



**Ally Bank  
Resolution Plan**

**Public Section  
July 1, 2018**

## Public Section Table of Contents

Table of Contents .....	2
Overview of Ally Bank	
A. Names of Material Entities .....	3
B. Description of Core Business Lines .....	3
C. Consolidated Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources .....	4
D. Description of Derivative and Hedging Activities .....	5
E. Membership in Material Payment, Clearing and Settlement Systems .....	7
F. Description of Foreign Operations .....	8
G. Material Supervisory Authorities .....	8
H. Identities of Principal Officers .....	9
I. Description of the Corporate Governance Structure and Processes Related to Resolution Planning .....	16
J. Description of Material Management Information Systems .....	17
K. High-Level Description of Resolution Strategy .....	17

## A. Names of Material Entities

Under regulations adopted by the Federal Deposit Insurance Corporation ("FDIC") to complement the Resolution Plan requirements of the Dodd–Frank Wall Street Reform and Consumer Protection Act ("IDI Rule"), a "Material Entity" is any company that is significant to the activities of a "Critical Service" or "Core Business Line." 12 C.F.R. § 360.10(b)(8). For these purposes, a Critical Service is a service or operation of Ally Bank, such as servicing, information technology support and operations, or human resources ("HR") and personnel, that is necessary to continue Ally Bank's day-to-day operations. See *id.* § 360.10(b)(5). Similarly, the FDIC's definition of the term "Core Business Line" for purposes of the IDI Rule is a business line, including associated operations, services, functions, and support, the failure of which, in Ally Bank's view, would result in a material loss of revenue, profit, or franchise value. See *id.* § 360.10(b)(3).

Based on the criteria set forth in the definitions of these terms, Ally Bank identified three Material Entities using a number of metrics, including assets, liabilities, and capital; revenues and expenses; organizational significance; and staffing levels. The following table lists Ally Bank's Material Entities.

Covered Company	Material Entities
<b>Ally Bank</b>	<p style="text-align: center;"><b>Ally Financial Inc. (AFI)</b></p> <p style="text-align: center;"><b>Ally Bank</b> (FDIC-insured U.S. bank)</p> <p style="text-align: center;"><b>Ally Servicing LLC</b> (Auto accounts servicer)</p>

As used in this Resolution Plan, the term, "Ally" means AFI, together with its consolidated subsidiaries, including Ally Bank.

As part of Ally's ongoing resolution planning process, this list of Ally Bank's Material Entities is subject to ongoing evaluation and updates.

## B. Description of Core Business Lines

Ally Bank has two businesses that meet the FDIC's definition of Core Business Lines: Automotive Finance and Direct Banking. Other Ally Bank business lines did not meet the criteria necessary to be classified as a Core Business Line. Each Core Business Line involves one or more of the Material Entities identified in Section A of this Public Section. As part of Ally Bank's ongoing resolution planning process, this list of Ally Bank's Core Business Lines<sup>1</sup> will be subject to ongoing evaluation and updates.

<sup>1</sup>Additional information related to Ally Bank's business can be found in AFI's Annual Report on Form 10-K and AFI's Quarterly Report on Form 10-Q, which is available at [www.sec.gov](http://www.sec.gov) and at [www.ally.com/about/investor/sec-filings](http://www.ally.com/about/investor/sec-filings).

## **Direct Banking**

Ally Bank is an award-winning online bank, and an indirect, wholly-owned subsidiary of Ally Financial Inc., offering a variety of deposit and other banking products. Further, over the past year, Ally has strengthened and simplified its organizational structure by establishing Ally Bank as the primary operating entity of Ally.

Ally Bank, the direct banking platform, is focused on growing a stable deposit base and deepening relationships with Ally Bank's 1.4 million primary deposit customers driven by Ally's compelling brand and strong value proposition. Ally Bank obtains retail deposits directly from customers through direct banking via the internet, telephone, mobile, and mail channels. Ally Bank has established a strong brand that is based on a promise of being straightforward, easy to use, and offering high-quality customer service. Ally Bank's products and services are designed to develop long-term customer relationships and capitalize on the shift in consumer preference for direct banking. Our direct online bank offers a full spectrum of deposit product offerings, such as savings and money market accounts, interest-bearing checking accounts, certificates of deposit (CDs), including several raise-your-rate CD terms, individual retirement account (IRA) deposit products, accounts for trust, Zelle® person-to-person payments services, eCheck remote deposit capture, and mobile banking. In addition, brokered deposits are obtained through third-party intermediaries. At December 31, 2017, Ally Bank had \$94.7 billion of deposits, including \$77.9 billion of retail deposits.

## **Automotive Finance**

Ally's Automotive Finance Operations provide Dealer Financial Services (which include automotive finance and insurance operations) to the U.S. auto industry. Ally's primary customers are automotive dealers, which are typically independently owned businesses. Ally offers a wide range of financial services and insurance products to approximately 18,500 automotive dealerships and approximately 4.2 million of their retail customers.

The Automotive Finance Core Business Line, excluding insurance operations, resides predominantly within Ally Bank. A majority of the business generated by the Automotive Finance Core Business Line is conducted with, or through, franchised dealers, which are independently owned businesses. Vehicle finance products include financing solutions for automotive dealerships (e.g., dealer floorplan, real estate, and working capital loans) and serving consumers through purchasing consumer retail installment sale contracts ("RISCs") and leases for new and used vehicles from dealers.

Ally Bank's automotive finance operations consist of business generated exclusively in the United States. Ally Bank's Automotive Finance Core Business Line had \$94.0 billion of assets at December 31, 2017 and generated \$3.5 billion of total net revenue in 2017. In addition, Ally Servicing LLC ("Ally Servicing"), a subsidiary of Ally Bank, provides consumer asset servicing for Ally Bank's and AFI's retail automotive portfolios. The extensive infrastructure, technology, and analytics of servicing operations as well as the experience of Ally Bank's servicing personnel enhance Ally's ability to minimize loan losses and enables Ally Bank to deliver a favorable customer experience to both dealers and retail customers.

## **C. Consolidated Financial Information Regarding Assets, Liabilities, Capital and Liquidity**

### **1. Consolidated Financial Information**

Please refer to Exhibit 1 for Ally Bank's Consolidated Balance Sheet as of December 31, 2017.

## **2. Capital and Major Funding Sources**

Please refer to Exhibit 2 for Ally Bank's Regulatory Capital and Other Regulatory Matters footnote disclosure as of December 31, 2017.

### **a. Capital**

Ally Bank is subject to risk-based capital and leverage guidelines issued by federal and state banking regulators that require its capital ratios meet certain minimum standards. As of December 31, 2017, Ally Bank exceeds all minimum capital guidelines with a Common Equity Tier 1 ratio of 15.04%, Tier 1 Capital ratio of 15.04%, Total Capital ratio of 15.77%, and a Tier 1 Leverage ratio of 12.87%.

Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if imposed, could have a direct material effect on the consolidated financial statements or the results of operations and financial condition of Ally Bank. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, Ally Bank must meet specific capital guidelines that involve quantitative measures of its assets and certain off-balance sheet items. Ally Bank's capital balances and classifications are also subject to qualitative judgments by the regulators about components, risk-weightings, and other factors.

### **b. Major Funding Sources**

Ally Bank's funding strategy largely focuses on maintaining a diversified mix of retail and brokered deposits, public and private asset-backed securitizations, and secured credit facilities. These funding sources are managed across products, markets, and investors to enhance funding flexibility and limit dependence on any one source, resulting in a more cost-effective long-term funding strategy.

Ally Bank raises deposits directly from customers through its Direct Banking Core Business Line via the internet, telephone, mobile devices, and mail channels. Retail deposits provide a low-cost source of funds that are less sensitive to interest rate changes, market volatility, or changes in our credit ratings than other funding sources. As of December 31, 2017, Ally Bank had \$94.7 billion of total deposits, including \$15.2 billion of brokered deposits and \$77.9 billion of retail deposits. Additionally, Ally Bank has a \$2.7 billion syndicated third-party committed credit facility, known as the ABF, secured by RISCs, leases, and commercial loans, with a balance of \$1.8 billion as of December 31, 2017. Ally Bank also has auto, lease and wholesale asset backed securitizations totaling \$3.8 billion as of December 31, 2017.

Ally Bank also has access to funding through advances with the FHLB. These advances are primarily secured by consumer mortgage and commercial real estate automotive finance receivables and loans. As of December 31, 2017, Ally Bank had \$17.7 billion of FHLB advances outstanding.

## **D. Description of Derivative and Hedging Activities**

Derivatives are instruments that derive their value from underlying asset prices, indices, reference rates, and other inputs, or a combination of these factors. Derivatives may be listed or traded on an exchange or they may be privately negotiated contracts, which are usually referred to as over-the-counter derivatives.

Ally enters into interest-rate, foreign exchange, and equity derivative transactions in connection with its market risk hedging activities.

### **Interest-Rate Risk**

Ally monitors the mix of fixed- and variable-rate assets and liabilities. When it is cost-effective to do so, Ally may enter into interest-rate hedges including swaps, forwards, futures, options to achieve the desired mix of fixed- and variable-rate assets and liabilities.

In addition to interest rate hedging activities, Ally also hedges specific risks that arise during Ally's normal course of business, such as foreign-exchange risk, and equity risk related to the company's employee stock compensation.

### **Foreign Currency Risk**

Ally enters into derivative financial instrument contracts to mitigate the risk associated with variability in cash flows related to various foreign-currency exposures. While Ally has reduced the foreign exchange exposure to net investments in foreign operations through the sales and disposals of discontinued international businesses, foreign-currency forwards have been entered into with external counterparties as net investment hedges of foreign exchange exposure on its remaining investments in foreign subsidiaries.

### **Counterparty Credit Risk**

Counterparty credit risk is the risk of financial loss to Ally resulting from a counterparty's inability to meet its contractual obligations. Counterparty credit risk may arise from several sources including, but not limited to:

- **Derivatives:** The inability of the counterparty to meet its payment obligations, at maturity or during the life of the derivative transaction, leaving Ally with exposure to loss and to interest rate/foreign exchange volatility.
- **Forward Settlement:** The inability of the counterparty to deliver the security or payment at trade settlement, leaving exposure to uncollateralized market price variations.
- **Exchange-Traded (Cleared Derivatives):** The inability to recover initial margin holdings or variation margin held by the Futures Clearing Merchant (FCM) or Central Clearinghouse, leaving exposure to those balances.
- **Repurchase Agreements (Repos):** The inability of the counterparty to return the underlying security or cash collateral, leaving exposure to the haircut (the difference between the market value of the assets used as collateral and the amount of the loan) and uncollateralized market price variations on the security.
- **Operating and Investment Balances (Cash / Cash Investments):** The inability to recover cash balances held by the counterparty or in an investment vehicle, leaving exposure to those balances.
- **Mortgage Whole Loans:** The failure of a counterparty to perform its contractual obligations such as indemnification or repurchase of a defective loan, resulting in exposure to those defective loans (Representation and Warranty Risk).

## E. Memberships in Material Payment, Clearing and Settlement Systems

To facilitate its business, Ally Bank maintains memberships with, and participates in, certain payment, clearing, and settlement systems, which are also known as financial market utilities ("FMUs"). FMUs provide the infrastructure for transferring, clearing, and settling payments, securities, and other financial transactions among financial institutions. FMUs permit Ally Bank to provide payment services to clients and customers, and to engage in derivatives transactions as needed to manage risk, secure funding, and meet the needs of its clients and customers. In this context, "membership" means that Ally Bank has access to these FMUs.

Ally Bank uses AFI's membership in Society for Worldwide Interbank Financial Telecommunications ("SWIFT") to direct payments to be made from its accounts at its agent banks. As a privately operated co-operative, the relationship between the SWIFT organization and its members is governed by a common contract.

FMUs may be used via direct membership or indirect membership through other Ally entities, correspondent banks, custodians, or prime brokerages. The following tables list the material FMUs in which Ally Bank maintains a direct membership (i.e. Fedwire Funds and FedACH services) or has indirect access to through AFI (i.e. SWIFT).

Direct Membership in Material Payment, Clearing and Settlement Systems in which Ally Bank or its affiliates have direct membership:

Type	FMUs	Description of Services
Payment Systems	Fedwire Funds Service ("Fedwire Funds")	Electronic payment system for cash in the United States
Payment Systems	FedACH Services ("FedACH")	Electronic payment system for batched payment services and the electronic exchange of debit and credit transactions through the Automated Clearing House ("ACH") network
International Messaging Utility	Society for Worldwide Interbank Financial Telecommunication ("SWIFT")	Telecommunication platform for the exchange of standardized financial messages between financial institutions, between financial institutions and market infrastructures, and between financial institutions and their corporate clients and customers

Indirect Membership in Material Payment, Clearing and Settlement Systems in which Ally Bank or its affiliates has indirect membership:

Type	System	Description of Services
Clearing & Settlement System	Chicago Mercantile Exchange ("CME")	Provides clearing and settlement services for futures, options, and over-the-counter derivative products
Clearing & Settlement System	LCH Group Limited ("LCH")	Provides clearing and settlement services for over-the-counter derivative products
Clearing & Settlement System	The Depository Trust & Clearing Corporation ("DTCC")	Central securities depository providing depository and book-entry services for eligible securities and other financial assets to its participants, which are principally banks and broker-dealers
Clearing & Settlement System	Fedwire Securities Service ("Fedwire Securities")	Conducts issuance, transfer, and settlement for all marketable Treasury securities, for many federal government agency and GSE securities, and for certain international organizations' securities

## F. Description of Foreign Operations

Prior to May 2014, Ally Bank had not conducted any international operations. Ally Corporate Finance, which operates as a division of Ally Bank, was transferred into Ally Bank in 2014. As a result of this transaction, Ally Bank, acting through its Ally Corporate Finance division, makes predominantly senior-secured leveraged cash flow and asset based loans to primarily U.S. based middle market companies, together with a limited amount of Canadian-dollar-denominated loans to Canadian affiliates of its U.S. borrowers. Total assets for Ally Corporate Finance were \$4.0 billion at December 31, 2017. Any non-US activities are immaterial.

## G. Material Supervisory Authorities

Ally Bank and its parent, AFI, are subject to extensive regulation and supervision<sup>2</sup> under U.S. federal and state banking laws.

### Ally Bank Supervision

Ally Bank is a Utah chartered state member bank in the Federal Reserve System, and a member of the FDIC. Ally Bank is supervised and examined by the Board of Governors of the Federal Reserve System ("Federal Reserve") through the Federal Reserve Bank of Chicago, the Utah Department of Financial Institutions ("UDFI"), and, for certain consumer protection purposes, the Consumer Financial Protection Bureau ("CFPB").

### Holding Company Supervision

As a bank holding company and financial holding company under the Bank Holding Company Act ("BHC Act"), Ally Bank's parent, AFI, is subject to supervision and examination by the Federal Reserve and, for certain consumer protection purposes, the CFPB. Under the system of "functional regulation" established by the BHC Act, the Federal Reserve serves as the primary regulator of the consolidated Ally organization, and coordinates with the primary regulators of Ally's U.S. non-bank subsidiaries with respect to the activities of those subsidiaries.

<sup>2</sup>Additional information on Ally's supervision and regulation can be found in AFI's '34 Act Reports, including the sections on "Regulation and Supervision" and "Risks Related to Regulation and Supervision" on pages 4-11 and 12-14, respectively, of the 2017 Form 10-K.



## **State Supervision**

A number of states require AFI and Ally Bank to hold sales finance company licenses in connection with AFI's and Ally Bank's acquisitions of RISCs. Accordingly, AFI and Ally Bank are subject to examination by the state banking department or other applicable regulatory authority in connection with the activities authorized by and conducted pursuant to such licenses.

## **H. Identities of Principal Officers**

### **Jeffrey Brown, Chief Executive Officer**

Jeffrey Brown was named Chief Executive Officer of Ally Financial in February 2015 and also serves on its board of directors. Brown is driving Ally's evolution as a leading digital financial services company. Under his leadership, Ally is building on its strengths in auto financing, retail deposits and corporate financing, as well as diversifying its offerings to include digital wealth management and online brokerage, and credit card and mortgage products. Brown has deep financial services experience, having previously served in a variety of key leadership roles at Ally. Prior to being named CEO, Brown was president and CEO of Ally's Dealer Financial Services business, where he oversaw the company's automotive finance, insurance and auto servicing operations. Brown joined Ally in March 2009 as corporate treasurer and, in 2011, was named executive vice president of finance and corporate planning, where he oversaw the company's finance, treasury and corporate strategy initiatives.

Prior to joining Ally, Brown was the Corporate Treasurer for Bank of America, where he had responsibility for the core treasury functions, including funding and managing interest rate risk. Brown spent 10 years at Bank of America, beginning his career in finance and later joining the balance sheet management division. During his tenure at Bank of America, he also served as the bank's deputy treasurer and oversaw balance sheet management and the company's corporate funding division.

Brown received a bachelor's degree in economics from Clemson University and an executive master's degree in business from Queens University in Charlotte. He serves on the Board of the Clemson University Foundation, an independent, not-for-profit entity that promotes the welfare and future development of Clemson University. He also serves on the Trevillian Cabinet of the College of Business and Behavioral Sciences at Clemson University and on the Board of Trustees for Queens University in Charlotte. Brown was recognized for his commitment to family, career and community with a 2016 Father of the Year award by the Father's Day Council and benefiting the American Diabetes Association.

### **Jennifer LaClair, Chief Financial Officer**

Jennifer LaClair was named Chief Financial Officer designate of Ally Financial in December 2017, and appointed Chief Financial Officer on March 1, 2018.

Prior to joining Ally, LaClair spent ten years at PNC Financial Services. Most recently, she served as the head of the business bank where she was charged with setting strategy, driving performance and managing risk. Before that, she served as chief financial officer for all of PNC's lines of business.

Earlier in her career, LaClair was a consultant with McKinsey and Company where she specialized in strategy, efficiency improvement and operational transformations. She began her career in international development in Eastern Europe, the Middle East and West Africa.

LaClair has a Master of Business Administration from the Case Western Reserve University where she was the Class of 2001 Alumni Scholar and earned the Scott S. Cowen Outstanding Leadership award. She graduated summa cum laude from the State University of New York at Buffalo.

### **Michael Baresich, Chief Information Officer**

Michael Baresich joined Ally Financial in January 2012 as Chief Information Officer. In this role, he has global responsibility for all information technology and related services, including application development, operations, infrastructure, and information security.

Prior to joining Ally, Baresich was Executive Vice President and Chief Information Officer of CIT Group, where he was responsible for all information technology worldwide.

In addition to his role at CIT, Baresich served in various senior-level IT positions over a span of 25 years, including Managing Director and Global Chief Information Officer at Citigroup Asset Management; CEO of CoKinetic Systems Corp., a software development and services company; and global head of Information Technology and Operations for Deutsche Bank Asset Management.

Baresich received a bachelor's degree from Harpur College at Binghamton University and master's degrees from the University of Florida and The Wharton School of the University of Pennsylvania. He serves on the board of directors for CoKinetic Systems Corporation, and the IT Advisory Board of New York Life. Baresich is an active participant in the New York FinTech Innovation Lab, which provides support to technology startups. He serves as a director of Skilled, a not-for-profit organization working to provide opportunities for adults with autism. He is also active in fund raising for other organizations in the autism community, including NEXT for Autism, and the Cooke Center for Learning and Development.

### **Diane Morais, President of Consumer & Commercial Banking Products**

Diane Morais joined Ally Financial in 2008, and currently has oversight for consumer and commercial banking products. Her responsibilities include the company's Deposits, Mortgage, Online Brokerage and Wealth Management and Corporate Finance businesses, as well as oversight for Ally's digital strategies.

As President, Consumer & Commercial Banking Products, Morais has responsibility for the strategic direction and profitability, product innovation and pricing, customer service, and ensuring all activities are consistent with high standards of safety and soundness. Under her leadership, Ally Bank has achieved double-digit retail deposit growth each year since the bank was launched in 2009. The bank now has more than 1.2 million customers, and it has received numerous third-party accolades, including being named Best Online Bank by Money® Magazine for five consecutive years and by Kiplinger Personal Finance for three years. Morais also led the expansion of two new products in 2016, the Ally CashBack Credit Card and Ally Home, the bank's direct-to-consumer mortgage business.

In addition to Ally Bank, Morais has responsibility for the Online Brokerage and Wealth Management business Ally acquired through its April 2016 acquisition of TradeKing, Inc., including oversight of the integration and rebranding of the business under Ally. The addition of investing and wealth management significantly broadens the portfolio of personal finance options Ally has to offer to provide consumers with a cohesive approach to managing their savings and investment alternatives, while benefiting from the bank's competitive rates and innovative deposit products. Prior to holding key leadership positions of increasing responsibility at Ally, Morais achieved a number of significant professional accomplishments in the financial services sector. During a career spanning twelve years at Bank of America, she served as the deposit and debit products executive, national customer experience executive, card services marketing, and consumer mortgage vendor management executive. Morais also spent nine years at Citibank's credit card division in a variety of marketing, risk and finance roles.

Morais holds a bachelor's degree from Pennsylvania State University and sits on the board of directors for Junior Achievement of Central Carolinas and Charlotte Center City Partners. In September 2017, she ranked #11 on American Banker Magazine's '25 Most Powerful Women in Banking' list. This is the second consecutive year Morais was included in the rankings, which recognize the professional achievements, personal tenacity and overall influence of the industry's top-performing female executives.

### **Kathleen Patterson, Chief Human Resources Officer**

Kathleen L. Patterson was named Chief Human Resources Officer in August 2016 and has responsibility for leading the enterprise function and its activities, including talent management, compensation and benefits.

Patterson joined Ally in 2007 to lead change management for the corporate functions as the company unified the functional staffs. She also directly supported the technology function. Most recently she served as the senior vice president of human resources for Ally's Auto Finance and Insurance lines of business.

Prior to joining Ally, Patterson was the managing director of human resources at DTE Energy, a Detroit-based diversified energy company. She was responsible for managing the company's staffing and consulting efforts as well as organizational development including leadership development, talent management, employee engagement strategies, diversity management, and career development.

Patterson earned a Bachelor of Arts degree from the University of Michigan and a Master of Arts degree from the University of Detroit Mercy in industrial/organizational psychology. She serves on the board for the Big Brothers Big Sisters national organization, which focuses on changing children's lives by matching them with caring adults to guide them on a path to success. Patterson is also an active participant in Impact100 Metro Detroit, a volunteer group of local Detroit-area women whose purpose is to fuel transformation in the local community by uniting women in collective giving. Additionally, she is actively involved in Detroit-based Wayne State University's mentorship program, which provides interested students with coaching to help them succeed in business. She is active in her local school district, providing coaching and leadership support through the year, as well as having served as a coach for Destination Imagination and Science Olympiad teams.

**Andrea Brimmer, Chief Marketing and Public Relations Officer**

Andrea Brimmer is the Chief Marketing and Public Relations Officer of Ally Financial. In this role, she is responsible for overseeing the company's marketing and advertising strategies and ensuring they support the overall objectives of the organization. She is also responsible for market research initiatives and brand management.

Most recently, Brimmer served as Chief Marketing Officer for Ally's auto finance and insurance businesses. She was also instrumental in development and deployment of the Ally brand in 2009. Prior to joining Ally in 2006, Brimmer spent 20 years on the agency side in Detroit, where she led the Chevrolet account and launched the iconic American Revolution campaign, as well as numerous product offerings.

Brimmer holds a bachelor's degree from Michigan State University, and is active in the university's College of Communication Arts and Sciences, bringing relevant programs of interest to the school. In 2017 she won the Financial Communication Society's Marketer of the Year award for her work on Ally's first unified brand campaign. In 2015, she was named to the 100 Leading Women list issued by Automotive News, which recognizes leaders in the automotive field. She sits on the board of Auto News Leading Women which has a goal of bringing gender equality to the auto industry. In 2014 and 2015, Brimmer was named to Forbes list of 50 Most Influential CMOs, and she is active in the Forbes CMO Challenge program which aims to reach young people interested in marketing careers. A Detroit native, Brimmer supports many causes that seek to foster the revitalization of the city and support key arts and cultural initiatives. She is a board member of Impact100 Metro Detroit, which aims to fuel transformation in the community by awarding high-impact grants to local nonprofits. Brimmer also works closely with a number of organizations to promote Detroit as the country's first designated UNESCO World Heritage city.

**Douglas Timmerman, President of Auto Finance**

Douglas Timmerman was appointed President of Auto Finance in the spring of 2018. In this role, he is responsible for developing strategy and driving performance for the company's auto business, which offers a full suite of innovative auto finance products and services. He is also charged with leading the effort to diversify and expand the company's dealer network and drive digital innovation.

Previously, Timmerman had been President of Ally Insurance since 2014. Timmerman had responsibility for all insurance operations, which included consumer products such as vehicle service contracts, maintenance contracts and GAP coverage as well as commercial property and casualty products for dealers.

Timmerman's 31 years at Ally, spanning leadership positions across the auto finance and insurance businesses, make his understanding of this dynamic industry unparalleled. Prior leading the Insurance business, Timmerman was vice president of auto finance for the southeast region in Atlanta. In that capacity, he was responsible for sales, risk management, and portfolio management for more than 4,000 dealer relationships across 11 states. Since joining Ally in 1986, Timmerman has held a variety of leadership roles in different areas including commercial lending, consumer lending, collections, sales and marketing. His experience also includes a broad geographical reach, holding assignments that have touched nearly every state.

The Nebraska native began his career with Ally shortly after earning his master's degree in business administration from the University of Nebraska. He also holds a bachelor's degree from the University of Nebraska. Timmerman supports several organizations and research efforts associated with finding a cure for Type 1 diabetes. He is an active volunteer and supporter of Children's Hospital of Atlanta and the Juvenile Diabetes Research Foundation.

### **Stephanie Richard, Chief Audit Executive**

Stephanie Richard was named Chief Audit Executive of Ally Financial Inc. in 2017. In this role, she is responsible for the organization's internal audit function, as well as administrative oversight for Ally's loan review function. Her specific duties include: interacting with Ally senior leadership, regulators, external auditors and other stakeholders; assessing key strategic, financial, operational and compliance risks; and designing and executing an audit plan aimed at evaluating the effectiveness of risk management, internal control and governance activities across the organization.

Prior to her current role, Richard served as the Deputy Chief Risk Officer for Ally Financial, where she was responsible for leading various key enterprise risk management programs, including designing the company's risk appetite framework. Richard joined Ally in 1997 and has served in a variety of roles with increasing levels of responsibility within the finance, treasury and risk management functions. Since Ally became a bank holding company in 2008, she has played an integral part in many of the company's transformation initiatives over the last several years. Prior to joining Ally, Richard worked in audit services for Deloitte and Touche where she gained extensive accounting and auditing experience and earned her CPA license.

Richard is a member of Women Executives of Charlotte, where she serves as a mentor for female college students in the WINGS scholarship program. She is also a member of the Board of Managers of the Morrison Family YMCA in Charlotte. She holds a bachelor's degree in Accounting from Michigan State University and a Master's in Business Administration from Wayne State University.

### **Jason Schugel, Chief Risk Officer**

Jason Schugel was named Chief Risk Officer for Ally Financial in the spring of 2018. He has overall responsibility for execution of Ally's independent risk management. He has responsibility for the enterprise risk management framework and processes, and ensuring that Ally targets an appropriate balance between risk and return, mitigating unnecessary risk and protecting the company's financial returns.

Schugel was previously Deputy Chief Risk Officer for the company, leading various risk-management activities. Prior to that role, he was General Auditor for Ally, responsible for the company's internal audit function as well as administrative oversight for Ally's loan review function.

Schugel joined Ally in 2009, overseeing the company's financial planning and analysis team, which is responsible for Ally's financial performance reporting, and enterprise-wide forecasting and planning. He also served as lead finance executive for Ally's global functions. Before joining Ally, he was vice president of financial planning and analysis, and investor relations at LendingTree, LLC. Prior to that, he worked in investment banking for Wachovia and began his career at First Plus Financial, specializing in mergers and acquisitions.

He earned a bachelor's degree in business administration from Southern Methodist University in Dallas and a Master's degree in Business Administration from the Babcock Graduate School of Management at Wake Forest University. Schugel is the chairman of the board of the Allegro Foundation, an organization that is a champion for children with disabilities. He also volunteers regularly with Charlotte Rescue Mission organization, which helps people struggling with the disease of addiction achieve long-term sobriety, find employment and stable housing.

### **Dan Soto, Chief Compliance Officer**

Dan Soto was appointed Chief Compliance Officer of Ally Financial in October 2010. In this role, he is responsible for leading the company's compliance efforts in line with applicable laws, regulations and company policies. Soto joined the company as executive compliance director and Bank Secrecy Act (BSA) compliance officer in September 2009. In this role, he was responsible for Ally's anti-money laundering (AML) and deposit compliance activities.

Before joining Ally, Soto held a number of compliance leadership roles within the financial services industry. Most recently, he worked as the AML executive and compliance manager at Wachovia/Wells Fargo. Previously, he served as Chief Compliance Officer for Royal Bank of Canada-Centura and the global AML compliance executive at Bank of America. He also served as a bank examiner with the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System. At the Federal Reserve, he helped develop its AML compliance examination procedures. Soto has a Bachelor's Degree in Accounting from the University of Nebraska and attended the American Bankers Association's (ABA) Stonier Graduate School of Banking at the University of Delaware. Soto serves on the board of the North Carolina Council on Economic Education, an organization that aims to enhance and advance economic and financial education for K-12 educators and students of North Carolina. Soto also serves on the advisory boards of the Association for Certified Anti-Money Laundering Specialists (ACAMS) and the BSA (Bank Security Act) Coalition, and he serves on the faculty for the ABA's National Compliance School.

### **Scott Stengel, General Counsel**

Scott Stengel was named General Counsel of Ally Financial in May 2016. In this role, he oversees all of Ally's legal affairs and is also responsible for corporate governance, public policy, records and information management, and licensing.

Stengel joined Ally from Kansas City, Mo.-based UMB Financial, where he served as Executive Vice President, General Counsel and Corporate Secretary. Before that, he was a partner at King & Spalding, and Orrick, Herrington & Sutcliffe in Washington, D.C., with a practice focused on banking, capital markets and government relations. He began his career as a law clerk to the Honorable Douglas O. Tice, Jr. in Richmond, Va.

Stengel received a Bachelor's Degree in economics, with highest honors, from the University of Notre Dame. He went on to receive his Juris Doctorate, magna cum laude, from Notre Dame Law School. Stengel sits on the board of directors of the U.S. Chamber Litigation Center and serves on the pastoral council for St. Peter Catholic Church in Charlotte.

### **Dinesh Chopra, Chief Strategy Officer**

Dinesh Chopra was named Chief Strategy Officer of Ally Financial in 2017. In this role, Chopra leads Ally's Corporate Strategy team, responsible for developing and executing business strategies that foster product and enterprise growth, and further Ally's position as a leader in digital financial services. Chopra is also responsible for Ally's corporate development activities and Ally Ventures, including strategic alliances and identifying and acquiring companies and technologies that align with its strategic plans.

Prior to joining Ally, Chopra served as global head of Strategy, Retail Bank, Mortgage, Fintech & Digital Payments at Citigroup, responsible for leading strategic planning and improving performance for the related lines of business. While at Citigroup, he oversaw many transformation efforts including driving client growth, accelerating digital agenda, and expanding profitability. Prior to Citigroup, he held several leadership positions in strategy and banking at Capital One and McKinsey & Company. He began his career in engineering at Micron Technology, Inc.

Chopra holds an MBA from MIT's Sloan School of Management; a master's degree in Chemical Engineering from Clarkson University in Potsdam, NY; and a bachelor's degree from the National Institute of Technology in Trichy, India.

### **Alison Summerville, Business Administration Executive**

Alison Summerville was named Business Administration Executive of Ally Financial Inc. in June 2015. In this role, she is responsible for liaising with business and functional leads on behalf of the CEO's office on enterprise-wide business initiatives. This includes managing and implementing executive leadership routines, and seeking organizational efficiencies that advance Ally's strategic objectives. Summerville also oversees the company's corporate workplace team, which manages Ally's facilities and related services, and Ally's corporate citizenship and community relations efforts.

Most recently, she served as executive director of CFO business support, overseeing governance routines, and budget and expense planning for the Finance and Treasury functions, as well as acting as business lead for employee engagement initiatives. Summerville joined Ally in 2009, as Chief Administrative Officer for the company's Treasury function.

Prior to joining Ally, she spent nearly nine years at Bank of America, most recently as the company's Treasury business support executive. During her tenure at Bank of America, she also served in balance sheet management, compliance and corporate research roles.

Summerville holds a Bachelor's Degree in Business Administration from the University of North Carolina at Chapel Hill. Her community involvement includes service on the Board of Directors for Charlotte Wine and Food Weekend, which contributes to charitable organizations seeking to benefit children and their families in the Charlotte community, and the Charlotte Regional Partnership, which pursues business growth in the Charlotte region. Additionally she serves on the Board of Directors and Finance Committees of Habitat for Humanity Charlotte and Sharon Towers, a Continuing Care Retirement Community.

## I. Description of the Corporate Governance Structure and Processes Related to Resolution Planning

### Corporate Governance and Oversight

Corporate governance and management oversight are fundamental to Ally Bank's resolution planning process, and are conducted through a combination of the Ally Bank Board of Directors, Risk Committee, ERMC (as defined below), business line management and key enterprise functions. Governance and oversight begin with the Ally Bank Board of Directors, which ultimately oversees the resolution planning process and provides final approval of the Ally Bank Plan.

The management committees and councils involved in the governance, oversight, and development of the Ally Bank Plan include the following at Ally Bank:

- **Enterprise Risk Management Committee ("ERMC")** - Established by the Ally Chief Risk Officer (CRO), the ERMC is responsible for oversight of senior management's responsibility to maintain and implement an effective risk-management framework and to oversee the appropriate management of risk consistent with Ally's strategy and Risk Appetite as established by the Risk Committee of the Board.
- **Resolution Planning Work Group ("RP Work Group")** - The RP Work Group, which is managed by the Resolution Planning Team (RP Team) and led by the Senior Enterprise Risk Director, Resolution Planning, is composed of subject matter experts representing lines of business and enterprise functions within AFI and Ally Bank.
- **Resolution Planning Team ("RP Team")** - The Enterprise Risk Management team responsible for the development of resolution plans to address the regulatory requirements outlined in the IDI Rule and the Supervisory Guidance (as defined below).

### Resolution Planning Process

The RP Team actively works to develop and maintain the Ally Bank Plan to ensure that it contains the information required by the IDI Rule, the additional guidance issued by the FDIC on December 16, 2014, and June 13, 2017, and the joint FRB and FDIC guidance issued on March 24, 2017 for the preparation of resolution plans by banking organizations like Ally Bank ("Supervisory Guidance"), and other materials and feedback provided by the FDIC. The RP Team defines projects, including responses to information requests as well as resolution plan drafting, and coordinates various workstreams in Ally legal entities, lines of business, and enterprise functions in the development and maintenance of the Ally Bank Plan. In carrying out its duties, the RP Team has the authority to assign tasks, impose deadlines and processes for responses, etc. throughout Ally. The Ally Bank Plan was presented for review and approval to the subject matter experts in the Ally Bank business lines and enterprise functions who provided plan content. Following these reviews, the Ally Bank Plan was presented for review and approval through the ERMC and to the Ally Bank Board of Directors.

### Board Approval and Submission

As required by the IDI Rule, the Ally Bank Board of Directors approved the Ally Bank Plan on June 18, 2018. Ally Bank submitted the Ally Bank Plan to the FDIC on June 27, 2018.



## **J. Description of Material Management Information Systems**

Ally Bank's material Management Information Systems (MIS) are composed of internally-developed applications and vendor software packages, some of which are externally hosted, that interface with strategic data provisioning systems for each major line of business and enterprise function. Ally Bank's material MIS are used to support critical business operations and to provide reporting and analytics for risk, capital, liquidity, and financial management activities. The same MIS are also used to support regulatory reporting and ad-hoc information requests.

Ally Bank's material MIS are governed by architecture standards supported by an Architecture Review Board to drive consistency, facilitate efficiency, and enforce appropriate controls regarding the flow of critical data. Changes to MIS are governed under a documented change methodology and process.

To ensure the quality of the data in its material MIS, Ally Bank maintains an Enterprise Data Governance Policy supported by approved Standards for managing critical data elements. An Enterprise Data Governance Council is chaired by Ally's Data Governance Executive and composed of key representatives who oversee Ally Bank's data governance activities and champion continuous improvement initiatives. The Enterprise Data Stewardship Working Group is a cross-functional group comprised largely of Data Governance Business Leads and Data Governance Technical Leads established to drive control, consistency, and alignment in data management practices, as well as provide a communication channel for discussing, sharing, clarifying, and confirming data governance topics.

Ally Bank has a robust business continuity program that is designed to prepare the organization for a broad array of events. Ally Bank utilizes multiple data centers to provide failovers to key systems, high frequency back-ups for individual workstations, and mobile command and operations centers to provide temporary workspace. Ally Bank also has a high capacity virtual private network to allow for home-based access should the need arise. Ally Bank regularly tests and updates its Business Continuity Plan.

Ally Bank has implemented an Identity and Access Management system to provide and remove access to key systems. Privileged access is reviewed quarterly by hiring managers and audited to ensure proper access.

Information Security policy and standards, adhering to regulatory expectations for the financial services sector, have been established and deployed throughout the company to ensure systems and desktops are maintained and assessed utilizing a risk-based approach.

## **K. High-level Description of Resolution Strategy**

### **Assumptions**

The FDIC has mandated the use of certain assumptions by Ally Bank in the preparation of the Ally Bank Plan. Specifically, a baseline economic scenario is assumed for development of Ally Bank's resolution strategy. Furthermore, the Ally Bank Plan assumes that AFI and Ally Bank have experienced one or more sudden, unforeseen idiosyncratic financial losses or liquidity events resulting in "material financial distress" or failure and that such idiosyncratic events occur at a time when general macroeconomic conditions are consistent with a baseline economic scenario. In

addition, the Ally Bank Plan assumes that there will be no extraordinary government support or assistance and that unsecured funding is unavailable to Ally Bank or its parent, AFI.

In the baseline scenario, the Ally Bank Plan also assumes the following:

- U.S. financial markets are functioning normally for other market participants; and
- Other market participants are in good financial condition and have not been adversely affected by the idiosyncratic events that caused the failure of Ally Bank.

### **Strategic Considerations**

The highly remote circumstances that could lead to an actual failure of a financial institution such as Ally Bank are likely to differ, perhaps substantially so, from the assumptions on which the Ally Bank Plan is premised. These differences would materially alter or affect the specific strategies and choices made and undertaken in the course of an actual resolution.

Ally Bank considered a variety of strategies and options during the development of the Ally Bank Plan. Also, it is important to note that over the past year, Ally has strengthened and simplified its organizational structure by establishing Ally Bank as the primary operating entity of Ally.

Taking this into consideration, each of those strategies and options considered the following:

- The different insolvency regimes to which the Material Entities would be subject; and
- The terms of Ally Bank's contracts and transactions (e.g., vendor contracts, qualified financial contracts) with other counterparties, how those contracts would be affected, and the actions those vendors and other counterparties might take in response to Ally Bank's material financial distress.

### **Plan Objectives**

The Ally Bank Plan has been developed to address the IDI Rule, the Supervisory Guidance, findings from prior plans, and the additional areas identified by the FDIC from their review of the 2015 Plan including, but not limited to, the following requirements:

- Ensure that depositors have access to their insured deposits at Ally Bank within one business day of Ally Bank's failure (two business days if the failure occurs on a day other than Friday);
- Ensure the rapid and orderly resolution of Ally Bank in a manner that avoids systemic risk to the U.S. financial system and the U.S. economy;
- Protect Ally Bank in the event one or more of AFI's other Material Entities fails;
- Minimize disruption to Ally Bank's customers and to the financial markets generally;
- Ensure that Ally Bank continues to receive all necessary Critical Services during the resolution period;

- Enable the FDIC to resolve Ally Bank without taxpayer support and at the least cost to the FDIC's Deposit Insurance Fund ;
- Preserve the value of Ally Bank to the greatest extent possible, subject to the foregoing requirements; and
- Develop a strategy with the goal of maximizing the net present value return from the sale or disposition of Ally Bank's major assets, Core Business Lines, or other key components of franchise value and minimize the amount of any loss realized by the creditors in the resolution.

### **The Ally Bank Plan**

In a receivership, the FDIC would use its traditional resolution powers under the Federal Deposit Insurance Act ("FDI Act"), possibly including: (i) execution of a purchase and assumption ("P&A") transaction to a third party over the Resolution Weekend, (ii) the creation of a bridge bank (if necessary) to make possible the orderly sale and disposition of Ally Bank's assets; or, (iii) if required by the circumstances, the wind down of Ally Bank's Direct Banking and Automotive Finance Core Business Lines. In the event that Ally Bank became subject to a resolution, the Ally Bank Plan contemplates that Ally Bank would be placed into receivership by the FDIC. Placing Ally Bank into a receivership would allow the FDIC to maintain the operations of Ally Bank (either through transitioning the operations to a purchaser of the failed Ally Bank over the Resolution Weekend or the creation of a bridge bank) and ensure uninterrupted services to depositors.

Since the last Ally Bank Plan submission certain organizational changes have been completed to improve resolvability and efficiencies of our business.

### **Potential Purchasers**

Ally Bank believes that its Banking and its Automotive Finance Core Businesses would be attractive to potential purchasers. Characteristics of potential acquirers of Ally Bank's Direct Banking Core Business Line would be those firms looking to enter or expand in deposit taking activities. Characteristics of potential acquirers of Ally Bank's Automotive Finance Core Business Line would be firms that are looking to enter or expand into automotive finance.