PUBLIC DISCLOSURE

September 28, 2020

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

Ally Bank
RSSD# 3284070

200 West Civic Center Drive
Sandy, Utah 84070

Federal Reserve Bank of Chicago

230 South LaSalle Street
Chicago, Illinois 60604-1413

NOTE: This document is an evaluation of this bank's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the bank. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

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INSTITUTION'S RATING

Ally Bank's Overall CRA Rating: Outstanding

A CRA Rating of "Outstanding" is assigned. The institution's performance reflects an outstanding record of helping to meet the credit needs of the assessment area, including low- and moderate-income areas, as outlined by its 2017-2019 Strategic Plan (the Plan). The following conclusions support this rating:

<u>Lending and Investment Goals</u>

- Ally Bank exceeded the institution's established goals for Outstanding performance in the combined goal for CRA-Qualifying Loans and Community Development (CD) Loans and Investments.
- Ally Bank exceeded all of the annual interim goals in the combined goal for CRA-Qualifying Loans and CD Loans and Investments.
- Ally Bank's actual performance exceeded the amounts for Outstanding for all three sub-goals in the Utah Assessment Area (UTAA), including the annual interim goals for each asset category.
- Ally Bank exceeded the Plan's requirement in which 90 percent of auto loans to small businesses located in low- and moderate-income (LMI) census tracts in the UTAA must be in amounts of $100,000 or less.

<u>Service Goals</u>

- CD Service hours exceeded the institution's established goals for Outstanding performance.
- Ally Bank exceeded all of the annual interim goals for CD Service hours.
- Ally Bank exceeded the Plan's requirement in which at least 50 percent of the CD Service hours per year must be in the UTAA.

ALLY BANK

DESCRIPTION OF INSTITUTION

Ally Bank is a wholly-owned subsidiary bank of Ally Financial, Inc. (AFI), an independent, nationwide automotive financial services firm. As of June 30, 2020, AFI held $184.1 billion in combined assets with Ally Bank comprising $172.9 billion in assets. AFI is headquartered in Detroit, Michigan and Ally Bank is headquartered in Sandy, Utah. Ally Bank maintains no branch offices or deposit-taking automated teller machines (ATMs); it provides all of AFI's direct banking business online.

Ally Bank is a leading online bank that offers banking products and services nationwide with no branches or ATMs. Deposit products include checking, savings, and money market deposit accounts, as well as certificates of deposit. Ally Bank, together with AFI, is the nation's leading provider of automotive financing and leasing products, including automotive vehicle purchase and lease financing to consumers, dealership financing, and commercial financing. In 2016, the bank began offering digital wealth management and limited direct-to-consumer mortgage lending.

There are no known legal, financial or other factors impeding the bank's ability to help meet the credit needs in its communities.

At its previous evaluation conducted on February 21, 2017, the bank was rated Outstanding under the CRA.

As presented in the following table, the bank held $115.8 billion in loans as of June 30, 2020. Consistent with AFI's core lines of business, Ally Bank's loan portfolio is primarily represented by automobile loans and commercial and industrial loans (dealer floorplan).

Comparative Loan Mix				
	$ Volume (000) 06/30/19	% of Portfolio 06/30/19	$ Volume (000) 06/30/20	% of Portfolio 06/30/20
Real Estate				
Other Const Lns & Land Dev & Other	171,000	0.1	188,000	0.2
1-4 Family-Revolving	457,000	0.4	351,000	0.3
1-4 Family Res Secured by First Liens	17,213,000	14.0	17,031,000	14.7
1-4 Family Res Secured by Junior Liens	177,000	0.1	122,000	0.1
Secured Multifamily Res Properties	38,000	0.0	36,000	0.0
Lns Secured Owner Occupd NonFrm NonRes	3,775,000	3.1	3,636,000	3.1
Lns Secured by Other NonFrm NonRes	548,000	0.4	825,000	0.7
Total Real Estate Loans	**22,379,000**	**18.2**	**22,189,000**	**19.2**
Commercial & Industrial	40,974,000	28.2	29,660,000	25.6
Automobile Loans	58,847,000	40.5	61,978,000	53.5
Other Consumer Loans	0	0.0	240,000	0.2
Obligations (other than securities and leases)	79,000	0.1	68,000	0.1
All Other Loans including to non-depository institutions	488,000	0.3	1,271,000	1.1
Lease Financing	325,000	0.2	372,000	0.3
Total Loans & Leases	**123,092,000**	**100.0**	**115,778,000**	**100.0**
Note: Percentages may not add to 100.0 percent due to rounding.				

SCOPE OF THE EXAMINATION

Ally Bank's CRA performance was evaluated under the Interagency Strategic Plan CRA Examination Procedures. The evaluation assessed the bank's performance in meeting the credits needs of its communities, including the bank's responsiveness to, and effectiveness in meeting, the credit and community development needs of its assessment area, through the achievement of measurable goals established in its approved January 2, 2017 to December 31, 2019 CRA Strategic Plan. The bank's Plan was developed taking into consideration information about the institution including its business model, assessment area demographics and economic indicators, and information obtained from community representatives. Performance rating criteria and thresholds were established in the approved Plan, and ratings are assigned for actual performance in relation to these established goals.

DESCRIPTION OF ASSESSMENT AREA

Ally Bank's 2017-2019 delineated Utah assessment area (UTAA) consists of eight contiguous counties in the Salt Lake City-Provo-Orem Combined Statistical Area (CSA) #482 including or bordering the Sandy, Utah headquarters location. Specific counties include Salt Lake and Tooele Counties in the Salt Lake City Metropolitan Statistical Area (MSA) #41620, Davis, Morgan, and Weber Counties in the Ogden-Clearfield MSA #36260, Utah County in the Provo-Orem MSA #39340, and Summit and Wasatch Counties designated as non-metropolitan areas. The bank's assessment area has changed since the previous evaluation and has expanded to include Morgan, Summit, and Wasatch Counties that are contiguous to Salt Lake County to the east.

The assessment area contains 474 census tracts, of which 23 are low-income, 96 are moderate-income, 202 are middle-income, 147 are upper-income, and six for which income is unknown. Additional demographic information as of 2019 for the assessment area is presented below.

2019 Assessment Area Portions of Salt Lake City-Provo-Orem CSA 482								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	23	4.9	16,553	3.1	5,628	34.0	101,807	18.8
Moderate-income	96	20.3	99,528	18.4	17,334	17.4	97,072	17.9
Middle-income	202	42.6	249,097	45.9	17,512	7.0	122,384	22.6
Upper-income	147	31.0	175,595	32.4	6,646	3.8	220,921	40.7
Unknown-income	6	1.3	1,411	0.3	525	37.2	0	0.0
Total Assessment Area	**474**	**100.0**	**542,184**	**100.0**	**47,645**	**8.8**	**542,184**	**100.0**

	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	28,891	6,175	1.2	21.4	20,696	71.6	2,020	7.0
Moderate-income	163,409	75,356	15.1	46.1	76,799	47.0	11,254	6.9
Middle-income	343,714	238,173	47.8	69.3	88,081	25.6	17,460	5.1
Upper-income	238,813	177,439	35.6	74.3	36,660	15.4	24,714	10.3
Unknown-income	4,642	1,236	0.2	26.6	1,465	31.6	1,941	41.8
Total Assessment Area	**779,469**	**498,379**	**100.0**	**63.9**	**223,701**	**28.7**	**57,389**	**7.4**

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	4,200	3.9	3,523	3.6	634	7.4	43	3.0
Moderate-income	19,327	18.1	16,579	17.1	2,553	29.9	195	13.6
Middle-income	45,025	42.1	41,194	42.4	3,326	39.0	505	35.3
Upper-income	38,010	35.5	35,425	36.5	1,907	22.4	678	47.4
Unknown-income	496	0.5	378	0.4	110	1.3	8	0.6
Total Assessment Area	**107,058**	**100.0**	**97,099**	**100.0**	**8,530**	**100.0**	**1,429**	**100.0**
	Percentage of Total Businesses:			**90.7**		**8.0**		**1.3**

2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

As shown in the Census Tract Designation Changes table below, there were changes in the distribution of census tracts by income since the previous evaluation.

The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2016 and 2017.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	**2016 Designations (#)**	**2017 Designations (#)**	**Net Change (#)**
Low	24	23	-1.0
Moderate	85	96	11.0
Middle	225	202	-23.0
Upper	138	147	9.0
Unknown	4	6	2.0
Total	476	474	-2.0
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2006-2010 *U.S. Census Bureau: Decennial Census: America Community Survey Data: 2011-2015*			

In addition to the UTAA, the bank's Broader Statewide or Regional Area (BSRA) includes the following states: Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Population Characteristics

The table below presents the population trends for the assessment area counties and the State of Utah from 2010 to 2015. According to the 2015 U.S. Census Bureau demographic data, the combined assessment area's population has increased from 2010. Wasatch and Morgan Counties experienced the greatest increases within the assessment area counties with population changes of 13.3 and 8.5 percent, respectively. The population of the state as a whole increased by 5.1 percent. The combined assessment area represents 80.2 percent of the total state population, indicating that this assessment area is the major population center of the state and is largely responsible for the state's increase in population. According to the 2015 U.S. Census Bureau, Salt Lake County continues to be the most populous county in the state, comprising approximately 37.2 percent of the State of Utah population.

Population Change 2010 and 2011-2015			
Area	**2010 Population**	**2011-2015 Population**	**Percentage Change (%)**
Davis County, UT	306,479	323,374	5.5
Morgan County, UT	9,469	10,276	8.5
Salt Lake County, UT	1,029,655	1,078,958	4.8
Summit County, UT	36,324	38,521	6.1
Tooele County, UT	58,218	60,893	4.6
Utah County, UT	516,564	551,957	6.9
Wasatch County, UT	23,530	26,661	13.3
Weber County, UT	231,236	238,682	3.2
State of Utah	2,763,885	2,903,379	5.1
Source: 2006-2010—U.S. Census Bureau: Decennial Census *2011-2015—U.S. Census Bureau: Annual Population Estimates OR 2010—U.S. Census Bureau: Decennial Census*			

Income Characteristics

The following table compares the median family income for the assessment area counties and the State of Utah from 2010 to 2015. According to the 2019 FFIEC Census Data, the UTAA is comprised of 542,184 families, of which 18.8 percent are designated as low-, 17.9 percent are moderate-, 22.6 percent are middle-, and 40.7 percent are upper-income. In addition, 8.8 percent of families residing within the assessment area live below the poverty line.

According to the 2011-2015 Census Bureau data, the median family income (MFI) in the combined assessment area and the state has increased since 2006-2010 Census Bureau data. Overall, a majority of the counties within the assessment area had MFI figures that were consistent with the State of Utah, while Morgan, Summit, and Wasatch Counties had MFI figures greater than the state. Amongst the counties within the assessment area, Summit County maintains the highest MFI of $101,659 and experienced the second greatest increase of 11.4 percent between 2006-2010 and 2011-2015 Census Bureau Data. Summit County's largest city, Park City, is a popular tourist destination due to the Sundance Film Festival and two ski resorts (Deer Valley Resort and Park City Mountain Resort) which were major locations in the 2002 Winter Olympics. Due to the popularity of Park City, the county requires a relatively high level of income to live within, which is supported by the census data. The greatest increase in MFI, 16.2 percent, was within Morgan County.

A community partner, which supports LMI education and activities that promote economic development through workforce development, stated that students who receive experience and exposure to industries prior to graduation, typically have starting wages greater than their peers. In addition, a community partner with a similar focus, benefiting Davis, Salt Lake, Utah, and Weber Counties stated technology companies in the area are searching for talent, which have potential for higher wages. The partner stated there is a need for technology driven education to support these unfilled positions in information technology.

Median Family Income
2006-2010 and 2011-2015

Area	2006-2010 Median Family Income 2010 Dollars ($)	2011-2015 Median Family Income 2015 Dollars ($)	Percentage Change (%)
Davis County, UT	73,259	78,367	7.0
Morgan County, UT	77,429	90,000	16.2
Salt Lake County, UT	67,451	72,049	6.8
Summit County, UT	91,286	101,659	11.4
Tooele County, UT	65,618	69,299	5.6
Utah County, UT	62,938	67,496	7.2
Wasatch County, UT	68,892	76,021	10.3
Weber County, UT	61,300	65,065	6.1
State of Utah	64,013	68,817	7.5

Source: 2006-2010— U.S. Census Bureau: American Community Survey
2011-2015—U.S. Census Bureau: American Community Survey

Housing Characteristics

The following table presents recent trends in housing costs within the assessment area counties and the State of Utah. Overall, there are a total of 779,469 housing units in the assessment area. The majority of housing units are owner-occupied at 63.9 percent, while 28.7 percent are rental units and 7.4 percent are vacant housing units.

According to the 2011-2015 American Community Survey, the combined assessment area saw minimal change in housing values, but saw substantial increases across the counties in median gross rent. Five of eight (62.5 percent) counties included in the assessment area experienced slight declines in median housing values, with the greatest decline in Tooele County of 2.9 percent. The remaining three counties, which include Davis, Morgan, and Summit Counties saw slight increases in median housing values with the greatest increase in Morgan County of 2.2 percent. The median housing values are generally consistent with the State of Utah, which saw a decrease in median housing values of 1.0 percent. All assessment area counties experienced an increase in median gross rents ranging from 7.8 percent in Tooele County to 52.8 percent in Morgan County, while the State of Utah experienced a 13.6 percent increase. Of the counties comprising the assessment area, Summit County maintained the highest median housing value at $497,300 and the highest median gross rent at $1,220.

As discussed in the income characteristics section, Summit County is home to Park City, which is largely populated by high-income residents and tourist attractions. Given this information, it is expected that the median housing values and rents would be greater when compared to the other counties comprising the assessment area. While Summit County is an outlier, the majority of the counties that make up the assessment area are comparable when assessing median housing and gross rent values.

According to a community partner, the assessment area's multifamily units are purchased quickly by investors and rented out at top value, which correlates to the change in median gross rents throughout the assessment area. Further, the partner stated that Salt Lake City, which is the county seat of Salt Lake County, is a hotbed for multifamily units and when available units come to market, they are bought quickly leaving minimal units available for affordable housing. Overall, community partners indicated that great strides have been made in assisting with affordable housing needs, but stated there is still a significant need throughout the assessment area.

A common method to compare relative affordability of housing across geographic areas is the affordability ratio, which is defined in Appendix D. A higher ratio supports more affordable housing opportunities. Based on the 2011-2015 U.S. Census Bureau American Community Survey data, Summit County is the least affordable county in the assessment area (0.18), while Tooele County is the most affordable county in the assessment area (0.36). The State of Utah's ratio of 0.28 is most comparable to Morgan and Utah Counties.

Trends in Housing Costs 2006-2010 and 2011-2015							
	Median Housing Value ($)			Median Gross Rent ($)			Affordability Ratio
Area	2006-2010	2011-2015	% Change	2006-2010	2011-2015	% Change	2011-2015
Davis County, UT	224,400	225,800	0.6	820	913	11.3	0.31
Morgan County, UT	260,600	266,400	2.2	600	917	52.8	0.28
Salt Lake County, UT	237,500	234,700	-1.2	818	936	14.4	0.26
Summit County, UT	492,100	497,300	1.1	957	1,220	27.5	0.18
Tooele County, UT	183,000	177,700	-2.9	752	811	7.8	0.36
Utah County, UT	233,800	228,400	-2.3	773	900	16.4	0.27
Wasatch County, UT	317,900	316,800	-0.3	888	1,083	22.0	0.21
Weber County, UT	168,300	168,000	-0.2	702	793	13.0	0.34
State of Utah	218,100	215,900	-1.0	781	887	13.6	0.28
Source: 2006-2010— U.S. Census Bureau: American Community Survey 2011-2015—U.S. Census Bureau: American Community Survey							

Employment Characteristics

The following table presents the unemployment trends for the assessment area counties and the State of Utah from 2016 to 2019. Overall, all counties within the assessment area experienced declining unemployment rates from 2016 to 2019, which aligns with unemployment trends in the State of Utah.

A community partner, which supports LMI education and activities that promote economic development through workforce development, stated that students who receive experience and exposure to industries prior to graduation, typically have greater chances for job placement. Through this same organization, they have created, supported, and/or improved over 4,500 LMI jobs and 25,500 total jobs throughout the bank's UTAA and BSRA supporting the declining unemployment rates in the UTAA in the table below.

Unemployment Rates (%)				
Area	2016	2017	2018	2019
Davis County, UT	3.2	3.1	2.9	2.4
Morgan County, UT	3.0	2.8	2.7	2.4
Salt Lake County, UT	3.2	3.1	2.9	2.5
Summit County, UT	3.2	3.1	3.0	2.5
Tooele County, UT	3.8	3.6	3.3	2.9
Utah County, UT	3.1	3.0	2.8	2.4
Wasatch County, UT	3.4	3.3	3.1	2.7
Weber County, UT	3.8	3.7	3.4	3.0
State of Utah	3.5	3.3	3.1	2.6
Source: Bureau of Labor Statistics: Local Area Unemployment Statistics (LAUS) FRED Economic Research: Federal Reserve Bank of St. Louis				

Industry Characteristics

The following table presents the largest employers operating in the assessment area. The information presented below illustrates that a majority of the largest employers in the assessment area are located in Davis, Salt Lake, and Utah Counties. The employment base covers multiple industries with the largest being in education, government, and healthcare.

Largest Employers in the Assessment Area

Company	County	Industry	# of Employees
University of Utah	Salt Lake	Higher Education	20,000+
State of Utah	Salt Lake	State Government	20,000+
Intermountain Health Care	Salt Lake	Healthcare	15,000-19,999
Brigham Young University	Utah	Higher Education	15,000-19,999
United States Government	Salt Lake	Federal Government	10,000-14,999
United States Government	Davis	Federal Government	10,000-14,999
Davis County School District	Davis	Education	7,000-9,999
Wal-Mart	Salt Lake	Warehouse/Supercenter	7,000-9,999
Alpine School District	Utah	Public Education	7,000-9,999
Utah Valley University	Utah	Higher Education	7,000-9,999
Source: Department of Workforce Services – Utah			

Community Representatives

Thirteen organizations who received community development financing from Ally Bank were interviewed in order to provide specific context regarding impactful lending, investment, and service opportunities and how they were addressed by the bank. In addition, information was reviewed from the bank's community needs assessment, which was performed in conjunction with the development of Ally Bank's Plan.

Representatives corroborated data indicating that the assessment area is in need of safe and affordable housing units, in particular for LMI individuals and families, individuals coming out of the criminal justice system, and persons with disabilities. In addition to affordable housing, organizations stated the need of affordable workspaces to support small business development. Educational opportunities for individuals, including early-education for LMI students, were discussed as a need within the UTAA. Further, an organization referenced the need for technology driven education to support unfilled positions in the area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The Plan established two main goals for both the Utah Assessment Area (UTAA) and for the Broader Statewide and Regional Area (BSRA) as follows:

- Combined $2.5 billion in CRA-Qualifying Loans and CD Loans and Investments
- Provide 2,000 hours of CD Services

In addition to the two overall main goals, the Plan established annual interim goals. Ally Bank's performance relative to each goal exceeded the goals for an Outstanding rating. Ally Bank's performance thresholds and actual performance for 2017-2019 are presented in the following tests.

LENDING AND INVESTMENT TEST

Ally Bank's approved 2017-2019 Strategic Plan combined CRA-Qualifying Loans with CD Loans and Investments; therefore, for the purpose of this evaluation, the lending test and investment test have been combined. Ally Bank's performance relative to the lending test and investment test is rated Outstanding.

Ally Bank originated over $2.7 billion in CRA qualifying loans and CD loans and investments throughout the UTAA and BSRA, exceeding the bank's $2.5 billion threshold for an outstanding rating. Details and the table below present the bank's CRA-Qualifying Loans and CD loans and investments during the evaluation period. Due to rounding, the values below are considered to be approximate.

- The bank originated $520.8 million in home mortgage and $52.7 million in auto loans.
- The bank originated $710.7 million in community development loans.
- The bank's community development investments totaled $1.4 billion.
- Grants for community development purposes totaled $3.0 million.

Combined Goal: CRA Qualifying Loans and Community Development Loans and Investments				
Dollars Originated in Assessment Area and Broader State and Regional Area				
Year	Low Satisfactory	High Satisfactory	Outstanding	Actual Performance
2017	450-650 million	550-800 million	600-900 million	707.8 million
2018	550-750 million	600-850 million	700 million-1.0 billion	875.9 million
2019	600-800 million	700-950 million	800 million-1.1 billion	1.1 billion
Total	**1.9 billion**	**2.2 billion**	**2.5 billion**	**2.7 billion**

The Plan also established UTAA specific sub-goals for three categories:

- Small auto loans to LMI borrowers (consumer) for purchase of a vehicle and closed-end loans (<$1MM) to businesses in LMI geographies for purchase of a vehicle;
- Mortgage Loans to LMI Borrowers; and
- CD Loans and Investments

Ally Bank's performance relative to each sub-goal exceeded the goals for an Outstanding rating. Ally Bank's performance thresholds and actual performance for the 2017-2019 UTAA sub-goals are presented in the following tables. Sub-goals specific to the BSRA were not identified in the Plan; however, those dollars are presented in the combined goal as stated above.

Small Loans to LMI Borrowers and to Businesses in LMI Geographies

Small auto loans to LMI borrowers (consumer) for purchase of a vehicle and closed-end loans (<$1MM) to businesses in LMI geographies for purchase of a vehicle were designated as a combined sub-goal under the bank's Plan. Loans to LMI borrowers for purchase of a vehicle was designated as a goal to reflect performance in helping meet the credit needs of LMI individuals within the assessment area. In addition, as the bank only originates or purchases business purpose loans for auto finance, a goal for small auto loans to businesses in LMI geographies was established to reflect performance in providing small dollar credit to businesses. This goal contains a requirement that at least 90 percent of the small business auto loans must be in amounts of $100,000 or less.

The following table presents information regarding Ally Bank's performance relative to benchmarks established within the assessment area for Plan years 2017-2019.

Small Auto Loans to LMI Borrowers and Businesses in LMI Geographies within UTAA				
	Goal Thresholds ($ in Millions)			Actual Performance
Year	Low Satisfactory	High Satisfactory	Outstanding	
2017	9.10	10.60	12.00	14.26
2018	9.30	10.80	12.25	16.70
2019	9.50	11.00	12.50	21.77
Total	**27.90**	**32.40**	**36.75**	**52.73**

Actual performance exceeded goal thresholds for an Outstanding rating in lending to both low- and moderate-income geographies and borrowers in each year of the Plan, with the total aggregate lending substantially exceeding that threshold. Further, the bank averaged over 99 percent over the three-year period for small business auto loans in amounts of $100,000 or less, exceeding the 90 percent requirement.

Home Mortgage Loans to LMI Borrowers

Home mortgage loans to LMI borrowers for the purchase or refinance of a residence was designated as a sub-goal under the bank's Plan. Home mortgage loans to LMI borrowers was designated as a goal to reflect performance in helping meet the credit needs of LMI individuals within the assessment area and Ally Bank's commitment to affordable single family housing.

Home Mortgage Loans to LMI Borrowers in UTAA				
	Goal Thresholds ($ in Millions)			Actual Performance
Year	Low Satisfactory	High Satisfactory	Outstanding	
2017	9.90	11.40	13.00	18.49
2018	10.60	12.30	14.00	14.55
2019	11.20	13.00	14.75	17.98
Total	**31.70**	**36.70**	**41.75**	**51.02**

Actual performance exceeded goal thresholds for an Outstanding rating in lending to low- and moderate-income borrowers in each year of the Plan, with the total aggregate lending exceeding that threshold.

Community Development Lending and Investments

Ally Bank's CD Loans and Investments performance thresholds and actual performance for 2017-2019 in the UTAA are presented in the following table.

Community Development Loans and Investments				
Dollars Originated in UTAA ($ in Millions)				
Year	Low Satisfactory	High Satisfactory	Outstanding	Actual Performance
2017	135.0	160.0	180.0	245.1
2018	150.0	170.0	195.0	217.5
2019	160.0	185.0	210.0	272.0
Total	**445.0**	**515.0**	**585.0**	**734.6**

The bank's CD lending originations and the number of dollars in new investments greatly exceeded the established thresholds for an Outstanding rating in each year of the Plan.

A number of loans originated were focused in areas identified as part of the needs assessment as being particularly innovative, flexible, and responsive. Loans often required special expertise and effort to provide a benefit that would not otherwise be possible. Notable examples of impactful community development loans include:

- Ally Bank made a $4.2 million bridge loan to a housing organization for a community facility to serve LMI children, as well as aging and disabled adults. This particular loan combined New Market Tax Credit (NMTC) leveraged loan participation with a direct bridge loan. Acting as a lender in a NMTC leverage structure evidences an extremely sophisticated understanding of complex tax credit investments. Further, the bank's flexibility enabled construction of the facility to move forward before all capital pledges had been received, indicating the bank's responsiveness to its community needs.

- The bank financed a $13.2 million multifamily Low-Income-Housing Tax-Credit (LIHTC) rental project in which 50 percent of all units were income restricted to low- and moderate-income individuals. LIHTC transactions indicate a high level of knowledge, familiarity, and skill with a complex tax credit investment model.

The bank's investments and grants further highlighted a commitment to responding to identified community development needs, particularly in leadership positions and in complex areas. Notable examples include:

- A $20 million venture capital investment in a seed capital fund that provides equity financing specifically to new small businesses that may otherwise be too unseasoned for traditional venture capital firms. The fund's focus is on providing technical assistance to first-time entrepreneurs. Ally Bank's investment in this seed capital fund is particularly responsive to assessment area needs as it funds small investments to entrepreneurs coupled with technical assistance.

- An aggregate $75 million in equity investments into a responsive and complex affordable housing preservation fund. The investment is uniquely focused on naturally occurring affordable housing (NOAH), where a majority of tenants in each project are LMI households, without relying on government subsidies such as LIHTC.

- Donations totaling $50,000 to an organization that provides services to refugee women, including housing, job placement, and English classes. In addition to grants, Ally Bank provided service hours through Board of Directors membership and technical assistance provided to the organization.

- Donations totaling $55,000 to an organization that provides vocational and employment support for LMI individuals with disabilities.

SERVICE TEST

Ally Bank's performance relative to the service test is rated Outstanding. The 2017-2019 Strategic Plan performance thresholds and actual performance are presented in the table below. The Plan also required that at least 50 percent of the services per year must be located in the UTAA.

Community Development Services Service Hours Performed in the Assessment Area and Broader State and Regional Area				
Year	Low Satisfactory	High Satisfactory	Outstanding	Actual Performance
2017	520	585	650	722.5
2018	520	585	650	769.5
2019	560	630	700	739.3
Total	**1,600**	**1,800**	**2,000**	**2,231.3**

Actual performance exceeds the number of hours necessary to meet the threshold for Outstanding in each year of the plan. Further, Ally Bank satisfied the requirement of at least 50 percent of service hours completed in the UTAA annually with an average of 93 percent over the three-year period, substantially exceeding the 50 percent requirement. Service hours performed evidenced a high level of involvement on Boards of Directors for organizations that promote the provision of financial services and in providing technical assistance regarding financial services. Examples of the bank's service hours are presented below.

- Board of Directors membership on an organization that supports educational and workforce development for LMI students. Ally Bank's Board membership, coupled with its CD grants totaling $180,000 throughout the UTAA and BSRA, evidence a high level of participation and an ongoing commitment to its initiatives.

- Board of Directors membership of an organization which facilitates the development and preservation of affordable housing. Ally Bank's Board membership, coupled with its CD loans, evidence Ally's strong commitment to affordable housing efforts throughout its assessment area.

- Board of Directors membership, including committee and treasurer positions, are held at several local schools.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – Scope of Examination

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED	January 2, 2017 - December 31, 2019		
FINANCIAL INSTITUTION Ally Bank			**PRODUCTS REVIEWED** Small auto loans to business, Consumer auto loans, LMI Mortgages
AFFILIATE(S)	**AFFILIATE RELATIONSHIP**		**PRODUCTS REVIEWED**
Ally Financial, Inc.	Parent Company		Small auto loans to business, Consumer auto loans, LMI Mortgages
IDENTIFICATION OF ASSESSMENT AREAS			
ASSESSMENT AREA	**TYPE OF EXAMINATION**	**BRANCHES VISITED**	**OTHER INFORMATION**
Salt Lake City-Provo-Orem CSA #482	**Full Review**	**N/A**	**N/A**

APPENDIX B – Glossary

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Affordability ratio: To determine housing affordability, the affordability ratio is calculated by dividing median household income by median housing value. This ratio allows the comparison of housing affordability across assessment areas and/or communities. An area with a high ratio generally has more affordable housing than an area with a low ratio.

Aggregate lending: The number of loans originated and purchased by all lenders subject to reporting requirements as a percentage of the aggregate number of loans originated and purchased by all lenders in the MSA/assessment area.

American Community Survey Data (ACS): The American Community Survey (ACS) data is based on a nationwide survey designed to provide local communities with reliable and timely demographic, social, economic, and housing data each year. The Census Bureau first released data for geographies of all sizes in 2010. This data is known as the "five-year estimate data." The five-year estimate data is used by the FFIEC as the base file for data used in conjunction with consumer compliance and CRA examinations.[1]

Area Median Income (AMI): AMI means –

1. The median family income for the MSA, if a person or geography is located in an MSA, or for the metropolitan division, if a person or geography is located in an MSA that has been subdivided into metropolitan divisions; or
2. The statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment area: Assessment area means a geographic area delineated in accordance with section 228.41

Automated teller machine (ATM): An automated teller machine means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the bank at which deposits are received, cash dispersed or money lent.

Bank: Bank means a state member as that term is defined in section 3(d)(2) of the Federal Deposit Insurance Act (12 USC 1813(d)(2)), except as provided in section 228.11(c)(3), and includes an uninsured state branch (other than a limited branch) of a foreign bank described in section 228.11(c)(2).

[1] *Source: FFIEC press release dated October 19, 2011.*

Branch: Branch refers to a staffed banking facility approved as a branch, whether shared or unshared, including, for example, a mini-branch in a grocery store or a branch operated in conjunction with any other local business or nonprofit organization.

Census tract: Small subdivisions of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. They usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Combined Statistical Area (CSAs): Adjacent metropolitan statistical areas/metropolitan divisions (MSA/MDs) and micropolitan statistical areas may be combined into larger Combined Statistical Areas based on social and economic ties as well as commuting patterns. The ties used as the basis for CSAs are not as strong as the ties used to support MSA/MD and micropolitan statistical area designations; however, they do bind the larger area together and may be particularly useful for regional planning authorities and the private sector. Under Regulation BB, assessment areas may be presented under a Combined Statistical Area heading; however, all analysis is conducted on the basis of median income figures for MSA/MDs and the applicable state-wide non metropolitan median income figure.

Community Development: The financial supervisory agencies have adopted the following definition for community development:

1. Affordable housing, including for multi-family housing, for low- and moderate-income households;
2. Community services tailored to meet the needs of low- and moderate-income individuals;
3. Activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; or
4. Activities that revitalize or stabilize low- or moderate-income geographies.

   Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definitions of community development. Activities that revitalize or stabilize:

   1) Low- or moderate-income geographies;
   2) Designated disaster areas; or
   3) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation and Office of the Comptroller of the Currency based on:
      a. Rates of poverty, unemployment or population loss; or
      b. Population size, density and dispersion. Activities that revitalize and

stabilize geographies designated based on population size, density and dispersion if they help to meet essential community services including the needs of low- and moderate-income individuals.

Community Development Loan: A community development loan means a loan that:

1) Has as its primary purpose community development; and
2) Except in the case of a wholesale or limited purpose bank –
    a. Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment as a home mortgage, small business, small farm, or consumer loan, unless it is a multi-family housing loan (as described in the regulation implementing the Home Mortgage Disclosure Act); and
    b. Benefits the bank's assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s).

Community Development Service: A community development service means a service that:

1) Has as its primary purpose community development; and
2) Is related to the provision of financial services.

Consumer loan: A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories of loans: motor vehicle, credit card, other consumer secured loan, including a home improvement loan not secured by a dwelling, and other consumer unsecured loan, including a loan for home improvement not secured.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married couple family or other family, which is further classified into "male householder" (a family with a male household and no wife present) or "female householder" (a family with a female householder and no husband present).

Fair market rent: Fair market rents (FMRs) are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to their program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard-quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The 40th percentile rent is drawn from the distribution of rents of all units occupied by recent movers (renter households who moved to their present residence within the past 15 months). HUD is required to ensure that FMRs exclude non-market rental housing in their computation. Therefore, HUD excludes all units falling below a specified rent level determined from public housing rents in HUD's program databases as likely to be either assisted housing or otherwise at a below-market rent, and units less than two years old.

Full review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and amount of qualified investments) and qualitative factors (for example, innovativeness, complexity and responsiveness).

Geography: A census tract delineated by the U.S. Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act: The statute that requires certain mortgage lenders that do business or have banking offices in metropolitan statistical areas to file annual summary reports of their mortgage lending activity. The reports include data such as the race, gender and income of the applicant(s) and the disposition of the application(s) (for example, approved, denied, and withdrawn).

Home mortgage loans: Are defined in conformance with the definitions of home mortgage activity under the Home Mortgage Disclosure Act and include closed end mortgage loans secured by a dwelling and open-end lines of credit secured by a dwelling. This includes loans for home purchase, refinancing and loans for multi-family housing. It does not include loans for home improvement purposes that are not secured by a dwelling.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Income Level: Income level means:

1) Low-income – an individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a census tract;
2) Moderate-income – an individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent in the case of a census tract;
3) Middle-income – an individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent in the case of a census tract; and
4) Upper-income – an individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent in the case of a census tract.

Additional Guidance: .12(m) Income Level: The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey *and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level).*

Limited-purpose bank: This term refers to a bank that offers only a narrow product line such as credit card or motor vehicle loans to a regional or broader market and for which a designation as a limited-purpose bank is in effect, in accordance with section 228.25(b).

Limited review: Performance under the Lending, Investment, and Services test is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, amount of investments and branch office distribution).

Loan location: Under this definition, a loan is located as follows:

1) Consumer loan is located in the census tract where the borrower resides;
2) Home mortgage loan is located in the census tract where the property to which the loan relates is located;
3) Small business and small farm loan is located in the census tract where the main business facility or farm is located or where the loan proceeds have been applied as indicated by the borrower.

Loan product office (LPO): This term refers to a staffed facility, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development (HUD) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area: A metropolitan statistical area (**MSA**) or a metropolitan division (**MD**) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a single core population of at least 2.5 million may be divided into MDs. A metropolitan statistical area that crosses into two or more bordering states is called a multistate metropolitan statistical area.

Multifamily: Refers to a residential structure that contains five or more units.

Nonmetropolitan area: This term refers to any area that is not located in a metropolitan statistical area or metropolitan division. Micropolitan statistical areas are included in the definition of a nonmetropolitan area; a micropolitan statistical area has an urban core population of at least 10,000 but less than 50,000.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: This term refers to any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: This term refers to a state or multistate metropolitan area. For institutions with domestic branch offices in one state only, the institution's CRA rating is the state's rating. If the institution maintains domestic branch offices in more than one state, the institution will receive a rating for each state in which those branch offices are located. If the institution maintains domestic branch offices in at least two states in a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan area.

Small Bank: This term refers to a bank that as of December 31 of either of the prior two calendar years, had assets of less than $1.252 billion. Intermediate small bank means a small bank with assets of at least $313 million as of December 31 of both of the prior two calendar years and less than $1.252 billion as of December 31 of either of the prior two calendar years.

Annual Adjustment: The dollar figures in paragraph (u)(1) of this section shall be adjusted annually and published by the Board, based on the year-to-year change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers, not seasonally adjusted, for each 12-month period ending in November, with rounding to the nearest million.

Small Business Loan: This term refers to a loan that is included in "loans to small businesses" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. The loans have original amounts of $1 million or less and are either secured nonfarm, nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: This term refers to a loan that is included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. These loans have original amounts of $500 thousand or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Wholesale Bank: This term refers to a bank that is not in the business of extending home mortgage, small business, small farm or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with section 228.25(b).