forms a part.

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (the SEC) utilizing a shelf registration process. Under this shelf process, we may from time to time sell the Ally Financial Term Notes described in this prospectus in one or more offerings. This prospectus provides you with a general description of the Ally Financial Term Notes we may offer. Each time we sell Ally Financial Term Notes, we will provide a pricing supplement that will contain specific information about the terms of that offering. The pricing supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any pricing supplement together with additional information described under the heading Information Incorporated By Reference; Where You Can Find More Information.

Neither we nor the Agents have authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus or in any pricing supplement 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, any other information that others may give you. We are not, and the Agents are not, making an offer of these securities or soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus or any pricing supplement is accurate as of any date other than their respective dates.

The distribution of this prospectus and any pricing supplement and the offering of the Ally Financial Term Notes in certain jurisdictions may be restricted by law. Persons into whose possession this prospectus or any pricing supplement comes should inform themselves about and observe such restrictions. This prospectus and any pricing supplement do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation 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 unlawful to make such offer or solicitation.

The information in this prospectus is directed to you if you are a resident of the United States. We do not claim any responsibility to advise you if you are a resident of a country other than the United States with respect to any matters that may affect the purchase, sale, holding or receipt of payments of principal of, premium, if any, and interest, if any, on, the Ally Financial Term Notes. If you are not a resident of the United States, you should consult your own legal, tax and financial advisors with regard to these matters.

Table of Contents

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains or incorporates by reference documents containing various forward-looking statements within the meaning of applicable federal securities laws, including the Private Securities Litigation Reform Act of 1995, that are based upon our current expectations and assumptions concerning 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, intend, evaluate, pursue, seek, may, would, could, should, believe, potential, continue, or the words or similar expressions is intended to identify forward-looking statements. All statements contained in or incorporated by reference into this prospectus, other than statements of historical fact, 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 reasonable, these statements 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 this prospectus under the heading Risk Factors and in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, 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; Where You Can Find More Information. Many of these risks, uncertainties and assumptions are beyond our control, and may cause our actual results and performance to differ materially from our expectations. Accordingly, you should not place undue reliance on the forward-looking statements contained or incorporated by reference in this prospectus. Such forward-looking statements speak only as of the date on which the statements were made. We undertake no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events or other such factors that affect the subject of these statements, except where expressly required by law.

Table of Contents**SUMMARY**

This summary describes some of the principal terms of the Ally Financial Term Notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Ally Financial Term Notes section of this prospectus contains more detailed descriptions of the terms and conditions of the Ally Financial Term Notes. You should carefully read this prospectus in its entirety, including the information incorporated by reference into this prospectus, to understand fully the terms of the Ally Financial Term Notes, as well as the other considerations that are important in making your investment decision. You should pay special attention to the Risk Factors beginning on page 6 and the section entitled Cautionary Statement Regarding Forward-Looking Statements on page 2.

Final terms of any particular series of Ally Financial Term Notes will be determined at the time of sale and will be contained in the pricing supplement relating to that series of Ally Financial Term Notes. The terms in that pricing supplement may vary from and supersede the terms contained in this summary and in the Description of Ally Financial Term Notes.

Issuer	Ally Financial Inc.
Purchasing Agent	Incapital LLC
Title	Ally Financial Term Notes
Amount	Initially, up to \$3,000,000,000 aggregate principal amount of Ally Financial Term Notes under this prospectus. While Ally initially is targeting an aggregate principal amount of \$3,000,000,000 of issuances of Ally Financial Term Notes, Ally has registered an indeterminate amount of Ally Financial Term Notes and may issue a greater aggregate principal amount of Ally Financial Term Notes. Additional Ally Financial Term Notes may be issued in the future without the consent of the holders of Ally Financial Term Notes. The Ally Financial Term Notes will not contain any limitations on our ability to issue additional indebtedness in the form of Ally Financial Term Notes or otherwise.
Denomination	Unless otherwise specified in the applicable pricing supplement, the authorized minimum denominations of Ally Financial Term Notes will be \$1,000 increased in integral multiples of \$1,000.
Ranking	The Ally Financial Term Notes are unsecured and unsubordinated obligations of Ally Financial Inc. and will rank equally and ratably with all other unsecured and unsubordinated indebtedness of Ally Financial Inc. from time to time outstanding (other than obligations preferred by

mandatory provision of law).

Maturity

The Ally Financial Term Notes will mature from nine months to thirty years from the date of issue, as specified in the applicable pricing supplement.

Interest Rate

As more fully specified in the applicable pricing supplement, Ally Financial Term Notes will bear interest from the date on which such Ally Financial Term Notes are issued at a fixed or floating interest rate. Ally may issue a series of Fixed Rate Ally Financial Term Notes with a fixed interest rate of zero at an Issue Price representing a

Table of Contents

substantial discount from the principal amount payable upon the Maturity Date (a Zero-Coupon Ally Financial Term Note).

Interest Payment Date

Unless otherwise specified in the applicable pricing supplement, interest on each Fixed Rate Ally Financial Term Note (other than a Zero-Coupon Ally Financial Term Note) will be calculated on the basis of a 360-day year of twelve 30-day months, payable either monthly, quarterly, semi-annually or annually on each Interest Payment Date and on the Maturity Date. Interest on each Floating Rate Ally Financial Term Note will be calculated and payable as set forth in the applicable pricing supplement. If applicable, interest will also be paid on the date of redemption or repayment if an Ally Financial Term Note is redeemed or repurchased in accordance with its terms prior to its stated maturity.

Principal

Unless otherwise provided in the applicable pricing supplement, the principal amount of the Ally Financial Term Notes will be payable on the Maturity Date of such Ally Financial Term Notes at the Corporate Trust Office of the Trustee or at such other place as we may designate.

Redemption

Unless otherwise specified in the applicable pricing supplement, we will not be permitted to redeem an Ally Financial Term Note and the holder will not be able to require us to repay the Ally Financial Term Note prior to its Maturity Date.

Sinking Fund

Unless otherwise specified in the applicable pricing supplement, the Ally Financial Term Notes will not be subject to any sinking fund.

Form of Ally Financial Term Notes, Sale and Clearance

Unless otherwise specified in the applicable pricing supplement or as required by the indenture, Ally Financial Term Notes will be issued in book-entry form only and will be represented by one or more global Ally Financial Term Notes in fully registered form, without coupons. We currently do not intend to issue Ally Financial Term Notes in certificated form.

The Ally Financial Term Notes will clear through The Depository Trust Company, or any successor thereto. Global Ally Financial Term Notes will be exchangeable for definitive Ally Financial Term Notes only in limited circumstances. See Description of Ally Financial Term Notes Book-Entry; Delivery and Form.

We will sell Ally Financial Term Notes in the United States only.

Survivor's Option

The applicable pricing supplement will indicate whether the holder of an Ally Financial Term Note will have the right to require us to repay an Ally Financial Term Note prior to its Maturity Date upon the death of the beneficial owner of such Ally Financial Term Note. This feature, which is referred to as a Survivor's Option, permits the optional repayment of an Ally Financial Term Note prior to its stated maturity, if requested by the authorized representative of the

Table of Contents

beneficial owner of such Ally Financial Term Note within one year of the death of the beneficial owner of the Ally Financial Term Note, so long as the Ally Financial Term Note was owned by the beneficial owner at least six months prior to his or her death. Your Ally Financial Term Notes will not be repaid in this manner unless the pricing supplement for your Ally Financial Term Notes specifically provides for the Survivor's Option. The right to exercise the Survivor's Option is subject to limits set by us on (1) the permitted dollar amount of total exercises by all holders of Ally Financial Term Notes in any calendar year, and (2) the permitted dollar amount of an individual exercise by a holder of Ally Financial Term Notes in any calendar year. Additional details on the Survivor's Option are described in the section entitled "Description of Ally Financial Term Notes - Repayment upon Death - The Survivor's Option" on page 27.

Trustee

The Bank of New York Mellon, 101 Barclay Street, 7E, New York, New York 10286, under an Indenture dated as of September 24, 1996, as amended and supplemented from time to time.

Agents

Incapital LLC

Citigroup Global Markets Inc.

J.P. Morgan Securities LLC

Morgan Stanley & Co. LLC

RBC Capital Markets, LLC

Selling Group Members

The Agents and dealers composing the selling group are broker-dealers and securities firms. The Agents, including the Purchasing Agent, have entered into a Selling Agent Agreement with us dated August 10, 2015. Broker-dealers and/or securities firms who are members of the selling group have executed a Master Selected Dealer Agreement with the Purchasing Agent. The Agents and the dealers have agreed to market and sell the Ally Financial Term Notes in accordance with the terms of those respective agreements and all applicable laws and regulations. You may contact the Purchasing Agent at info@incapital.com for a list of selling group members.

Table of Contents

RISK FACTORS

*Your investment in Ally Financial Term Notes involves risks. In consultation with your own financial, tax and legal advisors, you should be aware of, and carefully consider, the following risk factors, along with all of the risks and other information 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 for the year ended December 31, 2014 (which may be amended or supplemented in subsequent reports on Form 10-K, Form 10-Q or Form 8-K), before deciding whether to participate in any offering of Ally Financial Term Notes. We believe the most significant of the risks and uncertainties that are specific to the Ally Financial Term Notes are described below. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any of those risks actually occurs, our business, financial condition and results of operations would suffer. The risks discussed below also include forward-looking statements and our actual results may differ substantially from those discussed in these forward-looking statements. See *Cautionary Statement Regarding Forward-Looking Statements* on page 2 of this prospectus.*

Risks Related to the Ally Financial Term Notes

Our substantial level of indebtedness could materially adversely affect our ability to generate sufficient cash to fulfill our obligations under the Ally Financial Term Notes, 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. As of June 30, 2015, we had approximately \$77.0 billion in principal amount of indebtedness outstanding. Our existing and future secured indebtedness will rank effectively senior to the Ally Financial Term Notes offered hereby 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 risks related to our high level of indebtedness could be increased.

Our substantial level of indebtedness could have important consequences to holders of the Ally Financial Term Notes, including the following:

making it more difficult for us to satisfy our obligations with respect to our indebtedness, including the Ally Financial Term Notes;

requiring us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing funds available for other purposes;

increasing our vulnerability to adverse economic and industry conditions, which could place us at a competitive disadvantage compared 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; and

limiting our ability to borrow additional funds, or to dispose of assets to raise funds, if needed, for working capital, capital expenditures, acquisitions, 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 other debt agreements. A significant 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 funds to make these accelerated payments. If any of our indebtedness is accelerated, our assets may not be sufficient to repay in full such indebtedness and our other indebtedness.

Table of Contents

We may not be able to generate sufficient cash to service all of our indebtedness, including the Ally Financial Term 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 or to fund capital expenditures will depend on our future operating performance. Prevailing economic conditions (including interest rates), regulatory constraints, including, among other things, on distributions to us from our subsidiaries and required capital levels with respect to certain of our banking and insurance subsidiaries, and financial, business and other factors, many of 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 operations, or obtain future borrowings in an amount sufficient to enable us to pay our indebtedness, or to fund our other liquidity needs. We may need to refinance all or a portion of our indebtedness 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 are not guarantors of the Ally Financial Term Notes and will not be restricted under the indenture for the Ally Financial Term Notes. Your right to receive payments on the Ally Financial Term Notes are effectively subordinated to the indebtedness and other liabilities of our subsidiaries.

Our subsidiaries will not guarantee the Ally Financial Term Notes and will not be restricted under the indenture for the Ally Financial Term Notes. Accordingly, in the event of a bankruptcy or insolvency, the claims of creditors of our subsidiaries would rank effectively senior to the Ally Financial Term Notes, to the extent of the assets of those subsidiaries. None of our subsidiaries, or any of their respective subsidiaries, has any obligation to pay any amounts due on the Ally Financial Term 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 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 Ally Financial Term Notes and the indenture will permit us to sell our interests in (through merger, consolidation or otherwise) the 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 Ally Financial Term 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 financing or other agreements. As a result, we may not be able to access their cash flows to service our debt obligations, including obligations in respect of the Ally Financial Term Notes.

The Ally Financial Term Notes will be effectively subordinated to our existing and future secured indebtedness which is secured by a lien on certain of our assets.

As of June 30, 2015, we had approximately \$52.8 billion in aggregate principal amount of secured indebtedness outstanding. The Ally Financial Term Notes will not be secured by any of our assets. As a result, our existing and future secured indebtedness will rank effectively senior to the indebtedness represented by the Ally Financial Term Notes, to the extent of the value of the assets securing such indebtedness. In the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation or reorganization, or other bankruptcy proceeding, our 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 Ally Financial Term Notes. The existing and future liabilities of our subsidiaries will be structurally senior to the indebtedness represented by the Ally Financial Term 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 all of the funds borrowed thereunder, together with accrued interest, immediately due and payable. If we

are unable to repay such indebtedness, the holders of such indebtedness could foreclose on the pledged assets to the exclusion of the holders of the Ally Financial Term Notes, even if an event of default exists

Table of Contents

under the indenture governing the Ally Financial Term Notes at such time. In any such event, because the Ally Financial Term Notes will not be secured by any of our assets, it is possible that there would be no assets remaining from which your claims could be satisfied or, if any assets remained, they might be insufficient to satisfy your claims in full.

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

In a bankruptcy proceeding, a trustee, debtor in possession, or someone else acting on behalf of the bankruptcy estate may seek to recover transfers made or 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 when the debtor was insolvent, inadequately capitalized or in similar financial distress or that rendered the debtor insolvent, inadequately capitalized or unable to pay its debts as they become due, or transfers made or obligations incurred with the intent of hindering, delaying or defrauding current or future creditors. A trustee or such other parties may recover such transfers and avoid such obligations made within two years prior to the commencement of a bankruptcy proceeding. Furthermore, under certain circumstances, creditors may generally recover transfers or void obligations outside of bankruptcy under applicable fraudulent transfer laws, within the applicable limitation period, which are 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 issued the Ally Financial Term Notes under circumstances constituting a fraudulent conveyance, the court could void all or a portion of the obligations under the Ally Financial Term Notes. In addition, under such circumstances, the value of any consideration holders received with respect to the Ally Financial Term Notes could also be subject to recovery from such holders and possibly from subsequent transferees.

Therefore, an Ally Financial Term Note could be voided, or claims in respect of an Ally Financial Term Note could be subordinated to all other debts of Ally, if Ally at the time it incurred the indebtedness evidenced by the Ally Financial Term Notes received less than reasonably equivalent value or fair consideration for the issuance of the Ally Financial Term 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 to determine whether 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 existing debts, including 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 a court determined that Ally was insolvent after giving effect to the issuance of the Ally Financial Term Notes, it could void the Ally Financial Term Notes, or potentially impose other forms of damages.

Table of Contents

With respect to certain actions under the indenture governing the Ally Financial Term Notes, holders of all series of Ally Financial Term Notes issued under the indenture that are adversely affected by such actions will vote together as a single class; therefore the voting interest of a holder of an Ally Financial Term Note of a particular series will be diluted with respect to such actions.

For purposes of the indenture governing the Ally Financial Term Notes, all Ally Financial Term Notes issued thereunder will generally constitute a single class of debt securities. Therefore, any action under the indenture governing the Ally Financial Term Notes other than those actions affecting only a particular series of Ally Financial Term Notes will require the consent of the holders of not less than $66\frac{2}{3}\%$ in aggregate principal amount of Ally Financial Term Notes of all series issued thereunder that are affected thereby. See Description of Ally Financial Term Notes Modification of the Indenture. Consequently, any action requiring the consent of holders of any series of Ally Financial Term Notes under the indenture may also require the consent of holders of a significant portion of the other series of Ally Financial Term Notes issued thereunder, and the individual voting interest of each holder of Ally Financial Term Notes may be accordingly diluted with respect to such actions. In addition, holders of all series of Ally Financial Term Notes could vote in favor of certain actions under the indenture that holders of a particular series of the Ally Financial Term Notes vote against, and the requisite consent to such action could be received nonetheless. We also may, from time to time, issue additional Ally Financial Term Notes under the indenture governing the Ally Financial Term Notes which could further dilute the individual voting interest of each holder of Ally Financial Term Notes with respect to such actions.

We cannot assure you that a market will develop or be maintained for the Ally Financial Term Notes or what the market price will be.

We cannot assure you that a trading market for the Ally Financial Term Notes will develop or be maintained. Many factors will affect the trading market, if any, of the Ally Financial Term Notes. These factors include:

the creditworthiness of Ally Financial Inc.;

the method of calculating the principal, premium and interest in respect of the Ally Financial Term Notes;

the time remaining to the maturity of the Ally Financial Term Notes;

the outstanding amount of the Ally Financial Term Notes and the amount of other outstanding indebtedness of Ally Financial Inc.;

the redemption features, if any, of the Ally Financial Term Notes;

the absence or inclusion of a Survivor's Option and the terms thereof; and

the level, direction and volatility of market interest rates generally.

Also, because we may design some Ally Financial Term Notes for specific investment objectives or strategies, such Ally Financial Term Notes will have a more limited trading market and experience more price volatility than other Ally Financial Term Notes. You should be aware that there may be few investors willing to buy Ally Financial Term Notes at any time that you might decide to sell your Ally Financial Term Notes. This limited market may affect the price you receive for your Ally Financial Term Notes or your ability to sell the Ally Financial Term Notes at all. You should not purchase Ally Financial Term Notes unless you understand, and are able to bear, the investment risks associated with the Ally Financial Term Notes.

Our ability to redeem the Ally Financial Term Notes at our option may adversely affect your return on the Ally Financial Term Notes.

If your Ally Financial Term Notes are redeemable at our option, we may choose to redeem the Ally Financial Term Notes at times when prevailing interest rates may be lower than the rate borne by the Ally Financial Term Notes. Accordingly, you will not be able to reinvest the redemption proceeds in a comparable security at an interest

Table of Contents

rate as high as that of the Ally Financial Term Notes being redeemed. If we have the right to redeem your Ally Financial Term Notes, you should consider the related reinvestment risk in light of other investments available to you at the time of your investment in the Ally Financial Term Notes.

If the pricing supplement applicable to a series of Ally Financial Term Notes provides that we have the right to redeem the Ally Financial Term Notes, our ability to redeem the Ally Financial Term Notes at our option is likely to affect the market value of the Ally Financial Term Notes. In particular, as the redemption date or dates approach, the market value of the Ally Financial Term Notes generally will not rise substantially above the redemption price because of the optional redemption feature.

If your Ally Financial Term Notes include the Survivor's Option, your ability to exercise this option will be subject to limitations.

If you hold Ally Financial Term Notes that include the Survivor's Option, the authorized representative of your estate will be able to exercise the Survivor's Option only if at the time of your death you had held the Ally Financial Term Notes for a period of at least six months prior to your death. A request to exercise the Survivor's Option must be made within one year of the death of the beneficial owner of the Ally Financial Term Notes. In addition, the right to exercise the Survivor's Option is subject to limits set by us on (1) the permitted dollar amount of total exercises of the Survivor's Option by all holders of Ally Financial Term Notes in any calendar year and (2) the permitted dollar amount of an individual exercise of the Survivor's Option by the holder of an Ally Financial Term Note in any calendar year.

The Ally Financial Term Notes are subject to laws of the State of New York that limit the amount of interest that can be charged and paid on such an investment. This could limit the amount of interest you may receive on the Ally Financial Term Notes.

The Ally Financial Term Notes will be governed by and construed in accordance with the laws of the State of New York. The State of New York has usury laws that limit the amount of interest that can be charged and paid on loans, which include debt securities like the Ally Financial Term Notes. Under present New York law, the maximum rate of interest, with certain exceptions, for any loan in an amount less than \$250,000 is 16% and for any loan equal to or greater than \$250,000 and less than \$2,500,000 is 25% per annum on a simple interest basis. This limit may not apply to Ally Financial Term Notes in which \$2,500,000 or more has been invested.

While we believe that New York law would be given effect by a state or federal court sitting outside of New York, many other states have laws that regulate the amount of interest that may be charged to and paid by a borrower (including, in some cases, corporate borrowers). It is suggested that prospective investors consult their personal advisors with respect to the applicability of such laws before investing in the Ally Financial Term Notes. We covenant for the benefit of the beneficial owners of the Ally Financial Term Notes, to the extent permitted by law, not to claim voluntarily the benefits of any laws concerning usurious rates of interest against a beneficial owner of the Ally Financial Term Notes.

Table of Contents

DESCRIPTION OF ALLY FINANCIAL INC.

Ally Financial Inc. is a leading, independent, diversified financial services firm with \$156.5 billion in assets as of June 30, 2015. Founded in 1919, we are a leading financial services company with more than 95 years of experience providing a broad array of financial products and services, primarily to automotive dealers and retail customers. We operate as a financial holding company and a bank holding company. Our banking subsidiary, Ally Bank, is an indirect, wholly-owned subsidiary of Ally Financial Inc. and a leading franchise in the growing direct (internet, telephone, mobile, and mail) banking market, with total assets of \$106.7 billion and deposits of \$61.7 billion as of June 30, 2015.

PRINCIPAL EXECUTIVE OFFICES

Our principal executive offices are located at 200 Renaissance Center, Detroit, Michigan 48265, and our telephone number is 866-710-4623.

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES**

Our consolidated ratios of earnings to fixed charges were as follows for the periods presented:

	Six months ended June 30, 2015(a)	2014(a)	Year ended December 31,			
			2013(a)	2012(a)	2011(a)	2010(a)
Ratio of earnings to fixed charges(b)	1.41	1.43	1.10	1.13	0.96	0.95

- (a) During 2013 and 2012, certain disposal groups met the criteria to be presented as discontinued operations. For all periods presented, the operating results for these operations have been removed from continuing operations. We report these businesses separately as discontinued operations in the Condensed Consolidated Financial Statements. Refer to Note 2 to the Condensed Consolidated Financial Statements for further discussion of our discontinued operations. All reported periods of the calculation of the ratio of earnings to fixed charges exclude discontinued operations.
- (b) The ratio indicates a less than one-to-one coverage for the years ended December 31, 2011 and 2010. Earnings available for fixed charges for the years ended December 31, 2011 and 2010 were inadequate to cover fixed charges. The deficient amounts for the ratio were \$183 million and \$244 million for the years ended December 31, 2011 and 2010, respectively.

Table of Contents

USE OF PROCEEDS

We will add the proceeds from the sale of the Ally Financial Term Notes to the general funds of Ally and they will be available for general corporate purposes, which may include the purchase of receivables, the making of loans, the repayment or repurchase of existing indebtedness, the reduction of short-term borrowings or for investment in short-term securities.

Table of Contents

DESCRIPTION OF ALLY FINANCIAL TERM NOTES

The general terms and conditions in this prospectus will apply to each Ally Financial Term Note unless otherwise specified in the applicable pricing supplement and in the Ally Financial Term Note. In the event the terms and conditions in this prospectus conflict with the terms and conditions in the applicable pricing supplement, the terms and conditions of the pricing supplement shall control. It is important for you to consider the information contained in this prospectus and the pricing supplement in making your investment decision.

The statements in this prospectus concerning the Ally Financial Term Notes and the Indenture are a summary of certain provisions of the Indenture and the Ally Financial Term Notes. Other statements in this prospectus concerning the Ally Financial Term Notes, such as the description of the Floating Rate Ally Financial Term Notes, will be established pursuant to a supplemental indenture or set forth in a resolution of our board of directors, as permitted by the Indenture. Such summaries are not complete and you should refer to the provisions in the Indenture, the applicable supplemental indenture or board resolution, and the applicable Ally Financial Term Notes, including the definitions of certain terms therein, which are controlling. The Indenture, the applicable supplemental indenture or board resolution, and the applicable Ally Financial Term Note are each incorporated by reference in this prospectus and the following summary is qualified in its entirety by reference thereto.

General Terms of the Ally Financial Term Notes

Currency

References in this prospectus to U.S. dollars and \$ are to the currency of the United States of America.

Amount

The Ally Financial Term Notes initially will be limited to \$3,000,000,000 aggregate initial offering price, on terms to be determined at the time of sale. While Ally initially is targeting an aggregate principal amount of \$3,000,000,000 of issuances of Ally Financial Term Notes, Ally has registered an indeterminate amount of Ally Financial Term Notes and may issue a greater aggregate principal amount of Ally Financial Term Notes.

Indenture

We will issue the Ally Financial Term Notes under an Indenture dated as of September 24, 1996, as amended by a First Supplemental Indenture dated as of January 1, 1998, a Second Supplemental Indenture dated as of June 30, 2006, and a Third Supplemental Indenture dated as of August 24, 2012 (together, the Indenture) between us and The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.), as Trustee.

The Indenture does not limit the amount of additional unsecured indebtedness ranking equally and ratably with the Ally Financial Term Notes that we may incur, and we may, from time to time, and without the consent of the holders of the Ally Financial Term Notes, issue additional debt securities, including Ally Financial Term Notes. As permitted by the Indenture, the terms of each series of Ally Financial Term Notes will be established pursuant to a supplemental indenture or in or pursuant to a resolution of our board of directors. We will issue Series A Ally Financial Term Notes in multiple tranches under the Indenture, as supplemented by a Fourth Supplemental Indenture dated as of August 24, 2012 between us and the Trustee, which establishes such Series A.

Ranking

The Ally Financial Term Notes will constitute our unsecured and unsubordinated indebtedness and will rank equally and ratably with all of our other unsecured and unsubordinated indebtedness from time to time outstanding (other than obligations preferred by mandatory provisions of law).

Maturity

The Ally Financial Term Notes will mature on the Maturity Date (as defined herein), which may be any day nine months to thirty years from the Issue Date (as defined below), as specified in the applicable pricing

Table of Contents

supplement. The principal amount of the Ally Financial Term Notes will be payable on the Maturity Date at the Corporate Trust Office of The Bank of New York Mellon, 101 Barclay Street, 7E, New York, New York 10286, or at such other place as we may designate. If the Maturity Date of a Note is not a Business Day, the payment due on such day shall be made on the next succeeding Business Day and no interest shall accrue on such payment for the period from and after such Maturity Date.

Interest

Each Ally Financial Term Note will bear interest from the Issue Date at either:

a fixed rate (Fixed Rate Ally Financial Term Notes) set forth in the applicable pricing supplement, which fixed rate may be zero in the case of an Ally Financial Term Note issued at an Issue Price (as defined below) representing a substantial discount from the principal amount payable upon the Maturity Date (a Zero-Coupon Ally Financial Term Note); or

a floating rate or rates determined by reference to one or more Base Rates (as defined below) set forth in the applicable pricing supplement, which floating rate or rates may be adjusted by a Spread and/or Spread Multiplier (each as defined below) (Floating Rate Ally Financial Term Notes).

Denominations

Unless otherwise specified in the applicable pricing supplement, the authorized minimum denominations of the Ally Financial Term Notes will be \$1,000 and integral multiples of \$1,000 above that amount.

Pricing Supplement

Unless otherwise specified in the applicable pricing supplement:

the Ally Financial Term Notes may not be redeemed by us, or repaid at your option, prior to their Maturity Date. See Description of Ally Financial Term Notes Redemption and Repayment;

the Ally Financial Term Notes will not be subject to any sinking fund; and

the amount of any Discount Ally Financial Term Note (as such term is defined in Description of Ally Financial Term Notes Interest and Payments of Principal and Interest Discount Ally Financial Term Notes), including Zero-Coupon Ally Financial Term Notes, payable upon redemption by us, repayment at your option or acceleration of Maturity (as such term is defined in Description of Ally Financial Term Notes Glossary), if applicable for such Discount Ally Financial Term Note, in lieu of the stated principal amount due at the Maturity Date, will be the Amortized Face Amount (as defined below) of such Discount Ally Financial Term Note as of the date of such redemption, repayment or acceleration, as the case may be.

The pricing supplement relating to each Ally Financial Term Note or Ally Financial Term Notes will generally describe the following terms:

whether the Ally Financial Term Note is a Fixed Rate Ally Financial Term Note, a Floating Rate Ally Financial Term Note, a Zero-Coupon Ally Financial Term Note or other Discount Ally Financial Term Note;

the price at which the Ally Financial Term Note will be issued to the public (the Issue Price);

the date on which the Ally Financial Term Note will be issued to the public (the Issue Date);

the Maturity Date of the Ally Financial Term Note;

if the Ally Financial Term Note is a Fixed Rate Ally Financial Term Note, the rate per annum at which the Ally Financial Term Note will bear interest, if any (the Interest Rate);

Table of Contents

if the Ally Financial Term Note is a Floating Rate Ally Financial Term Note, the Base Rate or Rates, the Initial Interest Rate or formula for determining the Initial Interest Rate, the Interest Reset Period, the Interest Reset Dates, the Interest Payment Period, the Interest Payment Dates, the Index Maturity, the Maximum Interest Rate and the Minimum Interest Rate, if any, and the Spread and/or Spread Multiplier, if any (all as defined herein), and any other terms relating to the method of calculating the Interest Rate for the Ally Financial Term Note;

whether the Ally Financial Term Note may be redeemed at our option, or repaid at your option, prior to its Maturity Date, and if so, the provisions relating to any such redemption or repayment;

whether the authorized representative of the holder of a beneficial interest in the Ally Financial Term Note will have the right to repayment upon the death of the holder as described under Description of Ally Financial Term Notes Repayment upon Death The Survivor's Option ;

the provisions, if any, for the defeasance of the Ally Financial Term Notes of the series;

special U.S. federal income tax consequences of the purchase, ownership and disposition of the Ally Financial Term Notes, if any; and

any other significant terms of the Ally Financial Term Notes not inconsistent with the provisions of the Indenture.

Glossary

You should refer to the Indenture and the form of Ally Financial Term Notes filed as exhibits to the registration statement to which this prospectus relates or to the applicable supplemental indenture or board resolution and the form of the applicable Ally Financial Term Notes when available for the full definition of certain terms applicable to a particular series of Ally Financial Term Notes. We have set forth below a number of definitions of terms used in this prospectus with respect to the Ally Financial Term Notes.

The Amortized Face Amount of a Discount Ally Financial Term Note is the amount equal to:

the Issue Price of a Discount Ally Financial Term Note set forth in the applicable pricing supplement, plus

the portion of the difference between the Issue Price and the principal amount of the Discount Ally Financial Term Note that has accrued at the yield to maturity set forth in the pricing supplement (computed in accordance with generally accepted United States bond yield computation principles) at the date the Amortized Face Amount is calculated, but in no event will the Amortized Face Amount of the Discount Ally Financial Term Note exceed its stated principal amount. See also U.S. Federal Income Tax Consequences OID.

Business Day with respect to any Ally Financial Term Note means, unless otherwise specified in the applicable pricing supplement, any day, other than a Saturday or Sunday, that is:

not a day on which banking institutions are authorized or required by law, regulation or executive order to be closed in The City of New York; or

in the case of a London InterBank Offer Rate Ally Financial Term Note (LIBOR Ally Financial Term Notes), a London Banking Day.

Interest Payment Date with respect to any Ally Financial Term Note means the stated maturity of an installment of interest on such Note.

London Banking Day means any day on which dealings in deposits in the Index Currency are transacted in the London interbank market.

Table of Contents

Maturity means the date on which the principal of an Ally Financial Term Note or an installment of principal becomes due and payable in full in accordance with its terms and the terms of the Indenture, whether at its Maturity Date (as defined below) or by declaration of acceleration, call for redemption at our option, repayment at your option, or otherwise.

Maturity Date with respect to any Ally Financial Term Note means the stated maturity of such Ally Financial Term Note, as specified on such Ally Financial Term Note.

Regular Record Date with respect to:

any Interest Payment Date for Fixed Rate Ally Financial Term Notes means, unless otherwise specified in the applicable pricing supplement, the first day of the calendar month in which such Interest Payment Date occurs, except that the Regular Record Date with respect to the final Interest Payment Date is the final Interest Payment Date; and

any Interest Payment Date for Ally Financial Term Notes other than Fixed Rate Ally Financial Term Notes means, unless otherwise specified in the appl