

GMAC LLC  
Form 424B5  
November 14, 2007  
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Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-131150

**PROSPECTUS**

**\$12,500,000,000**

**GMAC LLC**

**GMAC Demand Notes**

The GMAC Demand Notes are designed to provide investors with a convenient means of investing funds directly with GMAC. The Demand Notes pay a floating rate of interest that is typically above the most recent seven-day average yield (simple) on taxable U.S. money market funds as published in the Money Fund Report Averages - All Taxable. The interest rate is determined each Friday by the GMAC Demand Notes Committee, with any change in the rate effective on the following Monday. The initial interest rate applicable to the Demand Notes and all subsequent changes to the initial interest rate will be disclosed in prospectus supplements filed in accordance with Rule 424(b) of the Securities Act of 1933, as amended (the Securities Act). The Demand Notes are in book-entry form and have no stated maturity. Your Demand Notes are redeemable by you on your demand.

The Demand Notes are unsecured and unsubordinated debt obligations of GMAC ranking equally with all of our other unsecured and unsubordinated obligations (other than obligations preferred by mandatory provisions of law). The Demand Notes are not obligations of or guaranteed by General Motors Corporation (GM), Mellon Bank, N.A., the Processing Agent for the Demand Notes, or any other company. Only the assets of GMAC are available for the payment of principal and interest. It is possible for investors to lose their investment if GMAC is unable to pay its obligations.

**An investment in Demand Notes involves risks. Prospective investors in Demand Notes should consider carefully the risk factors beginning on Page 4 of this prospectus and as described under Risk Factors in item 1A of our Annual Report on Form 10-K for the year ended December 31, 2006 (which is incorporated by reference herein), as well as the other information contained or incorporated by reference in this prospectus. Risk factors may be amended or supplemented in subsequent reports on Form 10-K or**

**Form 10-Q.**

Prospective investors should consult their own financial and legal advisors as to the risks entailed by an investment in the Demand Notes and the suitability of the investment in light of their particular circumstances.

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You may invest in the Demand Notes by completing the investment form accompanying this prospectus and by sending your investment by one of the methods described in this prospectus under the heading *How to Invest* .

The Demand Notes are offered on a continuous basis and Demand Notes registered on January 19, 2006 (Registration No. 333-131150) and all Registration Statements filed previously represent the maximum aggregate principal amount of Demand Notes which are expected to be offered for sale. No commissions are payable by GMAC on sales of the Demand Notes. GMAC reserves the right to withdraw, cancel or modify the offer to sell Demand Notes at any time without notice. GMAC has the sole right to accept offers to purchase Demand Notes and may reject any proposed purchase of Demand Notes in whole or in part.

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*For information regarding the Demand Notes,*

*please call 1-800-684-8823, or visit [www.demandnotes.com](http://www.demandnotes.com);*

*For additional information regarding GMAC, please visit [www.gmacfs.com](http://www.gmacfs.com).*

*or see [Where You Can Find More Information](#) on Page 4 hereof.*

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*Please read the Prospectus carefully and retain for future reference.*

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**SUMMARY**

**Our Company**

GMAC LLC (GMAC or the Company) is a leading, independent, globally diversified, financial services firm with operations in approximately 40 countries. Founded in 1919 as a wholly owned subsidiary of General Motors Corporation (General Motors or GM), GMAC was originally established to provide GM dealers with the automotive financing necessary for the dealers to acquire and maintain vehicle inventories and to provide retail customers the means by which to finance vehicle purchases through GM dealers. On November 30, 2006, GM sold a 51% interest in us for approximately \$7.4 billion (the Sale Transactions) to FIM Holdings LLC (FIM Holdings), an investment consortium led by Cerberus FIM Investors LLC, the sole managing member. The consortium also includes Citigroup Inc., Aozora Bank Ltd., and a subsidiary of The PNC Financial Services Group, Inc.

Our products and services have expanded beyond automotive financing as we currently operate in the following lines of business: Automotive Finance, Mortgage (ResCap), Insurance and Other:

*Automotive Finance* our Automotive Finance operations offer a wide range of financial services and products (directly and indirectly) to retail automotive consumers, automotive dealerships, and other commercial businesses. Our Automotive Finance operations consist of two separate reporting segments: North American Automotive Finance operations and International Automotive Finance operations. The products and services offered by our Automotive Finance operations include the purchase of retail installment sales contracts and leases, offering of term loans, dealer floor plan financing and other lines of credit to dealers, fleet leasing, and vehicle remarketing services. While most of our operations focus on prime automotive financing to and through GM or GM-affiliated dealers, our Nuwell operation, which is part of our North American Automotive Finance operations, focuses on nonprime automotive financing to GM-affiliated and non-GM dealers. Our Nuwell operation also provides private-label automotive financing. In addition, our Automotive Financing operations utilize asset securitization and whole-loan sales as a critical component of our diversified funding strategy.

*ResCap* our ResCap operations engage in the origination, purchase, servicing, sale, and securitization of consumer (i.e., residential) and mortgage loans and mortgage-related products (e.g., real estate services). Typically, mortgage loans are originated and sold to investors in the secondary market, including securitization transactions in which the assets are legally sold but are accounted for as secured financings. In March 2005, we transferred ownership of GMAC Residential and GMAC-RFC to a newly formed, wholly owned, subsidiary holding company, ResCap. As part of this transfer of ownership, certain agreements were put in place between ResCap and us that restrict ResCap's ability to declare dividends or prepay subordinated indebtedness owed to us. While we believe the restructuring of these operations and the agreements between ResCap and us allow ResCap to access more attractive sources of capital, the agreements inhibit our ability to return funds for dividends and debt payments.

*Insurance* our Insurance operations offer vehicle service contracts and underwrite personal automobile insurance coverage (ranging from preferred to non-standard risks) and selected commercial insurance and reinsurance coverage. We are a leading provider of vehicle service contracts with mechanical breakdown and maintenance coverages. Our vehicle service contracts offer vehicle owners and lessees mechanical repair protection and roadside assistance for new and used vehicles beyond the manufacturer's new vehicle warranty. We underwrite and market non-standard, standard, and preferred-risk physical damage and liability insurance coverages for passenger automobiles, motorcycles, recreational vehicles, and commercial automobiles through independent agency, direct response, and internet channels. Additionally, we market private-label insurance through a long-term agency relationship with Homesite Insurance, a national provider of home insurance products. We provide commercial insurance, primarily covering dealers' wholesale vehicle inventory, and reinsurance products. Internationally, ABA Seguros provides certain commercial business insurance exclusively in Mexico.



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*Other* our other operations consist primarily of our Commercial Finance Group and an equity investment in Capmark (our former commercial mortgage operations).

## **Risk Factors**

An investment in the Notes involves risks. You should carefully consider these risks before investing in the Notes. Please see the Risk Factors section beginning on page 4 of the prospectus.

## **The Notes**

Issuer	GMAC LLC
Issuer's Principal Executive Offices	200 Renaissance Center, Detroit, Michigan 48265 (Tel. No. 313-556-5000).
Title	Demand Notes
Amount	Up to \$12,500,000,000 aggregate initial offering price.

## ***Investment Options***

Investments may be made by check, wire or electronic transfer, direct investment of regular recurring checks (e.g., paycheck, social security or pension check), or by GM or GMAC payroll and GM pension deduction. See How to Invest beginning on page 10 for further details.

## ***Redemption Options***

Demand Notes may be redeemed by writing a check of \$250 or more, wire transfer of \$1,000 or more, automatic monthly or quarterly redemption of specified amounts or automatic monthly interest redemption, adhoc Automated Clearing House (ACH) transfer of \$250 or more, or by full redemption. See How to Redeem beginning on page 12 for further details.

## ***Other Information***

General information with respect to Demand Notes is provided below. Further details are provided throughout this prospectus.

Status

The Demand Notes are unsecured and unsubordinated debt obligations of GMAC ranking equally with all of our other unsecured and unsubordinated obligations (other than obligations preferred by mandatory provisions of law). The Demand Notes are not obligations of nor guaranteed by GM, Mellon Bank, N.A., the Processing Agent for the Demand Notes, or any other company. The Demand Notes are not insured by the Federal Deposit Insurance Corporation or any other insurance. An investment in Demand Notes does not create a checking, bank account or depositor relationship between you and GMAC or Mellon Bank, N.A., the Processing Agent for the Demand Notes.

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Ranking	GMAC has outstanding approximately \$111 billion in unsecured debt obligations as of June 30, 2007, that rank equally with the Demand Notes. GMAC itself has not issued any secured debt or securities that have priority over the Demand Notes. However, as of June 30, 2007, subsidiaries of GMAC have incurred approximately \$114 billion in obligations, a substantial majority of which are not recourse to GMAC but are secured by assets of subsidiaries of GMAC. To the extent there is recourse to GMAC, the obligations are unsecured and on par with the Demand Notes. These secured obligations of subsidiaries are reflected on GMAC's consolidated balance sheet as secured debt of GMAC and its consolidated subsidiaries.
Maturities	The Demand Notes mature on demand.
Interest	The Demand Notes pay a floating rate of interest that is always above the most recent seven-day average yield (simple) on taxable U.S. money market funds as published in the Money Fund Report Averages - All Taxable.* Demand Notes are not a money market fund, which is generally a diversified fund consisting of investments in short term debt securities of many companies. Demand Notes are solely the debt obligation of GMAC.
Principal	The principal amount of your Demand Notes is equal to the total amount of your investments plus accrued and reinvested interest, less fees, if any, and your redemptions.
Fees	Service fees may be assessed for checks written by you for insufficient funds or in amounts of less than the \$250 minimum, stop payments requested by you, for bank checks requested by you and issued by Mellon Bank, N.A., and for statement processing or other administrative matters.
Processing Agent	Mellon Bank, N.A.
Processing Agent and Correspondence Address	Mellon Bank, N.A. c/o Mellon Investor Services P.O. Box 358425 Pittsburgh, PA 15252-8425
Investments by Mail Address	GMAC Demand Notes c/o Mellon Financial Corporation Mellon Bank, N.A. P.O. Box 535006 Pittsburgh, PA 15253-5006
Redemptions at Option of GMAC	The Demand Notes may be redeemable by GMAC.
Form of Demand Notes	The Demand Notes are offered in the United States by prospectus only. The Demand Notes are in book-entry form.



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Taxation	Interest earned on Demand Notes is subject to taxation by the United States and may be subject to taxation by other U.S. or non-U.S. taxing jurisdictions. Backup withholding and information reporting may apply to certain persons.
Trustee	U.S. Bank National Association, 535 Griswold, Suite 550, Detroit, Michigan 48226, under an Indenture dated as of October 15, 1985, as amended.

Unless the context indicates otherwise, the words "GMAC", the "Company", "we", "our", "ours", and "us" refer to GMAC LLC.

You should rely only on the information contained in this prospectus and incorporated by reference. We have not authorized anyone to provide you with different information or to make any additional representations. We are not making an offer of any securities other than the Demand Notes. We are not making an offer of the Demand Notes in any state or jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus or incorporated by reference is accurate as of any date other than the date on the front of this prospectus.

The distribution of this prospectus and the offering of Demand Notes may be restricted in certain jurisdictions. You should inform yourself about and observe any such restrictions. This prospectus does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

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

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**RISK FACTORS**

*Your investment in Demand Notes involves risks. In consultation with your own financial, tax and legal advisors, you should carefully consider, among other matters, the following discussion of risks before deciding whether an investment in Demand Notes is suitable for you. The risks described below are intended to highlight risks that are specific to us but are not the only risks that we face. Additional risks, including those generally affecting the industry in which we operate, risks that we currently deem immaterial and risks generally applicable to companies that have recently undertaken similar transactions, may also impair our business, the value of your investment and our ability to pay interest on and redeem the Demand Notes. In addition to the risks described below, we face other risks that are described from time to time in periodic reports that we file with the Securities and Exchange Commission (SEC).*

***The Demand Notes are not equivalent to a deposit or other bank account.***

An investment in Demand Notes does not create a checking, bank account or depositor relationship between you and GMAC or Mellon Bank, N.A., acting as Processing Agent for the Demand Notes. The Demand Notes are not subject to the protection of the Federal Deposit Insurance Corporation or any other insurance. The Demand Notes are also not a brokerage account with any broker/dealer and are not protected by the Securities Investor Protection Corporation under the Securities Investors Protection Act of 1970.

***The Demand Notes are not a money market fund or other type of diversified investment.***

The Demand Notes are not a money market fund, which is generally a diversified fund consisting of investments in short term debt securities of many companies. The Demand Notes are also not subject to the requirements of the Investment Company Act of 1940 (including diversification of investments) or the Employee Retirement Income Security Act of 1974.

***The Demand Notes are not assignable, transferable or negotiable.***

The Demand Notes may not be assigned, transferred or negotiated. The Demand Notes are not listed on any securities exchange and there is no secondary market for the Demand Notes. You should not purchase Demand Notes unless you understand, and know you can bear, the investment risks.

**PRINCIPAL EXECUTIVE OFFICES**

Our principal executive offices are located at 200 Renaissance Center, Detroit, Michigan 48265, and our telephone number is 313-556-5000.

**WHERE YOU CAN FIND MORE INFORMATION**

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We file annual, quarterly, and current reports and other information with the SEC. You can learn complete information concerning GMAC by reading these periodic reports. You may read and copy any document that we file at the Public Reference Room of the SEC located at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also inspect our filings at the Regional Offices of the SEC located at 175 W. Jackson Boulevard, Suite 900, Chicago, Illinois 60604, and 233 Broadway, New York, New York 10279. You may also request copies of our documents upon payment of a duplicating fee, by writing to the SEC's Public Reference Room. In addition, the SEC maintains an Internet site at [www.sec.gov](http://www.sec.gov) that contains reports and other information regarding registrants that file electronically, including GMAC. We are not incorporating the contents of the SEC website into this prospectus. Reports and other information can also be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

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We have filed with the SEC a registration statement on Form S-3 (together with all amendments and exhibits, the Registration Statement ) under the Securities Act with respect to the Demand Notes. This prospectus, which constitutes part of the Registration Statement, does not contain all of the information set forth in the Registration Statement. Certain parts of the Registration Statement are omitted from the prospectus in accordance with the rules and regulations of the SEC.

**DOCUMENTS INCORPORATED BY REFERENCE**

The SEC allows us to incorporate by reference the information that we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information.

We incorporate by reference the documents listed below and any future filings made with the SEC by us under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, until we sell all of the securities. These documents contain important information about GMAC and its finances.

<b>SEC Filings</b>	<b>Period</b>
Annual Report on Form 10-K	Year ended December 31, 2006
Quarterly Reports on Form 10-Q	Quarters ended March 31, 2007, June 30, 2007 and September 30, 2007
Current Reports on Form 8-K	Filed February 16, 2007; April 17, 2007; June 11, 2007; August 9, 2007; August 20, 2007; September 11, 2007; and October 17, 2007

You may request a copy of the documents incorporated by reference into this prospectus, except exhibits to such documents unless those exhibits are specifically incorporated by reference in such documents, at no cost, by writing or telephoning the office of David DeBrunner, Vice President and Corporate Controller, at the following address and telephone number:

GMAC LLC

200 Renaissance Center

Mail Code: 482-B08-D98

Detroit, Michigan 48265

(313) 656-6463

**DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS**

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This prospectus may include or incorporate by reference forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements, other than statements of historical facts, included in this prospectus that address activities, events or developments that we expect or anticipate will or may occur in the future, references to future success and other matters are forward-looking statements, including statements preceded by, followed by or that include the words may, would, could, should, believes, estimates, projects, potential, expects, plans, intends, anticipates, continues, forecasts, designed, goal or the negative of the comparable words. In particular, statements regarding our plans, strategies, prospects and expectations regarding our business are forward-looking statements.

These statements are based on our current expectations and assumptions concerning future events, which are subject to a number of risks and uncertainties that could cause actual results to differ materially from those

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anticipated, including those risks and uncertainties set forth under the heading *Risk Factors*, beginning on page 4 of this prospectus, and risk factors included under *Risk Factors* in item 1A of our Annual Report on Form 10-K for the year ended December 31, 2006 (as amended or supplemented in subsequent reports on Form 10-K or Form 10-Q).

In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. We do not, however, undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**DESCRIPTION OF GMAC LLC**

GMAC LLC (GMAC or the Company) is a leading, independent, globally diversified, financial services firm with operations in approximately 40 countries. Founded in 1919 as a wholly owned subsidiary of General Motors Corporation (General Motors or GM), GMAC was originally established to provide GM dealers with the automotive financing necessary for the dealers to acquire and maintain vehicle inventories and to provide retail customers the means by which to finance vehicle purchases through GM dealers. On November 30, 2006, GM sold a 51% interest in us for approximately \$7.4 billion (the Sale Transactions) to FIM Holdings LLC (FIM Holdings), an investment consortium led by Cerberus FIM Investors LLC, the sole managing member. The consortium also includes Citigroup Inc., Aozora Bank Ltd., and a subsidiary of The PNC Financial Services Group, Inc.

Our products and services have expanded beyond automotive financing as we currently operate in the following lines of business: Automotive Finance, Mortgage (ResCap), Insurance and Other:

*Automotive Finance* our Automotive Finance operations offer a wide range of financial services and products (directly and indirectly) to retail automotive consumers, automotive dealerships, and other commercial businesses. Our Automotive Finance operations consist of two separate reporting segments: North American Automotive Finance operations and International Automotive Finance operations. The products and services offered by our Automotive Finance operations include the purchase of retail installment sales contracts and leases, offering of term loans, dealer floor plan financing and other lines of credit to dealers, fleet leasing, and vehicle remarketing services. While most of our operations focus on prime automotive financing to and through GM or GM-affiliated dealers, our NuveLL operation, which is part of our North American Automotive Finance operations, focuses on nonprime automotive financing to GM-affiliated and non-GM dealers. Our NuveLL operation also provides private-label automotive financing. In addition, our Automotive Financing operations utilize asset securitization and whole-loan sales as a critical component of our diversified funding strategy.

*ResCap* our ResCap operations engage in the origination, purchase, servicing, sale, and securitization of consumer (i.e., residential) and mortgage loans and mortgage-related products (e.g., real estate services). Typically, mortgage loans are originated and sold to investors in the secondary market, including securitization transactions in which the assets are legally sold but are accounted for as secured financings. In March 2005, we transferred ownership of GMAC Residential and GMAC-RFC to a newly formed, wholly owned, subsidiary holding company, ResCap. As part of this transfer of ownership, certain agreements were put in place between ResCap and us that restrict ResCap's ability to declare dividends or prepay subordinated indebtedness owed to us. While we believe the restructuring of these operations and the agreements between ResCap and us allow ResCap to access more attractive sources of capital, the agreements inhibit our ability to return funds for dividends and debt payments.

*Insurance* our Insurance operations offer vehicle service contracts and underwrite personal automobile insurance coverage (ranging from preferred to non-standard risks) and selected commercial insurance and reinsurance coverage. We are a leading provider of vehicle service contracts with mechanical



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breakdown and maintenance coverages. Our vehicle service contracts offer vehicle owners and lessees mechanical repair protection and roadside assistance for new and used vehicles beyond the manufacturer's new vehicle warranty. We underwrite and market non-standard, standard, and preferred-risk physical damage and liability insurance coverages for passenger automobiles, motorcycles, recreational vehicles, and commercial automobiles through independent agency, direct response, and internet channels. Additionally, we market private-label insurance through a long-term agency relationship with Homesite Insurance, a national provider of home insurance products. We provide commercial insurance, primarily covering dealers' wholesale vehicle inventory, and reinsurance products. Internationally, ABA Seguros provides certain commercial business insurance exclusively in Mexico.

*Other* our other operations consist primarily of our Commercial Finance Group and an equity investment in Capmark (our former commercial mortgage operations).

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The following table presents the ratio of our earnings to fixed charges for the periods indicated:

	Years Ended December 31,			
2006	2005	2004	2003	2002
1.15	1.28	1.45	1.51*	1.49*

\* Revised to reflect restatements to selected financial data for these periods, as presented in Item 6 to our Form 10-K for the period ended December 31, 2006.

	Three Months Ended	
March 31, 2007	June 30, 2007	September 30, 2007
0.94**	1.03	0.87***

\*\* This ratio calculation indicates a less than one-to-one coverage for the three months ended March 31, 2007. Earnings available for fixed charges for the three months ended March 31, 2007, is inadequate to cover total fixed charges. The deficient amount for the ratio is \$212 million.

\*\*\* This ratio calculation indicates a less than one-to-one coverage for the three months ended September 30, 2007. Earnings available for fixed charges for the three months ended September 30, 2007, is inadequate to cover total fixed charges. The deficient amount for the ratio is \$1.4 billion.

**USE OF PROCEEDS**

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

**PLAN OF DISTRIBUTION**

The Demand Notes are being offered on a continuous basis for sale by the Company on its own behalf directly to employees of GMAC, General Motors Corporation and their respective participating subsidiaries and affiliates, to the immediate family members of such employees, to retirees who are receiving retirement benefits from General Motors Corporation or its participating subsidiaries and affiliates, including GMAC, to the immediate family members of such retirees, to franchised General Motors dealers, their employees and affiliates of such dealers, to the stockholders of General Motors Corporation and to certain customers of the Company and their employees and its subsidiaries as determined by the Demand Notes Committee (each an eligible investor and collectively the investors). Immediate family members are defined as the spouse, children, parents, siblings and grandparents of an employee or retiree. The Demand Notes are being offered only to persons whose registered addresses are in the United States.

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No commissions are payable by GMAC on sales of the Demand Notes. We reserve the right to withdraw, cancel or modify the offer to sell Demand Notes at any time without notice. We have the sole right to accept offers to purchase Demand Notes and may reject, at our sole discretion, any proposed purchase of Demand Notes in whole or in part.

### **DESCRIPTION OF THE GMAC DEMAND NOTES**

The following description is a summary of the Demand Notes. It is not intended to be complete and is subject to the complete text of the Program, a copy of which is filed as an exhibit to the Registration Statement filed with the SEC. A copy of the Program will be made available to you upon written request to us.

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### ***General Information***

All funds invested in the Demand Notes, together with accrued interest, redemptions and fees, if any, are recorded on a register maintained by the Processing Agent. No certificate or other instrument evidencing GMAC's indebtedness is issued to you. The Demand Notes register also includes the name(s), address(es), tax identification or social security number(s) and date(s) of birth of the registered owner(s) of each Demand Note. In addition, you may be required to provide certain other information as required by relevant law. We will not accept facsimile signatures on any checks, investment forms, account change requests or any other documents that require a change in a Demand Note. Demand Notes may be held in your individual name, jointly, in a trust or custodial capacity or in the name of a corporation, business, association or LLC.

You will be provided with monthly statements showing a summary of all your Demand Notes transactions unless you have consented to having such statements sent to you electronically. Redemption checks which you write will not be returned to you, but the check number and the amount of each cashed check will be indicated on your statement.

You will be able to obtain your current Demand Notes balance at any time by calling toll free 1-800-684-8823 or accessing our website at [www.demandnotes.com](http://www.demandnotes.com).

The Demand Notes have no stated maturity and may be redeemed at your option; provided, however, that redemptions are subject to certain minimum amounts. (See "How to Redeem" page 11.) The Demand Notes are not subject to any sinking fund.

The Demand Notes are not and will not be listed on any securities exchange and there is no secondary market for them.

Unless you agree otherwise, we have no right of set-off against your Demand Notes for indebtedness not related to your Demand Notes. We have the right to deduct from the principal amount of your Demand Notes any amounts invested by us in error. In addition, we may, in our sole discretion, put a block on your Demand Notes in connection with an Internal Revenue Service notice, court order or pursuant to any other legal or governmental action or requirement.

We may from time to time enter into one or more supplemental indentures, without the consent of investors in the Demand Notes, providing for the issuance of Demand Notes under the Indenture in addition to the aggregate principal amount authorized thereunder on the date of this Prospectus. By investing in Demand Notes, you accept and agree to all provisions of the Program, as summarized in this Prospectus.

We may request a signature guarantee to add or change your registration, investment options or redemption options on your Demand Notes. A signature guarantee is obtainable from a bank or financial institution. The signature guarantee is designed to protect you and your Demand Notes from unauthorized changes by unauthorized persons. A notary stamp does not meet the requirement for a signature guarantee.

### ***Administration***

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We have established a Demand Notes Committee consisting of persons appointed by the Executive Committee of GMAC's Board of Managers. The members of the Demand Notes Committee do not receive any compensation for their services as such but they may be officers, directors or employees of GMAC or any of its subsidiaries. The Demand Notes Committee members serve at the pleasure of the Executive Committee of the Board of Managers until their resignation or removal from office by the Executive Committee.

The Demand Notes Committee has the full power and authority to amend the Program, to interpret its provisions, to adopt rules and regulations in connection with the Demand Notes, and to set and adjust the rate of interest to be paid on the Demand Notes.

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We have appointed Mellon Bank, N.A. as Processing Agent to handle the day-to-day administration of the Demand Notes. See Processing Agent.

### ***Interest Rate***

The Demand Notes pay interest at a floating rate as determined by the Demand Notes Committee. The interest rate on the Demand Notes is subject to change on Friday of each week, with any change being effective the following Monday. In deciding on the interest rate, the Demand Notes Committee examines the level and the changes in interest rates that occur from time to time. However, at all times, the interest rate on the Demand Notes will be greater than the most recent seven-day average yield (simple) on taxable money market funds in the United States as published in the Money Fund Report Averages All Taxable.\* You should note that Demand Notes are not a money market fund which is generally a diversified fund consisting of investments in short term debt securities of many companies. Demand Notes are solely the debt obligation of GMAC. The rate of interest paid for any period in the Demand Notes is not an indication or representation of future rates of interest to be paid on the Demand Notes. If in any week the Money Fund Report Averages All Taxable is not available or publication of such seven-day average is suspended, the seven-day average yield at such time will be an approximately equivalent rate determined by the Demand Notes Committee. The Demand Notes Committee has the authority to provide for differing interest rates based on, among other criteria, the size of individual Demand Notes. The Demand Notes Committee has no present intention to have multiple interest rates, but if it decides to do so, you will be notified by mail.

Interest on the Demand Notes accrues in accordance with the provisions governing the different methods of investing in Demand Notes, as described under How to Invest. Interest on the Demand Notes is compounded daily, at the rate in effect each day, based on a 365-day year. During a leap year the interest on the Demand Notes is compounded daily, at the rate in effect each day, based on a 366-day year. Interest payable on the Demand Notes accrues daily and will be credited to your Demand Notes on the last day of each calendar month. You may obtain the current interest rate at any time by calling 1-800-684-8823 or by accessing our website at [www.demandnotes.com](http://www.demandnotes.com).

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\* Money Fund Report is a service of iMoneyNet, Inc. Money Fund Report states that the yield information obtained from money market funds is screened by the publisher, but no guarantee of the accuracy of the information is made by us.

### ***Fees***

We will not charge you fees for checks, check redemptions or wire redemptions. You may, however, be charged a fee by your commercial bank or financial institution if you make an investment or receive a redemption amount by ACH or wire transfer. In addition, you may incur a charge in obtaining any applicable signature guarantee from the provider of the signature guarantee. We will charge you for fees for checks returned for insufficient funds, stop payment requests, Mellon bank checks and checks written for less than the \$250 minimum requirement or statement processing or similar administrative fees. These fees will be directly debited from your Demand Notes.

## **HOW TO INVEST**

You may invest in Demand Notes at any time, without charge, by check, by wire transfer, by charge to your bank account (ACH) or by any other means permitted by the Demand Notes Committee. The minimum initial investment is \$1,000. To invest in Demand Notes, you must complete the required investment form and provide a personal check. The minimum amount for subsequent investments is \$50. You will be required to maintain a minimum \$1,000 investment balance in each of your Demand Notes see *Optional Redemptions By GMAC Investor Balance Below Demand Notes Minimum* on page 13 of this prospectus. All of your investments are



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required to be in U.S. dollars and investments by check must be drawn on a financial institution incorporated in the United States. We will reject all checks drawn on a foreign bank or a United States branch of a foreign bank.

The maximum balance of all your Demand Notes having the same social security or tax identification number cannot exceed \$15,000,000. We reserve the right to redeem at our sole discretion your Demand Notes for any amount in excess of \$15,000,000. Such amount redeemed will be in the form of a Mellon bank check (less a service fee) mailed to your address of record or an ACH transfer (using the designated bank instructions on file).

For purposes of the Demand Notes, a **Business Day** is a day on which Mellon Bank, N.A., Processing Agent, and the Federal Reserve Bank of Cleveland are fully open for business. We reserve the right at any time, and for any reason, to modify, suspend or terminate any of the investment methods described below.

### *Investments by Check*

Your initial investment by check (personal checks only) must be accompanied by a properly completed investment form. Your subsequent investments by check must include your investor name and 14 digit Demand Notes number assigned to you by Mellon Bank, N.A. Initial and subsequent investments by check that are received and processed by the Processing Agent before 10 a.m. Eastern Time are invested in your Demand Notes on the same Business Day as your check is received. Your initial investment by check is to be made payable to GMAC Demand Notes and mailed to GMAC Demand Notes 154-0510, Mellon Bank, N.A., c/o Mellon Financial Corporation, P.O. Box 535030, Pittsburgh, PA 15253-5030. Your subsequent investments by check are to be made payable to GMAC Demand Notes and mailed to GMAC Demand Notes, 154-0510, Mellon Bank, N.A., c/o Mellon Financial Corporation, P.O. Box 535006, Pittsburgh, PA 15253-5006. Initial and subsequent investments by check that are received and processed by the Processing Agent after 10 a.m. Eastern Time are invested in your Demand Notes on the next Business Day after the date of the check's receipt. Interest begins to accrue on the day your check is invested. Neither the Processing Agent nor GMAC are responsible for delays in the receipt of checks mailed to Mellon Bank, N.A. **Your investment made by check is available for redemption on the sixth Business Day after the Processing Agent invests your check.** You can confirm the date your investment was made by calling the automated phone system of the Processing Agent at 1-800-684-8823 or by accessing the Demand Notes website at [www.demandnotes.com](http://www.demandnotes.com).

### *Investments by Wire Transfer*

Once you have made your initial Demand Notes investment, you may make subsequent investments by transferring funds via bank wire. You may instruct your bank to wire the funds to Mellon Bank, N.A. (ABA No. 043000261). The bank wire must include the designation GMAC Demand Notes, your name (as registered on your Demand Notes) and address, your tax identification or social security number, and your 14-digit Demand Notes number. We charge no fees for the receipt of wire transfers or ACH credits; however, your commercial bank or financial institution may charge you a fee if you make an investment by wire transfer.

An investment by wire transfer of funds is invested in your Demand Notes on the Business Day the funds are received by the Processing Agent in proper form and begins to accrue interest on that day provided the funds have been received by the Processing Agent by 2:00 p.m. Eastern Time. Funds received after 2:00 p.m. Eastern Time are invested and begin to accrue interest on the next business day. Neither the Processing Agent nor GMAC is responsible for delays in the transfer and wiring of funds. **Your investment made by wire transfer is available for redemption on the same Business Day the Processing Agent invests your wire transfer into your Demand Notes.** You can confirm the date your investment was made by calling the automated phone system of the Processing Agent at 1-800-684-8823 or by accessing the Demand

Notes website at [www.demandnotes.com](http://www.demandnotes.com).

***Investments by Automatic Monthly, Periodic, or Adhoc Electronic Transfer from a Bank Account***

You may elect to authorize the Processing Agent to make an automatic or adhoc monthly charge of \$50 or more from your personal banking account. Upon receipt of proper written authorization, the Processing Agent

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will prepare an electronic transfer drawn against your bank account for the amount authorized and on the Business Day you have requested. The proceeds from the electronic transfer are invested in your Demand Notes and begin to accrue interest on the same Business Day that the Processing Agent receives the electronic transfer. If the transfer day falls on a weekend, the transfer will be initiated on the next Business Day; provided, however, if such ACH auto investment is set for the last weekend of a month, the investment will be made on the last Business Day of that month.

You may elect up to two transfer dates for any amount of \$50 or more using up to two different bank accounts. **Your investments made by electronic transfer are available for redemption on the sixth Business Day after the Processing Agent invests your electronic transfer.** You can confirm the date your investment was made by accessing the Demand Notes website at [www.demandnotes.com](http://www.demandnotes.com), or by contacting the Processing Agent directly (or utilizing the available automated phone system) at 1-800-684-8823 (toll free).

To establish the automatic monthly or periodic charge to your checking account, you must elect this option(s) on your investment form or obtain the necessary authorization form directly from the Processing Agent or from our website at [www.demandnotes.com](http://www.demandnotes.com). You may change the amount(s) or day of transfer of your automatic monthly investment (subject to the \$50 monthly minimum) or terminate your automatic or periodic investment entirely at any time by providing written notice to the Processing Agent. Your notice is effective as soon as practicable after its receipt by the Processing Agent. There is a 10 business day set-up period each time you add, change or terminate the banking instruction(s) for either of the above investment options.

**A COMPLETE DISCUSSION OF YOUR RIGHTS AND RESPONSIBILITIES IF YOU USE ELECTRONIC FUNDS TRANSFERS IS CONTAINED IN APPENDIX A HERETO.**

### *Investments by Direct Investment of Net Paycheck, Pension or Social Security Check*

You may elect to invest in Demand Notes by instructing your place of employment, or the Social Security Administration, to invest your entire paycheck, pension, social security or other recurring check directly into your Demand Notes. Interest begins to accrue on the day your investment is received. **Your investment by direct investment of net paycheck, pension or social security check is available for redemption on the same Business Day the Processing Agent invests your recurring check.** To terminate your direct investments, you must notify the issuer(s) of such check(s). You may elect this option after you have made your initial investment in Demand Notes.

### *Investments by Deduction from GMAC or GM Payroll or Pension*

This option is available to you only if you are an employee of a company participating in Demand Notes payroll deductions through any GMAC or General Motors Corporation compensation system. You may elect this option after you have made your initial investment in Demand Notes.

Your investments by GMAC and GM payroll or pension deduction must be specified as a fixed dollar amount. Your minimum investment by payroll deduction is \$50 per month. If you are paid weekly, the minimum investment is \$11.50 per week, your payroll deduction investment is invested in your Demand Notes on the last business day of the week in which the paycheck is issued, and interest begins to accrue on that day. If you are paid on other than a weekly basis, your payroll deduction investment, which must total \$50 or more per month, is invested in your Demand Notes and begins to accrue interest on the payday it was withheld. Your pension deduction investment is invested in your Demand Notes and begins to accrue interest on the first Business Day of each month you receive retirement benefits. **Your investment by deduction**

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**from GMAC and GM payroll or pension is available for redemption on the same Business Day the Processing Agent invests your recurring check.** The Demand Notes Committee may authorize changes in the minimum monthly and weekly investment from time to time.

Unless otherwise permitted by the Demand Notes Committee, an employee may make investments by payroll or pension deduction in only one Demand Note. No deduction will be made in any period in which an employee is not receiving a salary, wage or pension benefit.

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Subject to the foregoing provisions and this paragraph, the deduction amount authorized by an employee may be changed or stopped at any time through the automated phone system at 1-800-684-8823, or by any other procedure that is in place at the applicable time. Your change in deduction will be effective within a reasonable amount of time after the Processing Agent receives it.

In addition, a retiree is only entitled to receive pension benefits terminating with the last monthly payment preceding the retiree's death. We will refund any pension deduction(s) made subsequent to the retiree's death to the Trustee for the General Motors Pension Plan or other General Motors subsidiary pension plan and redeem an amount equal to such refund from the deceased retiree's Demand Notes. If the amount of the redemption exceeds the principal amount in the deceased retiree's Demand Notes, the retiree's estate will be liable to GMAC for the difference between the amount of the redemption and the amount of the pension deduction to be refunded to the retiree's pension plan.

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**HOW TO REDEEM**

You may redeem all or part of your Demand Notes by following the procedures described below. **If the amount to be redeemed represents an investment made by check or charge to your bank account, the redemption instructions will not be honored if the instructions are received within five business days from the investment day of that investment check or electronic transfer.** We reserve the right at any time to modify, suspend or terminate any of the redemption methods described below. No redemption proceeds are paid in cash. Interest on a redeemed investment accrues to, but does not include, the date of redemption.

A signature guarantee may be required in certain circumstances in order for you to add or change your redemption options. Our purpose in requiring a signature guarantee is to prevent potential fraud or misrepresentation and is for your protection. A signature guarantee must be signed by an authorized signatory and the statement Signature Guaranteed must appear with the signature. A notarized signature is not a signature guarantee. In certain instances, additional documentation may be required including, but not limited to, copies of trust instruments, birth certificates, death certificates, or court appointments as executor or administrator. Any request for a change to your method of redemption or notice regarding your Demand Notes must be mailed to the Processing Agent's correspondence address at GMAC Demand Notes, Mellon Bank, N.A., c/o Mellon Investor Services, P.O. Box 358425, Pittsburgh, PA 15252-8425.

***Redemption by Written Check***

Each Demand Notes will be provided with a free supply of checks. You may redeem your Demand Notes by writing a check, payable to the order of anyone, in an amount of \$250 or more. **If the amount of the redemption check is greater than the balance in your Demand Notes or is for less than \$250, the check will not be honored and a fee will be debited from your Demand Notes by the Processing Agent.** Checks are deposited and processed through normal bank clearing systems. There is no limit on the number of checks you may write. We will not accept facsimile signatures on checks.

Where there is more than one registered owner of a Demand Notes, only the signature of one registered owner is required on the check. When your check is presented to the Processing Agent for payment, the Processing Agent redeems your Demand Notes in an amount sufficient to cover the check. If you request a stop payment of a check, GMAC assesses a service charge for each stop payment request made and such fee will be debited from your Demand Note by the Processing Agent. The Processing Agent may review any Demand Notes check to verify its validity. Your stop payment will be acted upon without verification or confirmation by the Company or the Processing Agent.

***Redemption by Wire***

If you select this option on the investment form, you may redeem your Demand Notes during the Processing Agent's regular business hours but prior to 2:00 p.m. Eastern Time, by having redemption proceeds of \$1,000 or more wired to a pre-designated bank account. By use of this option, you authorize the Processing Agent to act on telephone or written redemption instructions from any person or persons representing themselves to be the registered owners of the Demand Notes. The Processing Agent's record of your instructions is binding.

To select the Redemption by Wire option, you must designate on the investment form an account at a bank in the United States to receive the redemption proceeds. You must also provide the Processing Agent with a voided specimen check or deposit slip from such bank. Once established, you may utilize this option by accessing the Demand Notes website at [www.demandnotes.com](http://www.demandnotes.com), or by contacting the Processing

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Agent directly (or utilizing the available automated phone system) at 1-800-684-8823 (toll free).

Upon receipt of wire redemption instructions, the Processing Agent will redeem your Demand Notes sufficient to cover the amount specified in your wire redemption instructions. **If the redemption instructions**

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**are received by 2:00 p.m. Eastern Time on any business day, the Processing Agent will wire the redemption proceeds to the pre-designated bank account on the same Business Day.** If the redemption instructions are received after 2:00 p.m. Eastern Time on any Business Day, the Processing Agent will wire the redemption proceeds to the pre-designated bank account on the next Business Day.

You may add or change the Redemption by Wire instructions only upon written request to the Processing Agent accompanied by a signature guarantee of each registered owner (including joint owners) of the Demand Notes.

Neither the Processing Agent nor GMAC is responsible for delays in the wiring of funds through the banking system or for the authenticity of redemption instructions.

### ***Automatic Monthly or Quarterly ACH Redemption or Monthly Interest ACH Redemption***

If you select this option on the investment form, you authorize the Processing Agent to automatically redeem (a) on a monthly or quarterly basis a specified part of your Demand Notes (minimum \$100) or (b) on a monthly basis, the interest accrued and posted to your Demand Notes. These options are available only if your Demand Notes has a balance of \$5,000 or more and there are designated bank account instructions for redemption by ACH on file. You can also select this option by accessing the Demand Notes website at [www.demandnotes.com](http://www.demandnotes.com).

On the last day of each month or quarter, as you will have specified, the Processing Agent will redeem your Demand Notes by an amount equal to the redemption amount that you have specified (minimum \$100) or, if you have elected Monthly Interest ACH Redemption, the interest amount that would have been credited to your Demand Notes for that month. The Processing Agent will send, via ACH transfer, the funds to your designated bank account. The funds will settle on the second Business Day following the date of request. This option will only be available if you have designated bank account instructions on file.

If on the predetermined date for any Automatic Monthly or Quarterly ACH Redemption or Monthly Interest ACH Redemption, your Demand Notes does not have a principal balance of \$5,000 or more, the Processing Agent will not honor the redemption. You may terminate the Automatic Monthly or Quarterly ACH Redemption Option or Monthly Interest ACH Redemption Option by providing written notice to the Processing Agent. Such notice is effective as soon as practicable after receipt by the Processing Agent.

You may also request the Automatic Monthly or Quarterly ACH Redemption or Monthly Interest ACH Redemption Option after you have submitted the investment form by providing the Processing Agent with a written request to add the desired automatic redemption option to the Demand Notes and by providing a set of bank account instructions. Your written request requires the signatures of all registered owners (including joint owners) of the Demand Notes exactly as the name(s) appear on the Demand Notes investment form and each signature must have a signature guarantee from a banking or financial institution.

### ***Adhoc ACH Redemption***

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You can select this option by accessing the Demand Notes website at [www.demandnotes.com](http://www.demandnotes.com), or by contacting the Processing Agent directly (or utilizing the available automated phone system) at 1-800-684-8823 (toll free). If you select this option, you authorize the Processing Agent to redeem your Demand Notes (minimum \$250) by an amount specified by you on that day. **If the ACH redemption request is received by 8:30 a.m. Eastern Time on any Business Day, then the funds will settle on the second Business Day following such request.** If the request is received by the Processing Agent after 8:30 a.m. Eastern Time on any Business Day, then the funds will settle on the third Business Day following the date of such request. By use of this option, you authorize the Processing Agent to act on telephone or written redemption instructions from any person or persons representing themselves to be the registered owners of the Demand Notes. The Processing Agent's record of your instructions is binding.

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**A COMPLETE DISCUSSION OF YOUR RIGHTS AND RESPONSIBILITIES IF YOU USE ELECTRONIC FUNDS TRANSFERS IS CONTAINED IN APPENDIX A HERETO.**

***Full Redemption of a Demand Notes***

You may redeem your Demand Notes in full by providing telephone or written instructions to the Processing Agent to close your Demand Notes. Written instructions must state your intention to redeem in full your Demand Notes and must be mailed to the Processing Agent at its correspondence address at GMAC Demand Notes, Mellon Bank, N.A., c/o Mellon Investor Services, P.O. Box 358425, Pittsburgh, PA 15252-8425.

Upon receiving your instructions, the Processing Agent will redeem in full your Demand Notes, including accrued and unpaid interest to the date of redemption. The Processing Agent will send, via ACH, the redemption proceeds using the designated bank instructions for redemption on file for the Demand Notes. If there are no bank instructions on file, a Mellon bank check will be mailed to the registered address and you will be charged a service fee.

**OPTIONAL REDEMPTIONS BY GMAC**

***Investor Misuse of Redemption Provisions***

**We reserve the right to redeem immediately any Demand Notes of an investor who we believe, in our sole judgment and discretion, is abusing or misusing the redemption provisions of the Demand Notes, i.e., the writing of multiple checks where the amounts of the checks are greater than the principal amount of the Demand Notes. A final Mellon bank check (less a service fee) or an ACH transfer (using the designated bank redemption instructions on file) will be sent to the investor in an amount equal to the principal amount of the redeemed Demand Notes, including accrued and unpaid interest. In the event that Demand Notes with a principal amount below \$0 are redeemed, the investor will be liable to us for the amount required to restore the principal amount to \$0 as of the date the Demand Notes were redeemed.**

***Investor Balance Below Demand Notes Minimum***

**We will redeem any particular Demand Notes that maintains a principal amount of less than \$1,000 for a period consisting of the two consecutive months immediately following the month in which the average principal amount of the Demand Notes falls below \$1,000. If your Demand Notes has an average principal amount of less than \$1,000, you will receive written notice from us reminding you of the minimum investment requirement and providing you with the proposed date of redemption of your Demand Notes. If your Demand Notes are redeemed, you will be mailed a Mellon bank check (less a service fee) or receive an ACH transfer (using the designated bank redemption instructions on file) in an amount equal to the principal amount of such redeemed Demand Notes, including accrued and unpaid interest. In the event that Demand Notes with a principal amount below \$0 are redeemed, you will be liable to GMAC for the amount required to restore the principal amount to \$0 as of the date the Demand Notes were redeemed.**

***Investor Balance Above Demand Notes Maximum***

We may partially redeem any particular Demand Notes that exceeds \$15,000,000 where the Demand Notes have the same social security or tax identification number. If your Demand Notes is so partially redeemed by us, you will be mailed a Mellon bank check (less a service fee) or receive an ACH transfer (using the designated bank redemption instructions on file) in an amount equal to the principal amount above \$15,000,000.

***Other GMAC Redemption Option***

Other than as described above, we will give you prior written notice of at least thirty days but not more than ninety days if your Demand Notes are subject to full or partial redemption unless it is legally impractical or

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impossible to do so or unless otherwise required by law. Any partial redemption of Demand Notes will be effected by lot or pro rata or by any other method that is deemed fair and appropriate by the Trustee. The notice from us will specify the effective date of redemption, the amount being redeemed and the effective date the redeemed amount will become due and payable and that interest will cease to accrue as of that date. All partial redemption notices will list the remaining principal amount of your Demand Notes. The full or partial Demand Notes being redeemed, plus accrued and unpaid interest thereon to the date of redemption, will be paid by check mailed (less a service fee) to the registered owner(s) of the redeemed Demand Notes or by ACH transfer (using the designated bank redemption instructions on file). Interest on the redeemed amount will cease to accrue on and after the effective date the redeemed amount becomes due and payable.

## THE INDENTURE

### *General Information*

The Demand Notes are issued under an Indenture dated as of October 15, 1985 between GMAC and U.S. Bank National Association, as successor Trustee, and all supplemental indentures thereto. The summary description of the Demand Notes contained in this Prospectus does not purport to be complete and is subject to, and qualified in its entirety by, the detailed provisions of the Indenture, and to the complete text of the Program, copies of which are filed as exhibits to the Registration Statement filed with the SEC.

The Demand Notes constitute unsecured and unsubordinated debt obligations of GMAC. You do not have any priority or secured claim against any of the assets of GMAC with respect to the principal amount of your Demand Notes or accrued and unpaid interest. **Funds invested in the Demand Notes are not subject to the protection of the Federal Deposit Insurance Corporation or any other insurance.**

### *Limitation on Liens*

GMAC will not at any time pledge or otherwise subject to any lien any of its property or assets without thereby expressly securing the due and punctual payment of the principal of and interest on the Demand Notes equally and ratably with any and all other obligations and indebtedness secured by such pledge or other lien, so long as any such other obligations and indebtedness shall be so secured. This restriction shall not apply to:

(a) the pledge of any assets to secure any financing by GMAC of the exporting of goods to or between, or the marketing thereof in, foreign countries (other than Canada), in connection with which GMAC reserves the right, in accordance with customary and established banking practice, to deposit, or otherwise subject to a lien, cash, securities or receivables, for the purpose of securing banking accommodations or as the basis for the issuance of bankers' acceptances or in aid of other simila