



# Ally Financial Inc. Compensation, Nominating and Governance Committee Charter

## Purpose

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The purpose of the Compensation, Nominating and Governance Committee is as follows:

- To discharge the Board’s responsibilities with respect to the establishment, maintenance and administration of Ally Financial’s compensation programs, including determining and approving the total compensation of the Chief Executive Officer and the other executive officers as well as other senior executives designated by the Committee as under its purview.
- To oversee Ally Financial’s leadership development and succession planning programs.
- To identify qualified individuals for membership on the Board (consistent with criteria approved by the Board) and to recommend to the Board the director nominees.
- To lead the Board and its committees in their annual self-evaluation and the annual review of the Board’s performance.
- To develop and recommend to the Board a corporate governance policy for the Board, and oversee Ally Financial’s corporate governance procedures and practices related to the Board.
- To perform any and all duties required of it under the Emergency Economic Stabilization Act, as amended, and any regulations or other legal authority promulgated at any time there under (“EESA”).

## Committee Membership

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The Committee shall be composed of not less than three non-employee, independent directors of the Board of Directors. All members of the Committee shall meet the “independence” requirements as defined in the By-Laws and all applicable laws, rules, and regulations, including EESA. Members of the Committee shall be appointed and may be removed by the Board, by resolution of a majority of the non-employee directors.



## Committee Chairman

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The Committee shall designate one of its members to act as the Chairman of the Committee.

## Committee's Duties and Responsibilities

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In addition to any other responsibilities which may be assigned from time to time by the Board, the Committee's responsibilities are defined below. At the Committee's discretion and at Ally Financial's expense, the Committee may retain any outside counsel, accountants, experts, and other professional advisors as it determines appropriate to assist in the discharge of these responsibilities.

## Compensation

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- A **CEO Total Compensation**. Determine the total compensation, including salary, incentive compensation, equity-based awards, executive benefits and perquisites, for the Chief Executive Officer ("CEO"). In doing so, the Committee will review and approve corporate and individual goals and objectives (financial and non-financial) relevant to the Chief Executive Officer's compensation, evaluate the Chief Executive Officer's performance against these goals and objectives, and based on its evaluation, set the Chief Executive Officer's total compensation.
  
- B **Other Purview Executives' Compensation**. Determine the total compensation, including salary, incentive compensation, equity-based awards, executive benefits and perquisites for the executive officers and other designated senior executives under the purview of the Committee (expected during the TARP period to include the balance of the 25 most highly compensated employees). As in the case of CEO compensation, above, the Committee will review and approve corporate, business and individual goals and objectives (financial and non-financial) for the executives. After input from the Chief Executive Officer regarding the performance of the executives against these goals and objectives, and the CEO's recommendations for their total compensation, the Committee will determine and approve the total compensation for these executives.



- C **Set the Remuneration Pool for the Remaining Most Highly Paid Executives.** Annually determine the total compensation pool available for the remaining highest-paid executives (i.e., during the TARP period, not less than the balance of the 100 most highly compensated employees) including their mix of compensation. Annually review the metrics and award guidelines established by the CEO for these remaining most highly compensated executives.
- D **Other Employee Compensation.** Annually review eligibility criteria, metrics, award guidelines and size of pool available for company-wide or line-of-business compensation programs in which management level employees or highly compensated employees participate, including all forms of incentive compensation. Following year-end, review and approve the CEO's recommendations for the cash and equity pools to be available for awards to eligible employees based on an assessment of performance for the prior year.
- E **Compensation Plans.** Review, evaluate and make recommendations to the Board with respect to Ally Financial's compensation plans and equity-based plans, including any material change to an existing equity compensation plan or the adoption of a new equity-based compensation plan, and oversee the administration of such plans.
- F **Succession Planning.** Review at least annually with the CEO and Chief Human Resources Officer the leadership development and succession plans relating to the positions of CEO and other members of the executive management.
- G **Talent Risk Assessment.** Review at least annually with the CEO and Chief Human Resources Officer the company's talent acquisition and turnover to ensure the necessary skills and capabilities continue to exist within the organization.
- H **Officers and Titles.** Review officer designations as recommended by the CEO.
- I **Employment Terms.** Review and approve employment and severance terms for the CEO and other executives under the purview of the Committee.
- J **Director Compensation.** Periodically review and make recommendations to the Board as to the form and amount of compensation for the directors on Ally Financial's Board. Director compensation should provide reasonable compensation for non-employee directors commensurate with their duties and responsibilities as directors, and provide a sufficient level of compensation necessary to attract and retain the highest quality individuals.



- K **CDA Report**. Review and discuss with management the "Compensation Discussion and Analysis" section of the Company's annual report and produce the compensation committee report for the annual report.
- L **Risk Review**. Fulfill the Committee's duties and responsibilities related to the compensation of executives and other employees under EESA, or pursuant to any agreement with the United States Department of Treasury, the Federal Deposit Insurance Corporation, the Federal Reserve Bank of New York and/or any other governmental authority. As of the date of this charter, such duties and responsibilities include without limitation the following:
- Discuss, evaluate and review at least every six months with Ally Financial's senior risk officer:
    - The relationship between Ally Financial's risk management policies and practices and the incentive compensation arrangements applicable to Senior Executive Officers (as defined in EESA) and other employees to ensure that they do not encourage such Senior Executive Officers or other employees to take unnecessary and excessive risks that could threaten the value of Ally Financial.
    - All employee compensation plans for the purpose of identifying and limiting features that encourage risk that threatens the value of the company, including features that reward short term results at risk of long term value creation.
  - Review, at least every six months, each employee compensation plan to identify and eliminate features that encourage manipulation of reported earnings for the purpose of enhancing compensation.
  - Annually provide a narrative report to the U.S. Treasury regarding how the Committee limited features in employee compensation plans as described above.
  - In each year's 10-K:
    - Certify as to the completion of the foregoing reviews of, and actions taken with respect to, Senior Executive Officer and employee compensation plans; and
    - Provide a narrative description of the foregoing reviews of, and actions taken with respect to, Senior Executive Officer and employee compensation plans.



## Nominating and Governance

- A **Board Nomination Criteria**. Set general criteria for directors for nomination to the Board and, as deemed appropriate, for membership on committees.
- B **Nomination of Directors**. Consider the size, composition and needs of the Board and consider and oversee the searches for and recommend candidates for membership on the Board, including evaluating current directors for re-nomination.
- C **Committees of the Board**. Annually review the purpose of the committees of the Board, recommend to the Board any changes deemed necessary or desirable to the purpose of the committees and whether any committees should be created or discontinued, and recommend to the Board the directors to be appointed to each committee.
- D **Evaluation Process**. Develop and recommend to the Board an annual self-evaluation process for the Board and its committees. The Committee shall oversee the process which the Board and its committees use to conduct the annual self-evaluations.
- E **Conflicts of Interest**. Consider questions of possible conflicts of interest and related party transactions of the Board members or executive officers under the purview of the Committee, as such questions arise, including as required by the Ally Financial Code of Conduct and Ethics.
- F **Director Orientation**. Review and recommend director orientation and education for members of the Board.
- G **Corporate Governance**. Oversee corporate governance, policies, procedures and practices, and make recommendations to the Board with respect to changes to existing policies, procedures and practices or the adoption of new procedures and practices for the Board.



#### Other

- **Meetings.** Meet at least four times per year and at such times and places and by such means as the Chairman shall determine.
- **Quorum.** A majority of the directors appointed to the Committee constitute a quorum.
- **Self-Assessment.** Annually evaluate the Committee's performance and assess the adequacy of the Committee's Charter.
- **Delegation.** The Committee may delegate authority to individuals or subcommittees, as appropriate in the Committee's discretion, but such delegation does not absolve the Committee of its responsibilities and the Committee shall review such delegations periodically.
- **Reporting to Board.** The Committee shall report to the Board periodically.