

Ally Financial Inc.
Form 424B2
July 17, 2013
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Filed Pursuant to Rule 424(b)(2)

Registration No. 333-171519

Calculation of Registration Fee

Title of Each Class of Securities to be Registered	Maximum Aggregate Offering Price	Amount of Registration Fee(1)
Floating Rate Senior Guaranteed Notes due 2016	\$375,000,000	\$51,150
Guarantee of Floating Rate Senior Guaranteed Notes due 2016		(2)

- (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.

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Prospectus Supplement

(To Prospectus dated January 3, 2011)

\$375,000,000

Ally Financial Inc.

Floating Rate Senior Guaranteed Notes due 2016

Guaranteed by Certain Subsidiaries of Ally Financial Inc.

This is an offering of \$375,000,000 aggregate principal amount of Floating Rate Senior Guaranteed Notes due 2016 (the notes) of Ally Financial Inc. (Ally). The notes will bear interest at a rate, reset quarterly, equal to three-month LIBOR plus 2.680%. Ally will pay interest on the notes quarterly on January 18, April 18, July 18 and October 18 of each year, beginning on October 18, 2013. The notes will mature on July 18, 2016.

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

The notes will be unconditionally guaranteed by Ally US LLC and IB Finance Holding Company, LLC, each a subsidiary of Ally (together, the note guarantors), on an unsubordinated 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 each applicable note guarantor's existing and future unsubordinated unsecured indebtedness, including each note guarantor's guarantee of certain outstanding Ally notes, and senior 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 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 indebtedness and will be structurally subordinated to all of the existing and future indebtedness and other liabilities (including trade payables) of any non-guarantor subsidiaries of such note 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 in excess thereof. The notes will not be listed on any exchange, listing authority 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 for the notes.

Concurrently with this offering, we are offering, pursuant to a separate prospectus supplement dated July 15, 2013, \$1,000,000,000 aggregate principal amount of our 3.500% senior guaranteed notes due 2016 (the concurrent offering). The offering of notes hereby is not contingent upon the consummation of the concurrent offering, and the concurrent offering is not contingent upon the consummation of the offering of the notes hereby.

*Investing in the notes involves risks. See **Risk Factors** beginning on page S-10 and incorporated by reference herein to read about the risks you should consider before buying the notes.*

	Per Note	Total
Price to Public(1)	100.000%	\$ 375,000,000
Underwriting discount	0.875%	\$ 3,281,250
Proceeds, before expenses, to Ally	99.125%	\$ 371,718,750

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(1) Plus accrued interest, if any, from July 18, 2013.

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 (the FDIC) or any other government agency or insurer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the 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, including Euroclear Bank, S.A./N.V. and Clearstream Banking, société anonyme, on or about July 18, 2013.

Joint Book-Running Managers

Barclays

Citigroup

Goldman, Sachs & Co.

Morgan Stanley

Co-Managers

BofA Merrill Lynch
Scotiabank
CastleOak Securities, L.P.
Siebert Capital Markets
July 15, 2013

Credit Agricole CIB
SOCIETE GENERALE

Lloyds Securities
US Bancorp
Lebenthal Capital Markets
The Williams Capital Group, L.P.

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We provide information to you about this offering in two separate documents. The accompanying prospectus provides general information about us and the securities we may offer from time to time. This prospectus supplement describes the specific details regarding this offering. Additional information is incorporated by reference in this prospectus supplement. If information in this prospectus supplement is inconsistent with 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 incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing 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, any other information that others may give you. We are not making an offer of these notes in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in 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 offering of the notes in certain jurisdictions may be restricted by law. Persons into

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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 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.

References in this prospectus supplement to the Company, we, us, and our refer to Ally Financial Inc. and its direct and indirect subsidiaries on a consolidated basis, unless otherwise indicated or the context otherwise requires, and the term Ally refers only 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 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, which 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, priorities, target, intend, may, would, could, should, believe, potential, continue, or the negatives of any of these words or similar expressions are intended to identify forward-looking statements. All statements contained in or incorporated by reference into this prospectus supplement, 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 Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, as updated by our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and the other documents specifically incorporated by reference herein. See [Incorporation 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 supplement. These forward-looking statements speak only as of the date of this prospectus supplement. We undertake no obligation to update publicly or otherwise revise any forward-looking statements, except where expressly required by law.

INDUSTRY AND MARKET DATA

We obtained the industry, market and competitive position data included in this prospectus supplement and in the documents incorporated by reference herein from our own internal estimates and research as well as from industry and general publications and research, surveys and studies conducted by third parties. Industry publications, studies and surveys generally state that they have been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information.

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SUMMARY

This summary highlights some of the information contained, or incorporated by reference, in this prospectus supplement to help you understand 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 in its entirety, including the information incorporated by reference into this prospectus supplement, to understand fully the terms of the notes, as well as the other considerations that are important to you in making your investment decision. You should pay special attention to the Risk Factors beginning on page S-10 and the section entitled Cautionary Statement Regarding Forward-Looking Statements on page S-i.

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

Ally Financial Inc.

We are a leading, independent, financial services firm with \$166.2 billion in assets at March 31, 2013. Founded in 1919, we are a leading automotive financial services company with over 90 years experience providing a broad array of financial products and services to automotive dealers and their customers. We became a bank holding company on December 24, 2008, under the Bank Holding Company Act of 1956, as amended. Our banking subsidiary, Ally Bank, is an indirect wholly owned subsidiary of Ally and a leading franchise in the growing direct (internet, telephone, mobile, and mail) banking market with \$49.5 billion of deposits at March 31, 2013. Our principal executive offices are located at 200 Renaissance Center, Detroit, Michigan 48265, and our telephone number is (866) 710-4623.

Our Business

Our Dealer Financial Services operations offer a wide range of financial services and insurance products to almost 16,000 automotive dealerships and approximately 4 million of their retail customers. We have deep dealer relationships that have been built over our greater-than 90-year history and our dealer-focused business model makes us a preferred automotive finance company for many automotive dealers. Our broad set of product offerings and customer-focused marketing programs differentiate Ally in the marketplace and help drive higher product penetration in our dealer relationships. Our ability to generate attractive automotive assets is driven by our platform and scale, strong relationships with automotive dealers, a full suite of dealer financial products, automotive loan-servicing capabilities, dealer-based incentive programs, and superior customer service.

Our automotive financial services include providing retail installment sales financing, loans, and leases, offering term loans to dealers, financing dealer floorplans and other lines of credit to dealers, fleet leasing, and vehicle remarketing services. We also offer vehicle service contracts and commercial insurance, primarily covering dealers' wholesale vehicle inventories. We are a leading provider of vehicle service contracts, and maintenance coverages.

Ally Bank, our direct banking platform, provides us with a stable and diversified low-cost funding source. Our focus is on building a stable deposit base driven by our compelling brand and strong value proposition. Ally Bank raises deposits directly from customers through the direct banking channel via the internet, over the telephone, and through mobile applications. Ally Bank offers a full spectrum of deposit product offerings including certificates of deposit, savings accounts, money market accounts, IRA (individual retirement account) deposit products, as well as an online checking product. We continue to expand the product offerings in

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our banking platform in order to meet customer needs. Ally Bank's assets and operating results are divided between our Automotive Finance operations and Mortgage operations based on its underlying business activities.

For more information about our lines of business, please refer to Item 1. Business of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, as well as any descriptions of our business in our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, which are incorporated by reference herein.

The Note Guarantors

The notes will be guaranteed on a joint and several basis by Ally US LLC and IB Finance Holding Company, LLC, each a subsidiary of Ally. Debt of the note guarantors or of subsidiaries of the note guarantors that is owed to Ally or other subsidiaries of Ally will, pursuant to the terms of one or more subordination agreements, rank junior to the note guarantees or will be held by a note guarantor.

Each note guarantor is a 100% directly owned subsidiary of Ally. In connection with the disposition of our international automotive finance operations and in order to simplify our note guarantor structure, Ally executed a series of transactions in which certain guarantors of our previous notes were sold or merged with and into, or otherwise consolidated with, IB Finance Holding Company, LLC (IB Finance). Following the completion of these transactions, Ally US LLC and IB Finance remain as our only note guarantors of our previous notes and will continue to fully and unconditionally guarantee our previous notes.

Ally US LLC. Ally US LLC (US LLC), a Delaware limited liability company, was incorporated on May 30, 2007 and is a wholly owned subsidiary of Ally. US LLC does not currently hold any 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 equity interests in Ally Bank and other subsidiaries. Ally Bank is a Utah chartered commercial non-member bank that raises deposits directly from customers through the direct banking channel via the internet and over the telephone. Neither Ally Bank nor any other subsidiary of IB Finance is directly guaranteeing the notes.

Recent Developments

On May 14, 2012, Residential Capital, LLC (ResCap) and certain of its wholly owned direct and indirect subsidiaries (collectively, the Debtors) filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court).

On May 14, 2013, Ally Financial Inc., on behalf of itself and certain of its subsidiaries (collectively, the Ally Parties) entered into a Plan Support Agreement (the PSA) with the Debtors, the official committee of unsecured creditors appointed in the Debtors Chapter 11 cases (the Creditors Committee), and certain consenting claimants (collectively, the Consenting Claimants).

On May 23, 2013, the Debtors filed a motion in the Bankruptcy Court to approve the PSA, which was approved on June 26, 2013. The PSA provides for the parties to support a Chapter 11 plan in the Debtors Chapter 11 cases (the Plan) that will, among other things, settle and provide the Ally Parties full releases for all existing and potential claims between the Ally Parties and the Debtors and all pending and potential claims held by third parties related to the Debtors that could be brought against the Ally Parties, except for securities claims by the Federal Housing Finance Agency and the Federal Deposit Insurance Corporation, as receiver for certain failed banks.

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The PSA provides, among other things, that, on the effective date of the Plan, the Ally Parties will contribute to the Debtors' estates \$1.95 billion in cash or cash equivalents, and will further contribute \$150 million received by the Ally Parties for claims that the Ally Parties pursue against their insurance carriers related to the claims released in connection with the Plan, with such amount guaranteed by Ally to be paid no later than September 30, 2014 (collectively, the Ally Contribution) in exchange for the releases of the Ally Parties to be included in the Plan. The Ally Contribution and other assets of the Debtors' estates will be distributed to creditors under the Plan. In addition, the PSA contemplated the payoff of Ally secured debt on or before the effective date of the Plan. On June 13, 2013, the Debtors paid Ally approximately \$1.127 billion in full satisfaction of the Ally revolving credit facility and line of credit. The payment to Ally was approved by the Bankruptcy Court with an express reservation of rights, claims and remedies against Ally and a reciprocal reservation of rights, claims and remedies for Ally's benefit in the event the Plan does not become effective. The Plan will also include a settlement of insurance disputes between the Ally Parties and the Debtors.

Further, the PSA requires that all litigation against Ally Parties by the Debtors, the Creditors' Committee and the Consenting Claimants be stayed so long as the PSA has not been terminated.

In connection with the PSA, and as a result of an expected increase to our reserve for litigation, Ally Financial Inc. expects to record a charge of approximately \$1.55 billion in the second quarter of 2013.

The PSA requires, among other things, that several milestones be satisfied. The PSA includes a number of events that could result in the PSA being terminated, including the failure to satisfy any milestone set forth in the PSA. Additionally, the PSA requires that several additional conditions be satisfied or waived before the Plan can be effective. The foregoing milestones, termination events and conditions to effectiveness are described in greater detail in our Current Report on Form 8-K filed with the Commission on May 23, 2012, which is incorporated by reference in this prospectus supplement.

Ratio of Earnings to Fixed Charges

Our ratio of earnings to fixed charges for the three months ended March 31, 2013 and the years ended December 31, 2012, 2011, 2010, 2009 and 2008 were 0.93, 1.13, 0.96, 0.95, 0.30 and 2.04, respectively. See Ratio of Earnings to Fixed Charges.

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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 described below are subject to important limitations and exceptions. The Description of Notes section of this prospectus supplement contains more detailed descriptions of the terms and 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 Risk Factors beginning on page S-10.

Issuer	Ally Financial Inc.
Notes Offered	\$375,000,000 aggregate principal amount of Floating Rate Senior Guaranteed Notes due 2016 (the notes).
Maturity Date	The notes will mature on July 18, 2016.
Interest	The notes will bear interest at a floating rate, reset quarterly, equal to three-month LIBOR plus 2.680% per year, payable quarterly, in arrears, on January 18, April 18, July 18 and October 18 of each year, commencing on October 18, 2013.
Ranking	<p>The notes will constitute unsubordinated unsecured indebtedness of Ally.</p> <p>The notes will:</p> <ul style="list-style-type: none"> rank equally in right of payment with all of Ally's existing and future unsubordinated unsecured indebtedness; rank senior in right of payment to all of Ally's existing and future indebtedness that by its terms is expressly subordinated to the notes; be effectively subordinated to Ally's existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness; and be structurally subordinated to all of the existing and future indebtedness and other liabilities (including trade payables) of Ally's subsidiaries not guaranteeing the notes to the extent of the value of the assets of such subsidiaries.

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As of March 31, 2013, the Company had approximately \$76.1 billion in principal amount of total debt outstanding, consisting of \$37.3 billion and \$38.8 billion in principal amount of unsecured and secured debt, respectively. As of March 31, 2013, Ally on a standalone basis had approximately \$36.0 billion in aggregate principal amount of total debt outstanding, all of which was unsecured.

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Note Guarantees

The note guarantees will constitute unsubordinated unsecured indebtedness of each note guarantor and will:

rank equally in right of payment with all existing and future unsubordinated unsecured 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 of such note guarantor;

be effectively subordinated to the note guarantors' existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness; and

be structurally subordinated to all of the existing and future indebtedness and other liabilities (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 maximum amount that will result in the obligations of such note guarantor under the note guarantee not to be deemed to constitute a fraudulent conveyance or fraudulent transfer under applicable law. See **Risk Factors** **Risks Related to the Note Guarantees**. Because each note guarantor's liability under the note guarantees may be reduced, voided or released under circumstances, you may not receive any 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,

limit Ally's ability to:

- i grant liens on its assets to secure indebtedness without equally and ratably securing the notes; and
- i merge or consolidate, or transfer or dispose of all or substantially all of its assets; and

require Ally to provide certain periodic and interim reports to the holders of the notes.

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

require Ally to use the net sale proceeds of any sale, disposal or transfer of equity interests of any note

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guarantor held by Ally in a transaction following which Ally ceases to own a majority of the equity interests of such note guarantor to make an investment in one or more note guarantors or subsidiaries of note guarantors, including any subsidiary of Ally that becomes a note guarantor or a subsidiary of a note guarantor, as described in Description of Notes Certain Covenants Limitation on Sale of Equity Interests of Note Guarantors ;

limit the ability of Ally's subsidiaries (other than any note guarantor) to guarantee the payment of certain other debt;

limit the ability of Ally and its subsidiaries to make payments to holders of notes in return for a consent, waiver or amendment to the terms of the notes; and

require Ally to provide certain additional financial information to the holders of the notes and to prospective investors, upon their request, under certain circumstances, as described in the last sentence of Description of Notes Certain Covenants SEC Reports and Reports to Holders.

The guarantee agreement will contain covenants that will, among other things:

limit the ability of the note guarantors to merge or consolidate, or to sell or convey all or substantially all of their assets; and

limit the ability of the note guarantors or any subsidiary of a note guarantor to:

- i grant liens on their assets to secure certain indebtedness without equally and ratably securing the notes;
- i grant liens on their assets to secure any debt of Residential Capital, LLC (ResCap) or any subsidiary of ResCap;
- i guarantee any debt of ResCap or any subsidiary of ResCap;
- i engage in certain asset sales to Ally or any subsidiary or other affiliate of Ally that is not a note guarantor or a subsidiary of a note guarantor; and
- i engage in certain transactions with affiliates of Ally.

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No Prior Market

The notes will be new securities for which there is no market. Although the underwriters have advised us that they intend to make a market in the notes, they are not obligated to do so, and any market making with respect to the notes may be discontinued without notice. We do not intend to list the notes on any securities exchange. Accordingly, we cannot assure you that a liquid market for the notes will develop or be maintained.

Use of Proceeds

We intend to use the proceeds from this offering for the redemption of Smart Notes. See Use of Proceeds.

Considerations for Benefit Plan Investors

For a discussion of certain prohibited transactions and fiduciary duty issues pertaining to purchases by or on behalf of an employee benefit plan, see Certain Benefit Plan and IRA Considerations.

Risk Factors

For a discussion of risks that you should consider carefully before making an investment in the notes, please read Risk Factors.

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately \$371,718,750, after deducting the underwriting discount and before estimated offering expenses payable by us. In addition, we estimate that the net proceeds from the concurrent offering of 3.500% Senior Notes due 2016 will be approximately \$991,250,000, after deducting the underwriting discount and before estimated offering expenses payable by us. We estimate that our expenses, other than the underwriting discount, will be approximately \$500,000.

We intend to use the net proceeds from this offering and the concurrent offering for the redemption of outstanding SmartNotes. As of March 31, 2013, we had \$7.5 billion aggregate principal amount of SmartNotes outstanding with maturities ranging between April 2013 and March 2025 and interest rates ranging from 5.25% to 9.0%. Subsequent to March 31, 2013, we have called for redemption approximately \$0.5 billion aggregate principal amount of outstanding SmartNotes. Pending the application of the proceeds, we may invest the proceeds in short-term securities.

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

	Three months ended		Year ended December 31,			
	March 31, 2013(a)	2012(a)	2011(a)	2010(a)	2009(a)	2008(a)
Ratio of earnings to fixed charges(b)	0.93	1.13	0.96	0.95	0.30	2.04

(a) During 2013, 2012, 2011, 2010, and 2009, we committed to dispose certain operations of our Automotive Finance operations, Insurance operations, Mortgage operations, and Commercial Finance Group. 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 three months ended March 31, 2013, and the years ended December 31, 2011, 2010 and 2009. Earnings for the three months ended March 31, 2013, and the years ended December 31, 2011, 2010, and 2009 were inadequate to cover fixed charges. The deficient amounts for the ratio were \$66 million for the three months ended March 31, 2013, and \$183 million, \$244 million and \$3,351 million for the years ended December 31, 2011, 2010 and 2009, respectively.

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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 being offered and the related guarantees, but are not the only risks we face.

*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 supplement and the accompanying prospectus and the documents incorporated by reference herein, including the discussion in our Annual Report on Form 10-K for the year ended December 31, 2012 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2013 including all of the risks discussed in the Risk Factors section thereof, before deciding whether to participate in the offering of the notes. 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* in this prospectus supplement.*

Risks Relating to the Notes

Our substantial level of indebtedness could materially adversely affect our ability to generate sufficient cash to fulfill our obligations under the 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 March 31, 2013 we had approximately \$76.1 billion in principal amount of indebtedness outstanding. 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 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 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.

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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 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 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. Your right to receive payments on the notes and the note guarantees are effectively subordinated to the indebtedness and other liabilities 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. Accordingly, 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, to the extent of the assets of those subsidiaries. None of the non-guarantor subsidiaries, or any of their respective subsidiaries, has any obligation to pay any 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 generally be entitled to payment 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 indenture and the guarantee agreement relating thereto will permit us to sell our interests in (through merger, consolidation or otherwise) the non-guarantor subsidiaries, or sell all or substantially all of 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 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 notes.

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

As of March 31, 2013, we had approximately \$38.8 billion in aggregate principal amount of secured indebtedness outstanding. 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 such indebtedness. In the event of any distribution or payment of our or the note guarantors' assets in any foreclosure, dissolution, winding-up, liquidation or reorganization, or other bankruptcy 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 subsidiaries that do guarantee 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 all of the funds borrowed thereunder, together with accrued interest, immediately due

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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 notes, even if an event of default exists under the indenture governing the notes at such time. In any such event, 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 could be satisfied or, if any assets remained, they might be insufficient to satisfy your claims in full.

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 trading 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 they intend to make a market in the notes, as permitted by applicable laws and regulations; however, the underwriters are not obligated to make a market in any of the notes and they may discontinue their 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 not continue. The liquidity of 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 develops, the notes could trade at prices that may be lower than the initial offering price of the notes. If an active market does not develop or is not maintained, the price and liquidity of the notes may be adversely affected. Historically, the market for non-investment grade debt securities has been subject to disruptions that have caused substantial volatility in the prices of 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 adversely affect the prices 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 by Ally, 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 notes under circumstances constituting a fraudulent conveyance, the court could void all or a portion of the obligations under the notes. In addition, under such circumstances, 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 it incurred the indebtedness 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.

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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 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 all other debt securities issued under the indenture governing the notes that are adversely affected by such actions; therefore the voting interest of a holder of notes under the indenture 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 generally 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 consent of the holders of not less than 66 ²/₃% in aggregate principal amount of the debt securities issued thereunder that are affected thereby. See Description of Notes Modification 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 holders of a significant portion of the remaining debt securities issued thereunder, and the individual voting interest of each holder of the notes may be accordingly 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 vote against, and the requisite consent to such action could be received nonetheless. We also may, from time to time, issue additional debt securities under the indenture governing the notes which could 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 on the notes 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 can be readily identified as 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 any of its other subsidiaries, noteholders should expect payments on the notes to be delayed and/or reduced.

Uncertainty relating to the LIBOR calculation process may adversely affect the value of your floating rate notes.

Regulators and law enforcement agencies in the United Kingdom and elsewhere are conducting civil and criminal investigations into whether the banks that provide rates to the British Bankers Association, or the BBA, in connection with the calculation of LIBOR may have been under-reporting or otherwise manipulating or attempting to manipulate LIBOR.

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Actions by the BBA, regulators or law enforcement agencies may result in changes to the manner in which LIBOR is determined. At this time, it is not possible to predict the effect of any such changes and any other reforms to LIBOR that may be enacted in the United Kingdom or elsewhere. Uncertainty as to the nature of such potential changes may adversely affect the trading market for LIBOR-based securities, including the floating rate notes.

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, you may not receive any payments 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 maximum amount that the note guarantors are permitted to guarantee under applicable law. As a result, a note guarantor's liability under its note guarantee could be reduced depending on the amount of other obligations of such note guarantor. Further, under the circumstances discussed below, a court under Federal or applicable 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. In addition, 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 Notes 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, the 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 that the recipient return the 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 if the 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 issuance 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; or

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 be insolvent. If a court decided any note guarantee provided by any note guarantor was a fraudulent conveyance and voided such note guarantee, or held it unenforceable for any other reason, you would cease to have 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 and 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 maximum amount that it could incur without causing the incurrence of obligations under its note guarantee to be a fraudulent transfer. This provision may not be effective to protect the note guarantees from being voided under fraudulent transfer law, or may eliminate the note guarantor's obligations or reduce the note guarantor's obligations to an amount that effectively makes the note guarantee worthless.

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

The notes, the indenture and guarantee agreement related thereto contain only limited restrictions on the business and activities of the note guarantors and our ability 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 less than substantially all of their assets, pledge their assets or incur indebtedness or other obligations in each case without the consent of the holders of the notes and subject to certain limited exceptions. To the extent that the note guarantors engage in any such transactions, the amount of assets of such note guarantors available to satisfy their obligations under 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 in a transaction 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 a note guarantor, upon such a sale, 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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The following table sets forth on a consolidated basis:

the actual capitalization of Ally as of March 31, 2013; and

the adjusted capitalization of Ally as of March 31, 2013 on an as adjusted basis to reflect the issuance of the notes and the issuance of \$1,000,000,000 aggregate principal amount of 3.500% Senior Guaranteed Notes due 2016 offered by the prospectus supplement dated July 15, 2013.

This table should be read in conjunction with the Selected Historical Consolidated Financial Data elsewhere in this prospectus supplement and the historical consolidated financial statements and related notes that are contained in our Annual Report on Form 10-K for the year ended December 31, 2012, and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2013, which are incorporated by reference into this prospectus supplement.

	As of March 31, 2013	
	Actual	As Adjusted
	(in millions)	
Cash and cash equivalents	\$ 7,437	\$ 8,800(1)
Short-term debt:		
Secured	4,382	4,382
Unsecured	3,236	3,236
Total short-term debt	7,618	7,618
Long-term debt:		
Secured		
Due within one year	10,964	10,964
Due after one year	23,444	23,444
Total secured long-term debt	34,408	34,408
Unsecured		
Existing debt due within one year	3,809	3,809
Existing debt due after one year(2)	29,404	29,404
New floating rate senior guaranteed notes due 2016		375
New 3.500% senior guaranteed notes due 2016		1,000
Total unsecured long-term debt	33,213	34,588
Total long-term debt	67,621	68,996
Total equity	20,474	20,474
Total capitalization	\$ 88,095	\$ 89,470

Totals may not add up due to rounding.

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- (1) Reflects the proceeds from the issuance of the notes offered hereby and the 3.500% senior guaranteed notes due 2016 offered by a separate prospectus supplement dated July 15, 2013, each at its issue price before deducting estimated offering expenses but after deducting the underwriters discounts.
- (2) Balance includes \$956 million of fair value adjustments that was unallocated on March 31, 2013, which is required to balance total debt.

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The following tables set forth selected historical financial information for Ally on a consolidated basis. The consolidated statement of income data for the years ended December 31, 2012, 2011 and 2010 and the consolidated balance sheet data at December 31, 2012 and 2011 are derived from, and qualified by reference to, our audited consolidated financial statements, which are incorporated by reference into this prospectus supplement and should be read in conjunction with those consolidated financial statements and notes thereto. The consolidated statement of income data for the years ended December 31, 2009 and 2008 and the consolidated balance sheet data at December 31, 2010, 2009 and 2008 are derived from our audited consolidated financial statements, which are not incorporated by reference into this prospectus supplement. The condensed consolidated statement of income data for the three months ended March 31, 2013 and 2012 and the condensed consolidated balance sheet data at March 31, 2013 and 2012 are derived from, and qualified by reference to, our unaudited condensed consolidated financial statements, which are incorporated by reference into this prospectus supplement and should be read in conjunction with those condensed consolidated financial statements and notes thereto.

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

	At and for the three months ended March 31,		At and for the year ended December 31,			
	2013	2012	2011	2010	2009	2008
	(\$ in millions)					
Financial statement data						
Statement of income data:						
Total financing revenue and other interest income	\$ 1,956	\$ 7,342	\$ 6,671	\$ 7,156	\$ 8,069	\$ 10,465
Interest expense	881	4,052	4,606	4,832	4,876	5,858
Depreciation expense on operating lease assets	435	1,399	941	1,251	2,256	3,159
Impairment of investment in operating leases						1,082
Net financing revenue	640	1,891	1,124	1,073	937	366
Total other revenue(a)	386	2,574	2,288	2,672	3,226	10,996
Total net revenue	1,026	4,465	3,412	3,745	4,163	11,362
Provision for loan losses	131	329	161	361	3,584	1,701
Total noninterest expense	958	3,622	3,428	3,621	3,937	4,213
(Loss) income from continuing operations before income tax (benefit) expense	(63)	514	(177)	(237)	(3,358)	5,448
Income tax (benefit) expense from continuing operations(b)	(123)	(856)	42	97	12	(87)
Net income (loss) from continuing operations	60	1,370	(219)	(334)	(3,370)	5,535
Income (loss) from discontinued operations, net of tax	1,033	(174)	62	1,363	(6,973)	(3,667)
Net income (loss)	\$ 1,093	\$ 1,196	\$ (157)	\$ 1,029	\$ (10,343)	\$ 1,868
Balance sheet data:						
Total assets	\$ 166,199	\$ 182,347	\$ 184,059	\$ 172,008	\$ 172,306	\$ 189,476
Long-term debt	\$ 67,621	\$ 74,561	\$ 92,885	\$ 86,703	\$ 88,066	\$ 115,935
Total equity	\$ 20,474	\$ 19,898	\$ 19,280	\$ 20,398	\$ 20,794	\$ 21,854

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- (a) Total other revenue for 2008 includes \$12.6 billion of gains on the extinguishment of debt, primarily related to private exchange and cash tender offers settled during the fourth quarter.

- (b) Effective June 30, 2009, we converted from a limited liability company into a corporation and, as a result, became subject to corporate U.S. federal, state, and local taxes. Our 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.

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DESCRIPTION OF NOTES

General

Ally will issue Floating Rate Senior Guaranteed Notes due 2016 (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, 1996, the fourth supplemental indenture dated as of January 1, 1998, and the fifth supplemental indenture dated as of September 30, 1998, and together with such supplemental indentures, the "Indenture") among Ally and The Bank of New York Mellon (successor to Morgan Guaranty Trust Company of New York), as trustee (the "Trustee"). The notes will constitute a separate series of notes from those 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 will be set forth in the resolution or resolutions of the board of directors or the executive committee 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 single class with the holders of 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 defined below). It does not restate the Indenture, the notes, or the Guarantee Agreement in their entirety and is qualified in its entirety by reference to such documents. You may request copies of 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 New York, New York are authorized or obligated by law or executive order to close and is also a London business day as defined below in "Principal Amount; Maturity and Interest."

The notes will be issued only in fully registered book-entry form without coupons only in minimum denominations of \$2,000 principal amount and integral multiples of \$1,000 in excess thereof. The notes will be issued in the form of global notes. Global notes will be registered in the name of a nominee of DTC, New York, New York, as described under "Book-Entry, Delivery and Form of Notes."

The notes offered hereby will be issued on or about July 18, 2013.

Principal Amount; Maturity and Interest

Ally will issue the notes offered by this prospectus supplement in an initial aggregate principal amount of \$375,000,000. The notes will mature on July 18, 2016.

The 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 notes quarterly on January 18, April 18, July 18 and October 18 of each year, beginning October 18, 2013 (each an "interest payment date"). 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. If any interest payment date would otherwise be a day that is not a business day, the interest payment date will be postponed to the immediately succeeding day that is a business day, except that if that business day is in the immediately succeeding calendar month, the interest payment date shall 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 notes will be reset quarterly on January 18, April 18, July 18 and October 18 of each year, commencing October 18, 2013 and at maturity (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 postponed to the immediately succeeding day that is a business day, except that if that business day is in the immediately succeeding calendar month, the interest reset date shall be the immediately preceding business day.

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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 immediately succeeding interest reset date; provided that the final interest reset period for the notes will be the period from and including the interest reset date immediately preceding the maturity date of such notes to but excluding the maturity date. Interest on the notes will be computed on the basis of the actual number of days elapsed over a 360-day 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), as determined on July 16, 2013, plus a margin of 2.680%. 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 2.680%.

The interest rate applicable to each interest reset period commencing on the related interest reset date, or the settlement date in the case of the initial interest period, will be the rate determined as of the applicable interest determination date. The interest determination date will be the second London business day immediately preceding the settlement date, in the case of the initial interest reset period, or thereafter the applicable interest reset date. A London business day means a day on which dealings in 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 by the calculation agent 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 LIBOR 01 (as defined below) at approximately 11:00 a.m., London time, on the applicable interest determination date. Reuters LIBOR 01 means the display designated on page LIBOR 01 on the Reuters Service (or such other page as may replace the LIBOR 01 page on that service, any successor service or such other service or services as may be nominated by the British Bankers' Association for the purpose of displaying London interbank offered rates for U.S. dollar deposits). If no rate appears on Reuters LIBOR 01, LIBOR for such interest determination date will be determined in accordance 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., London time, on such interest determination date, the calculation agent shall request the principal London offices of each of four major reference banks (which may include affiliates of the underwriters) in the London interbank market selected by the company to provide the calculation agent with a quotation of the rate at which deposits of U.S. dollars having a three-month maturity, commencing on the second London business day immediately following such interest determination date, are offered by it to prime banks in the London interbank market as of approximately 11:00 a.m., London time, on such interest determination date in a principal 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 at least two such quotations are provided, LIBOR for such interest determination date will 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 will 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 three major banks (which may include affiliates of the underwriters) selected by the company for loans in U.S. dollars to leading European banks having a three-month maturity commencing on the second London business day immediately following such interest determination date and in a principal 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; provided, however, that 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.

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Note Guarantees

Each of IB Finance and US LLC (each a subsidiary of Ally and each a note guarantor) will, pursuant to a guarantee agreement to be dated as of the issue date (the Guarantee Agreement) among Ally, each note guarantor and the Trustee, jointly and severally, irrevocably and unconditionally guarantee (the note guarantees) on an unsubordinated basis the performance and punctual payment when due, whether at maturity, by acceleration or otherwise, of all payment obligations of Ally in respect of the notes (pursuant to the terms thereof and of the Indenture), whether for payment of (w) principal of, or premium, if any, interest or additional interest on the notes, (x) expenses, (y) indemnification or (z) otherwise (all such obligations guaranteed by such 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 without rendering the note guarantee, as it relates to such note guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting 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.

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 sale, disposition or other transfer following which the applicable note guarantor is no longer a subsidiary of Ally), of the applicable note guarantor if such sale, 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 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 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, including all Debt Securities, 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 be effectively subordinated to any secured indebtedness of Ally to the extent of the value of the assets securing such debt. As of March 31, 2013, we had approximately \$38.8 billion in aggregate 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 of Ally that do not provide note guarantees to the extent of the value of the assets of such subsidiaries.

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Each note guarantee will rank equally in right of payment with all existing and future unsubordinated unsecured indebtedness of the applicable 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 of such note guarantor. 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 any non-guarantor subsidiaries 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 notes are secured by such pledge or lien equally and ratably with any and all other obligations and indebtedness secured thereby so long as any such other obligations and indebtedness shall be so secured. This 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, foreign countries (other than Canada), in connection with which Ally reserves the right, in accordance with customary and established banking practice, to deposit, or otherwise subject to a lien, cash, securities or receivables, for the purpose of securing banking accommodations or as the basis for the issuance of bankers' acceptances or in aid of other similar borrowing arrangements;

the pledge of receivables payable in foreign currencies (other than Canadian dollars) to secure borrowings in foreign countries (other than Canada);

any deposit of assets of Ally with any surety company or clerk of any court, or in escrow, as collateral in connection with, or in lieu of, any bond on appeal by 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 acquisition through merger or consolidation) or given to secure the payment of all or any part of the purchase price thereof or to secure any indebtedness incurred 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 thereof; and

any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any lien, charge or pledge referred to in the foregoing four clauses of this paragraph; provided, however, that the amount of any and all obligations and indebtedness secured thereby shall not exceed the amount thereof so secured immediately prior to the time of such extension, renewal or replacement and that such extension, renewal or replacement shall be limited to all or a part of the property which secured the charge or lien so extended, renewed or replaced (plus improvements on such property).

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 Ally's assets to another person, firm or corporation unless either Ally is the continuing corporation or the new corporation shall expressly assume the interest and principal (and premium, if

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any) due under the Debt Securities. In either case, the Indenture provides that neither Ally nor a successor corporation may be in default of performance immediately after such merger or consolidation or sale or conveyance. Additionally, the Indenture provides that in the case of any such merger or consolidation or sale or conveyance, 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 substantially all of its assets to another person, firm or corporation unless either it is the continuing corporation or the new corporation shall expressly assume the obligation to serve as a note guarantor of Ally's obligations under the notes. In either case, the Guarantee Agreement will provide that neither the note guarantor nor any successor corporation 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 the annual reports and 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 and regulations prescribe) which 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, documents or reports 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, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act in respect of a security listed and 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 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 with respect to 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 also 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, or otherwise permitted to 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 prospective investors, upon their 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 a transaction following 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 note guarantor equity 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 one or more 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 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 will pledge or 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 of Ally or ResCap or any subsidiary of ResCap or (b) any debt incurred to repay, retire, redeem, refund, refinance, replace, defease, cancel, repurchase or exchange any such debt described in 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 other debt shall be so secured; provided, that financings, securitizations and hedging activities conducted by a subsidiary of Ally in the ordinary course of business and not incurred in contemplation of the payment of debt described in clause (a) prior to its stated maturity shall not be deemed to be covered by clause (b).

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The Guarantee Agreement will provide that no note guarantor, nor any subsidiary of a note guarantor, will pledge or otherwise subject to any lien any of its 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 of such person; (2) evidenced by bonds, notes, debentures or similar instruments issued by such person; (3) in respect of letters of credit, banker's acceptances or other similar instruments issued on account of such person; (4) representing the portion of capital lease obligations (that does not constitute interest expense) and attributable debt in respect of sale leaseback transactions; (5) representing the balance deferred and unpaid of the purchase price of any property or services acquired by or rendered to such person due more than six months after such property is acquired or such services are completed; (6) representing obligations of such person with respect to the redemption, repayment or other 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 association, organization 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 any direct or indirect parent 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), unless in each case such subsidiary executes and delivers a joinder to the Guarantee Agreement providing for a guarantee by such subsidiary of the notes on an unsubordinated basis; provided, that financings, securitizations and hedging activities conducted by a subsidiary of Ally in the ordinary course of business and not incurred in contemplation of the payment of 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 rendering a guarantee of the notes is released and discharged in full of the guarantee of all such other debt, then 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 any debt of ResCap or 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 below) to Ally or 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 those that might 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 or other 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 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, appraisal or investment banking firm of national standing to the effect that (i) the financial terms of such Asset Sale are fair 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