INFORMACIÓN FINANCIERA TRIMESTRAL DE GENERAL MOTORS FINANCIAL COMPANY, INC.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (PCAOB ID: 42)

To the Shareholders and the Board of Directors of General Motors Financial Company, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of General Motors Financial Company, Inc. (the Company) as of December 31, 2024 and 2023, the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the Board of Directors and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Allowance for loan losses

Description of the Matter

The Company's loan portfolio and the associated allowance for loan losses (ALL) were $96.0 billion and $2.5 billion as of December 31, 2024, respectively. As discussed in Note 1 to the consolidated financial statements, the ALL represents management's estimate of expected net credit losses over the remaining life of the receivables at the balance sheet date. Expected credit losses related to the retail finance receivables are estimated using a static pool modeling technique for pools of receivables with common risk characteristics such as internal credit score and monthly vintage. Management assesses recent internal operating and external environments and may qualitatively adjust certain assumptions. Forecasted economic conditions are considered over a reasonable and supportable period through the use of economic factors that are determined to have the largest impact on expected losses.

Auditing management's estimate of the North America retail ALL, which represents the largest component of the overall ALL, involved judgement due to the complexity of the model and management's adjustments to certain assumptions.

How We Addressed the Matter in Our Audit

We obtained an understanding of the Company's process for establishing the North America retail ALL, including the models used and the adjustments made to certain assumptions. We evaluated the design and tested the operating effectiveness of the controls and governance over the appropriateness of the model methodology, including the validation and monitoring procedures performed over the models, the identification and the assessment of the need for adjustments to certain assumptions, the reliability and accuracy of data used to estimate the various components, and management's review and approval of the ALL.

Our procedures related to the North America retail ALL model included, among others, evaluating the conceptual soundness of the model, including management's selection of economic factors that were deemed to have the largest impact on expected credit losses, and reviewing management's weighting of historical loss experience to align the estimate with the current environment. Additionally, on a sample basis, we performed an independent recalculation of the Company's ALL. To test the adjustments to certain assumptions, we evaluated the identification and measurement including the basis for concluding an adjustment was warranted when considering the construct of the current expected credit loss model. We tested the completeness and accuracy of data used by the Company to estimate the adjustments and recalculated the analyses used by management to measure the adjustment.

Valuation of Leased Vehicles

Description of the Matter

The Company has recorded investments in vehicles leased to retail customers under operating leases. As discussed in Note 1 to the consolidated financial statements, at the beginning of the lease, management establishes an expected residual value for each vehicle at the end of the lease term. During the term of a lease, management periodically evaluates the estimated residual value and may adjust the value downward or upward. The Company's estimated residual value of leased vehicles at the end of lease term was $23.5 billion as of December 31, 2024.

Auditing management's estimate of the residual value of leased vehicles involved a high degree of judgment. Management's estimate is based, in part, on third-party data which considers inputs including recent auction values and assumptions regarding the expected future volume of leased vehicles that will be returned to the Company, used car prices, manufacturer incentive programs and fuel prices. Realization of the residual values is dependent on the future ability to market the vehicles under future prevailing market conditions.

How We Addressed the Matter in Our Audit

We evaluated the design and tested the operating effectiveness of the Company's controls over the lease residual estimation process, including controls over management's review of residual value estimates obtained from the Company's third-party provider and other significant assumptions.

Our procedures also included, among others, independently recalculating depreciation related to operating leases and performing sensitivity analyses related to significant assumptions. We also performed hindsight analyses to assess the propriety of management's estimate of residual values, as well as tested the completeness and accuracy of data from underlying systems, data warehouses and third parties that are used in the estimation models.

/s/Ernst & Young LLP

We have served as the Company's auditor since 2017.

Fort Worth, Texas
January 28, 2025

Item 8. Financial Statements and Supplementary Data

CONSOLIDATED BALANCE SHEETS
(in millions, except per share amounts)

	December 31, 2024	December 31, 2023
ASSETS		
Cash and cash equivalents	$ 5,094	$ 5,282
Finance receivables, net of allowance for loan losses of $2,458 and $2,344 (Note 3; Note 8)	93,510	84,637
Leased vehicles, net (Note 4; Note 8)	31,586	30,582
Goodwill and intangible assets (Note 5)	1,169	1,184
Equity in net assets of nonconsolidated affiliates (Note 6)	1,206	1,670
Property and equipment, net of accumulated depreciation of $464 and $432	107	124
Deferred income taxes (Note 14)	249	292
Related party receivables (Note 2)	473	540
Other assets (Note 8)	7,636	7,699
Total assets	$ 141,030	$ 132,011
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Secured debt (Note 7; Note 8)	$ 49,573	$ 45,243
Unsecured debt (Note 7)	64,691	60,084
Accounts payable and accrued expenses	2,671	2,942
Deferred income	2,389	2,313
Deferred income taxes (Note 14)	2,671	2,025
Related party payables (Note 2)	106	445
Other liabilities	3,737	3,415
Total liabilities	125,838	116,468
Commitments and contingencies (Note 10)		
Shareholders' equity (Note 11)		
Common stock, $0.0001 par value per share	—	—
Preferred stock, $0.01 par value per share	—	—
Additional paid-in capital	8,814	8,783
Accumulated other comprehensive income (loss)	(1,531)	(1,208)
Retained earnings	7,909	7,967
Total shareholders' equity	15,193	15,542
Total liabilities and shareholders' equity	$ 141,030	$ 132,011

The accompanying notes are an integral part of these consolidated financial statements.

Amounts may not add due to rounding.

CONSOLIDATED STATEMENTS OF INCOME
(in millions)

	Years Ended December 31, 2024	2023	2022
Revenue			
Finance charge income	$ 7,669	$ 6,204	$ 4,521
Leased vehicle income	7,297	7,266	7,811
Other income	909	754	434
Total revenue	15,875	14,224	12,766
Costs and expenses			
Operating expenses	1,802	1,818	1,662
Leased vehicle expenses	4,113	4,047	3,668
Provision for loan losses (Note 3)	1,029	826	654
Interest expense	6,030	4,685	2,881
Total costs and expenses	12,974	11,376	8,864
Equity income (loss) (Note 6)	64	138	173
Impairment of investment in nonconsolidated affiliate (Note 6)	(320)	—	—
Income (loss) before income taxes	2,645	2,985	4,076
Income tax provision (benefit)(Note 14)	784	741	992
Net income (loss)	1,860	2,245	3,084
Less: cumulative dividends on preferred stock	119	119	119
Net income (loss) attributable to common shareholder	$ 1,742	$ 2,126	$ 2,966

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

	Years Ended December 31, 2024	2023	2022
Net income (loss)	$ 1,860	$ 2,245	$ 3,084
Other comprehensive income (loss), net of tax (Note 11)			
Unrealized gain (loss) on hedges, net of income tax (expense) benefit of $(26), $(5) and $(18)	81	18	55
Defined benefit plans	(1)	—	1
Foreign currency translation adjustment	(403)	147	(156)
Other comprehensive income (loss), net of tax	(323)	165	(100)
Comprehensive income (loss)	$ 1,537	$ 2,410	$ 2,983

The accompanying notes are an integral part of these consolidated financial statements.

Amounts may not add due to rounding.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in millions)

	Common Stock	Preferred Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Equity
Balance at January 1, 2022	$ —	$ —	$ 8,692	$ (1,273)	$ 6,375	$ 13,794
Net income (loss)	—	—	—	—	3,084	3,084
Other comprehensive income (loss)	—	—	—	(100)	—	(100)
Stock-based compensation	—	—	49	—	—	49
Dividends paid (Note 11)	—	—	—	—	(1,759)	(1,759)
Dividends declared on preferred stock (Note 11)	—	—	—	—	(59)	(59)
Balance at December 31, 2022	—	—	8,742	(1,373)	7,641	15,010
Net income (loss)	—	—	—	—	2,245	2,245
Other comprehensive income (loss)	—	—	—	165	—	165
Stock-based compensation	—	—	41	—	—	41
Dividends paid (Note 11)	—	—	—	—	(1,859)	(1,859)
Dividends declared on preferred stock (Note 11)	—	—	—	—	(59)	(59)
Balance at December 31, 2023	—	—	8,783	(1,208)	7,967	15,542
Net income (loss)	—	—	—	—	1,860	1,860
Other comprehensive income (loss)	—	—	—	(323)	—	(323)
Stock-based compensation	—	—	31	—	—	31
Dividends paid (Note 11)	—	—	—	—	(1,859)	(1,859)
Dividends declared on preferred stock (Note 11)	—	—	—	—	(59)	(59)
Balance at December 31, 2024	$ —	$ —	$ 8,814	$ (1,531)	$ 7,909	$ 15,193

The accompanying notes are an integral part of these consolidated financial statements.

Amounts may not add due to rounding.

GENERAL MOTORS FINANCIAL COMPANY, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Years Ended December 31,		
	2024	**2023**	**2022**
Cash flows from operating activities			
Net income (loss)	$ 1,860	$ 2,245	$ 3,084
Depreciation and amortization	5,249	5,231	5,083
Accretion and amortization of loan and leasing fees	(1,490)	(1,354)	(1,266)
Undistributed earnings of nonconsolidated affiliates, net	91	(50)	(32)
Impairment of investment in nonconsolidated affiliate	320	—	—
Provision for loan losses	1,029	826	654
Deferred income taxes	1,061	165	484
Gain on termination of leased vehicles	(758)	(878)	(1,188)
Other operating activities	(22)	(366)	(81)
Changes in assets and liabilities:			
Other assets	(800)	(129)	(1,470)
Other liabilities	336	592	484
Related party payables	(447)	381	(277)
Net cash provided by (used in) operating activities	6,429	6,662	5,476
Cash flows from investing activities			
Purchases and funding of finance receivables	(37,075)	(35,961)	(34,768)
Principal collections and recoveries on finance receivables	31,783	28,343	27,017
Net change in floorplan and other short-duration receivables	(5,717)	(2,633)	(4,345)
Purchases of leased vehicles	(15,279)	(13,640)	(11,949)
Proceeds from termination of leased vehicles	10,892	13,033	14,234
Purchases of property and equipment	(24)	(24)	(44)
Capital contribution to nonconsolidated affiliates	—	—	(51)
Other investing activities	2	—	(99)
Net cash provided by (used in) investing activities	(15,418)	(10,882)	(10,005)
Cash flows from financing activities			
Net change in debt (original maturities of three months or less)	112	(150)	333
Borrowings and issuances of secured debt	31,002	32,646	30,764
Payments on secured debt	(26,354)	(29,684)	(28,060)
Borrowings and issuances of unsecured debt	22,396	18,294	12,794
Payments on unsecured debt	(16,124)	(13,317)	(9,865)
Debt issuance costs	(164)	(146)	(135)
Dividends paid	(1,919)	(1,919)	(1,819)
Net cash provided by (used in) financing activities	8,950	5,724	4,013
Net increase (decrease) in cash, cash equivalents and restricted cash	(39)	1,504	(516)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	(128)	69	9
Cash, cash equivalents and restricted cash at beginning of period	8,249	6,676	7,183
Cash, cash equivalents and restricted cash at end of period	$ 8,081	$ 8,249	$ 6,676

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheet:

	December 31, 2024	**December 31, 2023**
Cash and cash equivalents	$ 5,094	$ 5,282
Restricted cash included in other assets	2,987	2,967
Total	$ 8,081	$ 8,249

The accompanying notes are an integral part of these consolidated financial statements.

Amounts may not add due to rounding.

Note 1. Business, Basis of Presentation and Summary of Significant Accounting Policies

General Motors Financial Company, Inc., the wholly-owned captive finance subsidiary of General Motors Company (GM), is a global provider of automobile finance solutions. We have been operating in the automobile finance business in the U.S. since September 1992 and have been a wholly-owned subsidiary of GM since October 2010. We provide retail loan and lease financing across the credit spectrum to support vehicle sales. Additionally, we offer commercial lending products to dealers, including floorplan financing, which is lending to finance new and used vehicle inventory, and dealer loans, which are loans to finance improvements to dealership facilities, to provide working capital, or to purchase and/or finance dealership real estate. We also offer and finance vehicle-related service contracts and other products and services.

Basis of Presentation The consolidated financial statements include our accounts and the accounts of our consolidated subsidiaries, including certain special purpose entities (SPEs) utilized in secured financing transactions, which are considered variable interest entities (VIEs). All intercompany transactions and accounts have been eliminated in consolidation. Except as otherwise specified, dollar amounts presented within tables are stated in millions. Certain columns and rows may not add due to rounding.

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities as of the date of the financial statements, as well as the amount of revenue and expenses during the reporting periods. Actual results could differ from those estimates, and those differences may be material.

Generally, the financial statements of entities that operate outside of the U.S. are measured using the local currency as the functional currency. All assets and liabilities of the foreign subsidiaries are translated into U.S. dollars at period-end exchange rates, and the results of operations and cash flows are determined using approximate weighted-average exchange rates for the period. Translation adjustments are related to the foreign subsidiaries using local currency as their functional currency and are reported as a separate component of accumulated other comprehensive income (loss). Foreign currency transaction gains or losses are recorded directly in the consolidated statements of income and comprehensive income, regardless of whether such amounts are realized or unrealized. We may enter into foreign currency derivatives to mitigate our exposure to changes in foreign currency exchange rates.

Cash Equivalents Cash equivalents are defined as short-term, highly liquid investments with original maturities of three months or less.

Net Presentation of Cash Flows on Commercial Finance Receivables and Related Debt Our commercial finance receivables are primarily comprised of floorplan financing, which are loans to dealers to finance vehicle inventory, also known as wholesale or inventory financing. In our experience, floorplan financing, as well as other short-duration receivables, are typically repaid within three months of when the credit is extended. Furthermore, we typically have the unilateral ability to call the floorplan loans and receive payment within 60 days of the call. Therefore, the presentation of the cash flows related to floorplan and other short-duration finance receivables is reflected on the consolidated statements of cash flows as "Net change in floorplan and other short-duration receivables."

We have debt agreements to finance our commercial lending activities. The terms of these financing agreements require that a borrowing base of eligible floorplan receivables, within certain concentration limits, must be maintained in sufficient amounts to support advances. When a dealer repays a floorplan receivable to us, either the amount advanced against such receivables must be repaid by us or the equivalent amount in new receivables must be added to the borrowing base. The term for repayment of advances under these agreements is when we receive repayment from the dealers, which is typically within three months of when the credit is extended. Therefore, the cash flows related to these debt agreements are reflected on the consolidated statements of cash flows as “Net change in debt (original maturities of three months or less).”

Retail Finance Receivables and the Allowance for Loan Losses Our retail finance receivables portfolio consists of smaller-balance, homogeneous loans that are carried at amortized cost, net of allowance for loan losses. These loans are divided among pools based on common risk characteristics, such as internal credit score, origination period (vintage) and geography. An internal credit score, of which FICO is an input in North America, is created by using algorithms or statistical models contained in origination scorecards. The scorecards are used to evaluate a consumer’s ability to pay based on statistical modeling of his or her prior credit usage, structure of the loan and other information. The output of the scorecards rank-orders consumers from those who are least likely to default to those who are most likely to default. By further dividing the portfolio into pools based on internal credit scores, we are better able to distinguish expected credit performance for different credit risks. The allowance is aggregated for each of the pools. Provisions for loan losses are charged to operations in amounts sufficient to maintain the allowance for loan losses at levels considered adequate to cover expected credit losses on our retail finance receivables portfolio.

We use static pool modeling techniques to determine the allowance for loan losses expected over the remaining life of the receivables, which is supplemented by management judgment. We assess the recent internal operating and external environments and may qualitatively adjust certain assumptions to result in an allowance that is reflective of losses that are expected to occur in the forecasted environment.

Expected losses are estimated for groups of accounts aggregated by internal credit score and monthly vintage. Generally, the expected losses are projected based on historical loss experience over the last 10 years, more heavily weighted toward recent performance to result in an estimate that is more reflective of the current internal and external environments. We consider forecast economic conditions over a reasonable and supportable forecast period. We determine the expected remaining life of the finance receivables to be a reasonable and supportable forecast horizon, primarily due to the relatively short weighted average life of retail finance receivables. We determined the economic factors that have the largest impact on expected losses include unemployment rates, interest rate spreads, disposable personal income and growth rates in gross domestic products. We use forecasts for our chosen factors provided by a leading economic research firm. We compare the forecasts to consensus forecasts to assess for reasonableness and may use one or more forecast scenarios provided by the research firm.

We believe these factors are relevant in estimating expected losses and also consider an evaluation of overall portfolio credit quality based on indicators such as changes in our credit evaluation, underwriting and collection management policies, changes in the legal and regulatory environment, general economic conditions and business trends and uncertainties in forecasting and modeling techniques used in estimating our allowance. We update our retail loss forecast models and portfolio indicators on a quarterly basis to incorporate information reflective of the current and forecast economic environments.

Assumptions regarding credit losses are reviewed periodically and may be impacted by actual performance of finance receivables and changes in any of the factors discussed above. Should the credit loss assumptions increase, there would be an increase in the amount of allowance for loan losses required, which would decrease the net carrying value of finance receivables and increase the amount of provision for loan losses.

Commercial Finance Receivables and the Allowance for Loan Losses Our commercial lending offerings consist of financing products for dealers and other businesses. Dealer products include floorplan financing, as well as dealer loans, which are loans to finance improvements to dealership facilities, to provide working capital, or to purchase and/or finance dealership real estate. Other business products we provide include financing for commercial vehicle upfitters and advances to certain GM subsidiaries.

Commercial finance receivables are carried at amortized cost, net of allowance for loan losses and any amounts held under our dealer cash management program. Provisions for loan losses are charged to operations in amounts sufficient to maintain the allowance for loan losses at levels considered adequate to cover expected credit losses in the commercial finance receivables portfolio. We establish the allowance for loan losses based on historical loss experience, as well as forecasted auto industry conditions, which is the economic indicator that we believe has the largest impact on expected losses. The dealer finance receivables are aggregated into loan-risk pools, which are determined based on our internally developed risk rating system. Dealers' financial and operating metrics are regularly scored and further evaluated to derive a risk rating. Based on dealer risk ratings, we establish probability of default and loss given default, and also determine if any specific dealer loan requires additional reserves.

Charge-off Policy Retail finance receivables are generally charged off in the month in which the account becomes 120 days contractually delinquent if we have not yet recorded a repossession charge-off.

Commercial finance receivables are individually evaluated and, where collectability of the recorded balance is in doubt, are written down to the fair value of the collateral less costs to sell. Commercial finance receivables are charged off at the earlier of when they are deemed uncollectible or reach 360 days past due.

Loan Modifications Under certain circumstances, we may agree to modify the terms of an existing loan with a borrower for various reasons, including financial difficulties. For those borrowers experiencing financial difficulties, we may provide interest rate reductions, principal forgiveness, payment deferments, term extensions or a combination thereof. A loan that is deferred greater than six months in the preceding twelve months would be considered to be other-than-insignificantly delayed. In such circumstances, we must determine whether the modification should be accounted for as an extinguishment of the original loan and a creation of a new loan, or the continuation of the original loan with modifications.

The effect of these modifications is already included in the allowance for credit losses because our estimated allowance represents currently expected credit losses. A change to the allowance for credit losses is generally not recorded upon modification.

Leased Vehicles As lessor, we have investments in leased vehicles recorded as operating leases. Leased vehicles consist of automobiles leased to retail customers and are carried at amortized cost less unearned manufacturer subvention payments, which are received up front. Depreciation expense is recorded on a straight-line basis over the term of the lease agreement to the estimated residual value. Manufacturer subvention is earned on a straight-line basis as a reduction to depreciation expense.

Generally, the lessee may purchase the leased vehicle at the maturity of the lease by paying the purchase price stated in the lease agreement, which equals the contract residual value determined at origination of the lease, plus any fees and all other amounts owed under the lease. If the lessee decides not to purchase the leased vehicle, the lessee must return it to a dealer by the lease's scheduled maturity date. Since the lessee is not obligated to purchase the vehicle at the end of the contract, we are exposed to a risk of loss to the extent the customer returns the vehicle prior to or at the end of the lease term and the proceeds we receive on the disposition of the vehicle are lower than the residual value estimated at lease inception.

We estimate the expected residual value based on third-party data that considers various data points and assumptions, including, but not limited to, recent auction values, the expected future volume of returning leased vehicles, used vehicle prices, manufacturer incentive programs and fuel prices. Changes in the expected residual value result in increased or decreased depreciation of the leased asset over the remaining term of the lease. Upon disposition, a gain or loss is recorded for any difference between the carrying amount of the lease and the proceeds from the disposition of the asset, including any insurance proceeds. Under the accounting for impairment or disposal of long-lived assets, vehicles on operating leases are evaluated by asset group for impairment. We aggregate leased vehicles into asset groups based on make, year and model. When asset group indicators of impairment exist and aggregate future cash flows from the operating lease, including the expected realizable fair value of the leased assets at the end of the lease, are less than the carrying amount of the lease asset group, an immediate impairment write-down is recognized if the difference is deemed not recoverable.

Variable Interest Entities – Securitizations and Credit Facilities We finance a significant portion of our loan and lease origination volume through the use of our credit facilities and execution of securitization transactions, which both utilize SPEs. In our credit facilities, we transfer finance receivables and lease-related assets to SPEs. These subsidiaries, in turn, issue notes to the agents, collateralized by such assets and cash. The agents provide funding under the notes to the subsidiaries pursuant to an advance formula, and the subsidiaries forward the funds to us in consideration for the transfer of the assets.

In our securitizations, we transfer finance receivables and lease-related assets to SPEs structured as securitization trusts (Trusts), which issue one or more classes of asset-backed securities. The asset-backed securities are, in turn, sold to investors.

Our continuing involvement with the credit facilities and Trusts consists of servicing assets held by the SPEs and holding residual interests in the SPEs. These transactions are structured without recourse. The SPEs are considered VIEs under GAAP and are consolidated because we have: (i) power over the significant activities of the entities and (ii) an obligation to absorb losses and the right to receive benefits from the VIEs that could be significant to the VIEs. Accordingly, we are the primary beneficiary of the VIEs and the finance receivables, lease-related assets, borrowings under our credit facilities and, following a securitization, the related securitization notes payable remain on the consolidated balance sheets. Refer to Note 3, Note 7 and Note 8 for further information.

We are not required, and do not currently intend, to provide any additional financial support to SPEs. While these subsidiaries are included in our consolidated financial statements, these subsidiaries are separate legal entities and the finance receivables, lease-related assets and cash held by these subsidiaries are legally owned by them and are not available to our creditors or creditors of our other subsidiaries.

We recognize finance charge, lease vehicle and fee income on the securitized assets and interest expense on the secured debt issued in securitization transactions and record a provision for loan losses to recognize loan losses expected over the remaining life of the securitized assets. Cash pledged to support securitization transactions is deposited in a restricted account and recorded on our consolidated balance sheets as restricted cash, which is invested in highly liquid securities with original maturities of 90 days or less.

Property and Equipment Property and equipment is carried at amortized cost. Depreciation is generally recorded on a straight-line basis over the estimated useful lives of the assets, which ranges from 1 to 30 years. The basis of assets sold or retired and the related accumulated depreciation are removed from the accounts at the time of disposition and any resulting gain or loss is included in operating expenses. Maintenance, repairs and minor replacements are charged to operations as incurred; major replacements and improvements are capitalized.

Goodwill Goodwill is not amortized but rather tested for impairment annually on October 1 or when events occur or circumstances change that trigger a review. The impairment test entails an assessment of qualitative factors to determine whether it is more likely than not that an impairment exists. If it is more likely than not that an impairment exists, then a quantitative impairment test is performed. Impairment exists when the carrying amount of a reporting unit exceeds its fair value.

Derivative Financial Instruments We recognize all of our derivative financial instruments as either assets or liabilities on our consolidated balance sheets at fair value. We do not use derivative financial instruments for speculative trading purposes.

Derivative financial instruments are generally expressed in notional principal or contract amounts that are much larger than the amounts potentially at risk for nonpayment by counterparties. Therefore, in the event of nonperformance by the counterparties, our credit exposure is limited to the uncollected interest and the market value related to the instruments that have become favorable to us, to the extent that market values are not collateralized. We maintain a policy of requiring that all derivative instruments be governed by an International Swaps and Derivatives Association Master Agreement. We enter into derivative instruments and establish risk limits with counterparties that we believe are creditworthy and generally settle on a net basis. In addition, management performs a quarterly assessment of our counterparty credit risk, including a review of credit ratings, credit default swap rates and potential nonperformance of the counterparty.

Interest Rate Swap Agreements We utilize interest rate swap agreements to convert certain floating rate exposures to fixed rate or certain fixed-rate exposures to floating rate in order to manage our interest rate exposure. Cash flows from derivatives used to manage interest rate risk are classified as operating activities.

We designate certain pay-fixed, receive-floating interest rate swaps as cash flow hedges of variable rate debt. The risk being hedged is the risk of variability in interest payments attributable to changes in interest rates. If the hedge relationship is deemed to be highly effective, we record the changes in the fair value of the hedge in accumulated other comprehensive income (loss).

We designate certain receive-fixed, pay-floating interest rate swaps as fair value hedges of fixed-rate debt. The risk being hedged is the risk of changes in the fair value of the hedged debt attributable to changes in the benchmark interest rate. If the hedge relationship is deemed to be highly effective, we record the changes in the fair value of the hedged debt related to the risk being hedged in interest expense. The change in fair value of the related hedge is also recorded in interest expense.

Interest Rate Cap and Floor Agreements We may purchase interest rate cap and floor agreements to limit floating rate exposures in our credit facilities. As part of our interest rate risk management strategy and when economically feasible, we may simultaneously sell a corresponding interest rate cap or floor agreement in order to offset the premium paid to purchase the interest rate cap or floor agreement and thus retain the interest rate risk. Because the interest rate cap and floor agreements entered into by us or our SPEs do not qualify for hedge accounting, changes in the fair value of interest rate cap and floor agreements purchased by the SPEs and interest rate cap and floor agreements sold by us are recorded in interest expense.

Foreign Currency Swap Agreements Our policy is to minimize exposure to changes in currency exchange rates. To meet funding objectives, we borrow in a variety of currencies. We face exposure to currency exchange rates when the currency of our earning assets differs from the currency of the debt funding those assets. When possible, we fund earning assets with debt in the same currency, minimizing exposure to exchange rate movements. When a different currency is used, we may use foreign currency swaps to convert our debt obligations to the local currency of the earning assets being financed.

We designate certain pay-fixed, receive-fixed cross-currency swaps as cash flow hedges of foreign currency-denominated debt. The risk being hedged is the variability in the cash flows for the payments of both principal and interest attributable to changes in foreign currency exchange rates. If the hedge relationship is deemed to be highly effective, we record the effective portion of changes in the fair value of the swap in accumulated other comprehensive income (loss). When the hedged cash flows affect earnings via principal remeasurement or accrual of interest expense, we reclassify these amounts to operating expenses or interest expense. Any ineffective portion of a cash flow hedge is recorded to interest expense immediately.

We designate certain pay-float, receive-float cross-currency swaps as fair value hedges of foreign currency-denominated debt. The risk being hedged is the foreign exchange risk associated with the remeasurement of the foreign currency-denominated debt. We assess effectiveness of these hedge relationships based on changes in fair value attributable only to changes in spot exchange rates. If the hedge relationship is deemed to be highly effective, we record changes in the fair value of the swap attributable to changes in spot exchange rates to operating expenses and changes in the fair value of the swap attributable to components excluded from the assessment of hedge effectiveness in accumulated other comprehensive income (loss), and reclassify interest accrual components to interest expense.

Fair Value Financial instruments are considered Level 1 when quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Financial instruments are considered Level 2 when inputs other than quoted prices are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Financial instruments are considered Level 3 when their values are determined using price models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable. Level 3 financial instruments also include those for which the determination of fair value requires significant management judgment or estimation.

Income Taxes We account for income taxes on a separate return basis using an asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, net operating loss and tax credit carryforwards. A valuation allowance is recognized if it is more likely than not that some portion of or the entire deferred tax asset will not be realized.

We record uncertain tax positions on the basis of a two-step process whereby: (i) we determine whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position; and (ii) for those tax positions that meet the more likely than not recognition, we recognize the largest amount of tax benefit that is greater than 50% likely to be realized upon ultimate settlement with the related tax authority. We record interest and penalties on uncertain tax positions in income tax provision.

Our investment tax credits related to leased electric vehicles (EVs) are accounted for using the deferral method and are recognized as an offset to leased vehicle depreciation expense. The benefit is recorded on a straight-line basis over the term of the vehicle's operating lease agreement.

Revenue Recognition Finance charge income earned on finance receivables is recognized using the effective interest method. Fees and commissions received (including manufacturer subvention) and direct costs of originating loans are generally deferred and amortized over the term of the related finance receivables using the effective interest method and are removed from the consolidated balance sheets when the related finance receivables are fully charged off or paid in full.

Accrual of finance charge income on retail finance receivables is generally suspended on accounts that are more than 60 days delinquent, accounts in bankruptcy and accounts in repossession. Payments received on nonaccrual loans are first applied to any fees due, then to any interest due and then any remaining amounts are applied to principal. Interest accrual generally resumes once an account has received payments bringing the delinquency status to less than 60 days past due.

Accrual of finance charge income on commercial finance receivables is generally suspended on accounts that are more than 90 days delinquent, upon receipt of a bankruptcy notice from a borrower, or where reasonable doubt exists about the full collectability of contractually agreed upon principal and interest. Payments received on nonaccrual loans are first applied to principal. Interest accrual resumes once an account has received payments bringing the account fully current and collection of contractual principal and interest is reasonably assured (including amounts previously charged off).

Rental income earned on leased vehicles, which includes lease origination fees, net of lease origination costs, is recognized on a straight-line basis over the term of the lease agreement. Gains or losses realized upon disposition of off-lease vehicles, including any payments received from lessees upon lease termination, are included in leased vehicle expenses.

Parent Company Stock-Based Compensation We measure and record compensation expense for parent company stock-based compensation awards based on the award's estimated fair value. We record compensation expense over the applicable vesting period of an award. Refer to Note 12 for further information.

Note 2. Related Party Transactions

We offer loan and lease finance products through GM-franchised dealers to customers purchasing new vehicles manufactured by GM and certain used vehicles and make commercial loans directly to GM-franchised dealers and their affiliates. We also offer commercial loans to dealers that are consolidated by GM and those balances are included in finance receivables, net.

Under subvention programs, GM makes cash payments to us for offering incentivized rates and structures on retail loan and lease finance products. In addition, GM makes cash payments to us to cover interest payments on certain commercial loans we make to GM-franchised dealers. We received subvention payments from GM of $3.8 billion, $3.5 billion and $2.4 billion for 2024, 2023 and 2022. Subvention due from GM is recorded as a related party receivable.

Amounts due to GM for commercial finance receivables originated but not yet funded are recorded as a related party payable.

Cruise was the GM global segment responsible for the development and commercialization of autonomous vehicle technology. Under the terms of a multi-year credit agreement, we previously provided a line of credit to Cruise to fund the purchase of autonomous vehicles from GM in support of commercialization. Advances under this line of credit are guaranteed by GM Cruise Holdings LLC. The line of credit expired on December 31, 2024, and no additional advances will be made. At December 31, 2024 and December 31, 2023, Cruise had $395 million and $353 million of borrowings outstanding under the credit agreement. Principal payments are due starting in the second quarter of 2025 through the first quarter of 2027. Amounts due from Cruise are included in finance receivables, net.

We are included in GM's consolidated U.S. federal income tax returns and certain U.S. state returns, and we are obligated to pay GM for our share of the related tax liabilities. During 2024, we moved from a taxes payable position of $384 million to a taxes receivable position of $70 million, primarily due to a change in our tax depreciation method. During 2024, no payments were made to GM for state and federal income taxes. During 2023 and 2022, we made payments of $72 million and $690 million to GM for state and federal income taxes related to the tax years 2020 through 2023. Amounts due from (owed to) GM for income taxes are recorded as a related party receivable (payable).

The following tables present related party transactions:

Balance Sheet Data	December 31, 2024	December 31, 2023
Commercial finance receivables due from dealers consolidated by GM	$ 279	$ 164
Commercial finance receivables due from Cruise	$ 395	$ 353
Subvention receivable from GM	$ 360	$ 508
Commercial loan funding payable to GM	$ 100	$ 55
Taxes receivable from (payable to) GM	$ 70	$ (384)

	Years Ended December 31,		
Income Statement Data	2024	2023	2022
Interest subvention earned on retail finance receivables[(a)]	$ 1,274	$ 1,126	$ 921
Interest subvention earned on commercial finance receivables[(a)]	$ 112	$ 108	$ 63
Leased vehicle subvention earned[(b)]	$ 1,511	$ 1,537	$ 1,916

____
(a) *Included in finance charge income.*
(b) *Included as a reduction to leased vehicle expenses.*

Under the support agreement with GM (the Support Agreement), if our earning assets leverage ratio at the end of any calendar quarter exceeds the applicable threshold set in the Support Agreement, we may require GM to provide funding sufficient to bring our earning assets leverage ratio within the applicable threshold. In determining our earning assets leverage ratio (net earning assets divided by adjusted equity) under the Support Agreement, net earning assets means our finance receivables, net, plus leased vehicles, net, and adjusted equity means our equity, net of goodwill and inclusive of outstanding junior subordinated debt, as each may be adjusted for derivative accounting.

Additionally, the Support Agreement provides that GM will own all of our outstanding voting shares as long as we have any unsecured debt securities outstanding. GM also agrees to certain provisions in the Support Agreement intended to ensure we maintain adequate access to liquidity. Pursuant to these provisions, GM provides us with a $1.0 billion junior subordinated unsecured intercompany revolving credit facility, and GM will use commercially reasonable efforts to ensure that we will continue to be designated as a subsidiary borrower under GM's corporate revolving credit facilities. We have access, subject to available capacity, to $14.1 billion of GM's unsecured revolving credit facilities consisting of a five-year, $10.0 billion facility and a three-year, $4.1 billion facility. We also have exclusive access to GM's $2.0 billion 364-Day Revolving Credit Facility (GM Revolving 364-Day Credit Facility). We had no borrowings outstanding under any of the GM revolving credit facilities at December 31, 2024 or 2023. In March 2024, GM renewed the GM Revolving 364-Day Credit Facility, which matures on March 27, 2025.

Note 3. Finance Receivables

	December 31, 2024	December 31, 2023
Retail Finance Receivables		
Retail finance receivables[(a)]	$ 76,066	$ 72,729
Less: allowance for loan losses	(2,400)	(2,308)
Total retail finance receivables, net	73,667	70,421
Commercial Finance Receivables		
Commercial finance receivables[(a)(b)]	19,901	14,251
Less: allowance for loan losses	(58)	(36)
Total commercial finance receivables, net	19,843	14,216
Total finance receivables, net	$ 93,510	$ 84,637
Fair value utilizing Level 2 inputs	$ 19,843	$ 14,216
Fair value utilizing Level 3 inputs	$ 74,729	$ 70,911

(a) Net of unearned income, unamortized premiums and discounts, and deferred fees and costs.

(b) Includes dealer financing of $18.9 billion and $13.4 billion, and other financing of $999 million and $830 million at December 31, 2024 and 2023. Commercial finance receivables are presented net of dealer cash management balances of $3.4 billion and $2.6 billion at December 31, 2024 and 2023.

Rollforward of Allowance for Retail Loan Losses A summary of the activity in the allowance for retail loan losses is as follows:

	Years Ended December 31, 2024	2023	2022
Allowance for retail loan losses beginning balance	$ 2,308	$ 2,062	$ 1,839
Provision for loan losses	1,005	826	668
Charge-offs	(1,754)	(1,423)	(1,138)
Recoveries	901	767	685
Foreign currency translation and other	(61)	76	9
Allowance for retail loan losses ending balance	$ 2,400	$ 2,308	$ 2,062

The allowance for retail loan losses as a percentage of retail finance receivables was 3.2% at both December 31, 2024 and 2023.

Retail Credit Quality Our retail finance receivables portfolio includes loans made to consumers and businesses to finance the purchase of vehicles for personal and commercial use. The following tables are consolidated summaries of the amortized cost of the retail finance receivables by FICO score or its equivalent, determined at origination, for each vintage of the portfolio at December 31, 2024 and 2023:

	Year of Origination						December 31, 2024	
	2024	2023	2022	2021	2020	Prior	Total	Percent
Prime - FICO Score 680 and greater	$ 24,155	$ 15,814	$ 9,749	$ 5,424	$ 2,559	$ 366	$ 58,067	76.3 %
Near-prime - FICO Score 620 to 679	3,547	2,227	1,507	1,077	473	159	8,990	11.8
Sub-prime - FICO Score less than 620	3,399	2,059	1,546	1,141	543	322	9,008	11.8
Retail finance receivables	$ 31,101	$ 20,100	$ 12,802	$ 7,642	$ 3,575	$ 847	$ 76,066	100.0 %

	Year of Origination						December 31, 2023	
	2023	2022	2021	2020	2019	Prior	Total	Percent
Prime - FICO Score 680 and greater	$ 23,940	$ 15,581	$ 9,039	$ 4,926	$ 1,076	$ 320	$ 54,882	75.5 %
Near-prime - FICO Score 620 to 679	3,234	2,281	1,746	906	350	129	8,647	11.9
Sub-prime - FICO Score less than 620	3,079	2,397	1,884	1,010	573	257	9,200	12.6
Retail finance receivables	$ 30,253	$ 20,259	$ 12,670	$ 6,842	$ 2,000	$ 707	$ 72,729	100.0 %

We review the ongoing credit quality of our retail finance receivables based on customer payment activity. A retail account is considered delinquent if a substantial portion of a scheduled payment has not been received by the date the payment was contractually due. Retail finance receivables are collateralized by vehicle titles, and, subject to local laws, we generally have the right to repossess the vehicle in the event the customer defaults on the payment terms of the contract. The following tables are consolidated summaries of the amortized cost of retail finance receivables by delinquency status for each vintage of the portfolio at December 31, 2024 and 2023. The tables also present gross charge-offs by vintage for 2024 and 2023:

	Year of Origination						December 31, 2024	
	2024	2023	2022	2021	2020	Prior	Total	Percent
0 - 30 days	$ 30,581	$ 19,411	$ 12,207	$ 7,178	$ 3,350	$ 710	$ 73,438	96.5 %
31 - 60 days	374	481	425	340	166	99	1,885	2.5
Greater than 60 days	128	188	155	115	55	36	677	0.9
Finance receivables more than 30 days delinquent	502	669	580	455	221	135	2,562	3.4
In repossession	17	19	14	10	3	2	66	0.1
Finance receivables more than 30 days delinquent or in repossession	519	689	595	464	225	136	2,628	3.5
Retail finance receivables	$ 31,101	$ 20,100	$ 12,802	$ 7,642	$ 3,575	$ 847	$ 76,066	100.0 %
Gross charge-offs	$ 171	$ 556	$ 495	$ 305	$ 126	$ 102	$ 1,754	

	Year of Origination						December 31, 2023	
	2023	2022	2021	2020	2019	Prior	Total	Percent
0 - 30 days	$ 29,816	$ 19,602	$ 12,098	$ 6,533	$ 1,825	$ 599	$ 70,472	96.9 %
31 - 60 days	318	470	415	227	130	78	1,637	2.3
Greater than 60 days	102	168	142	76	42	29	559	0.8
Finance receivables more than 30 days delinquent	421	637	557	302	172	107	2,196	3.0
In repossession	17	20	14	6	3	1	61	0.1
Finance receivables more than 30 days delinquent or in repossession	437	657	572	308	175	108	2,257	3.1
Retail finance receivables	$ 30,253	$ 20,259	$ 12,670	$ 6,842	$ 2,000	$ 707	$ 72,729	100.0 %
Gross charge-offs	$ 143	$ 494	$ 399	$ 192	$ 108	$ 87	$ 1,423	

The accrual of finance charge income had been suspended on retail finance receivables with contractual amounts due of $958 million and $809 million at December 31, 2024 and 2023.

Loan Modifications The amortized costs at December 31, 2024 and 2023 of the loans modified during 2024 and 2023 were insignificant. The unpaid principal balances, net of recoveries, of loans charged off during the reporting period that were modified within 12 months preceding default were insignificant for 2024 and 2023. Refer to Note 1 for additional information.

Commercial Credit Quality Our commercial finance receivables consist of dealer financing, primarily for dealer inventory purchases, and other financing, which includes loans to commercial vehicle upfitters, as well as advances to certain GM subsidiaries.

For our dealer financing, we use proprietary models to assign a risk rating to each dealer and perform periodic credit reviews of each dealership. We adjust the dealership's risk rating, if necessary. There is limited credit risk associated with other financing due to the structure of the business relationships.

Our dealer risk model and risk rating categories are as follows:

Dealer Risk Rating	Description
I	Performing accounts with strong to acceptable financial metrics with at least satisfactory capacity to meet financial commitments.
II	Performing accounts experiencing potential weakness in financial metrics and repayment prospects resulting in increased monitoring.
III	Non-Performing accounts with inadequate paying capacity for current obligations and that have the distinct possibility of creating a loss if deficiencies are not corrected.
IV	Non-Performing accounts with inadequate paying capacity for current obligations and inherent weaknesses that make collection or liquidation in full highly questionable or improbable.

Dealers with III and IV risk ratings are subject to additional monitoring and restrictions on funding, including suspension of lines of credit and liquidation of assets. The following tables summarize the dealer credit risk profile by dealer risk rating at December 31, 2024 and 2023:

	Year of Origination							December 31, 2024	
Dealer Risk Rating	Revolving	2024	2023	2022	2021	2020	Prior	Total	Percent
I	$ 16,429	$ 350	$ 211	$ 360	$ 237	$ 267	$ 32	$ 17,885	94.6 %
II	621	—	10	26	3	2	—	663	3.5
III	305	10	4	—	22	—	12	354	1.9
IV	1	—	—	—	—	—	—	1	0.0
Balance at end of period	$ 17,356	$ 360	$ 225	$ 385	$ 263	$ 269	$ 44	$ 18,902	100.0 %

	Year of Origination							December 31, 2023	
Dealer Risk Rating	Revolving	2023	2022	2021	2020	2019	Prior	Total	Percent
I	$ 11,638	$ 295	$ 417	$ 297	$ 301	$ 85	$ 11	$ 13,043	97.2 %
II	182	—	2	2	—	—	—	187	1.4
III	152	1	15	12	—	11	—	192	1.4
IV	—	—	—	—	—	—	—	—	—
Balance at end of period	$ 11,971	$ 296	$ 435	$ 311	$ 301	$ 96	$ 11	$ 13,422	100.0 %

Floorplan advances comprise 99.5% and 99.7% of the total revolving balances at December 31, 2024 and 2023. Dealer term loans are presented by year of origination.

At December 31, 2024 and 2023, substantially all of our commercial finance receivables were current with respect to payment status, and activity in the allowance for commercial loan losses was insignificant for 2024, 2023 and 2022. There were no commercial finance receivables on nonaccrual status at December 31, 2024 and 2023.

There were insignificant charge-offs during 2024, and no loan modifications were extended to borrowers experiencing financial difficulty during 2024 and 2023.

Note 4. Leased Vehicles

	December 31, 2024	December 31, 2023
Leased vehicles[(a)]	$ 38,187	$ 37,921
Less: accumulated depreciation	(6,601)	(7,338)
Leased vehicles, net	$ 31,586	$ 30,582

(a) Net of vehicle acquisition costs, less manufacturer incentives and investment tax credits.

Depreciation expense related to leased vehicles, net was $4.8 billion, $4.9 billion and $4.8 billion in 2024, 2023 and 2022.

The following table summarizes minimum rental payments due to us as lessor under operating leases at December 31, 2024:

	Years Ending December 31,					
	2025	2026	2027	2028	2029	Total
Lease payments under operating leases	$ 5,195	$ 3,371	$ 1,257	$ 135	$ 1	$ 9,959

Note 5. Goodwill and Intangible Assets

The following table summarizes the changes in the carrying amounts of goodwill by segment:

	Years Ended December 31,								
	2024			2023			2022		
	North America	International	Total	North America	International	Total	North America	International	Total
Beginning balance	$ 1,105	$ 73	$ 1,178	$ 1,105	$ 66	$ 1,171	$ 1,105	$ 64	$ 1,169
Foreign currency translation	(1)	(14)	(15)	—	7	7	(1)	3	2
Ending balance	$ 1,104	$ 58	$ 1,163	$ 1,105	$ 73	$ 1,178	$ 1,105	$ 66	$ 1,171

As of December 31, 2024 and 2023, intangible assets were insignificant.

Note 6. Equity in Net Assets of Nonconsolidated Affiliates

We use the equity method to account for our equity interest in joint ventures. Revenue and expenses of our joint ventures are not consolidated into our financial statements; rather, our proportionate share of the earnings of each joint venture is reflected as equity income (loss).

The following tables present certain aggregated financial data of our joint ventures:

Summarized Balance Sheet Data	December 31, 2024	December 31, 2023
Finance receivables, net	$ 8,852	$ 18,142
Total assets	$ 9,966	$ 19,629
Debt	$ 5,421	$ 13,692
Total liabilities	$ 6,495	$ 15,751

	Years Ended December 31,		
Summarized Operating Data	2024	2023	2022
Finance charge income	$ 928	$ 1,373	$ 1,636
Provision for loan losses	$ 226	$ 182	$ 172
Income before income taxes	$ 246	$ 525	$ 661
Net income	$ 185	$ 393	$ 494

The following table summarizes our direct ownership interests in China joint ventures:

Joint Ventures	December 31, 2024	December 31, 2023
SAIC-GMAC Automotive Finance Company Limited (SAIC-GMAC)	35 %	35 %
SAIC-GMF Leasing Co. Ltd.	35 %	35 %

In 2024, 2023 and 2022, SAIC-GMAC Automotive Finance Company Limited paid $491 million, $273 million and $342 million of cash dividends, of which our share was $172 million, $96 million and $120 million. At December 31, 2024 and 2023, we had undistributed earnings of $729 million and $837 million related to our nonconsolidated affiliates.

Impairment Charges

In response to market challenges and competitive conditions GM and its JV partners are restructuring their operations in China. In addition, we continue to face intense price competition from other auto lenders. Accordingly, we evaluated our investment in SAIC-GMAC for potential impairment, and we determined the carrying value of our investment exceeded its fair value. We concluded that the loss in value was other-than-temporary and recorded an impairment charge of $320 million during 2024. After this charge, the carrying value of our investment represents its fair value.

Fair Value Measurement

The fair value of our investment in SAIC-GMAC was determined using the income approach based on the best available information, primarily discounted cash flow projections. We make significant assumptions and estimates about the extent and timing of future cash flows, growth rates, and discount rate that represent unobservable, Level 3, inputs into our valuation methodology.

The investment balance for SAIC-GMAC that was tested for impairment was $1.5 billion. Our cash flow projections were based on GM's industry sales volume and market share forecast. Other key assumptions include a 13.0% cost of equity and a 3.5% long-term growth rate. The cost of equity is based on the capital asset pricing model, which includes risk free rates and equity risk premiums. In addition, we estimated minimum operating cash needs that incorporate specific business, economic and regulatory factors giving rise to varying cash needs.

Our fair value estimate assumes the achievement of the future financial results contemplated in our forecasted cash flows which is subject to significant uncertainties. There is no assurance that anticipated financial results will be achieved.

Note 7. Debt

	December 31, 2024		December 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Secured Debt				
Revolving credit facilities	$ 5,426	$ 5,426	$ 4,960	$ 4,960
Securitization notes payable	44,147	44,327	40,284	40,012
Total secured debt	49,573	49,753	45,243	44,971
Unsecured Debt				
Senior notes	53,632	54,177	49,990	49,537
Credit facilities	2,178	2,174	2,034	2,026
Other unsecured debt	8,880	8,906	8,060	8,088
Total unsecured debt	64,691	65,258	60,084	59,651
Total secured and unsecured debt	$ 114,264	$ 115,010	$ 105,327	$ 104,622
Fair value utilizing Level 2 inputs		$ 112,941		$ 102,262
Fair value utilizing Level 3 inputs		$ 2,070		$ 2,360

Secured Debt Most of the secured debt was issued by VIEs and is repayable only from proceeds related to the underlying pledged assets. Refer to Note 8 for further information.

The weighted average interest rate on secured debt was 5.17% at December 31, 2024. Issuance costs on secured debt of $95 million and $82 million as of December 31, 2024 and 2023 are amortized to interest expense over the expected term of the secured debt.

The terms of our revolving credit facilities provide for a revolving period and subsequent amortization period, and borrowings are expected to be repaid over periods ranging up to three years. During 2024, we renewed credit facilities with a total borrowing capacity of $27.4 billion.

Securitization notes payable at December 31, 2024 are due beginning in 2025 and lasting through 2037. During 2024, we issued $24.8 billion in aggregate principal amount of securitization notes payable with an initial weighted average interest rate of 5.30% and maturity dates ranging from 2024 to 2037.

Unsecured Debt

Senior Notes At December 31, 2024, we had $55.1 billion aggregate principal amount outstanding in senior notes that mature from 2025 through 2034 and have a weighted average interest rate of 4.20%. Issuance costs on senior notes of $134 million and $125 million as of December 31, 2024 and 2023 are amortized to interest expense over the term of the notes.

During 2024, we issued $12.5 billion in aggregate principal amount of senior notes with an initial weighted average interest rate of 5.39% and maturity dates ranging from 2027 to 2034.

General Motors Financial Company, Inc. is the sole guarantor of its subsidiaries' unsecured debt obligations for which a guarantee is provided.

Credit Facilities and Other Unsecured Debt We use unsecured credit facilities with banks as well as non-bank instruments as funding sources. Our credit facilities and other unsecured debt have maturities of up to five years. The weighted average interest rate on these credit facilities and other unsecured debt was 7.15% at December 31, 2024.

Contractual Debt Obligations The following table presents the expected scheduled principal and interest payments under our contractual debt obligations:

	Years Ending December 31,						
	2025	2026	2027	2028	2029	Thereafter	Total
Secured debt	$ 18,010	$ 15,071	$ 8,681	$ 4,199	$ 3,556	$ 131	$ 49,648
Unsecured debt	19,378	9,058	10,649	7,368	6,584	13,118	66,155
Interest payments	4,707	3,274	2,194	1,444	830	1,443	13,892
	$ 42,095	$ 27,403	$ 21,524	$ 13,011	$ 10,970	$ 14,692	$ 129,695

Compliance with Debt Covenants Several of our revolving credit facilities require compliance with certain financial and operational covenants as well as regular reporting to lenders, including providing certain subsidiary financial statements. Certain of our secured debt agreements also contain various covenants, including maintaining portfolio performance ratios as well as limits on deferment levels. Our unsecured debt obligations contain covenants including limitations on our ability to incur certain liens. At December 31, 2024, we were in compliance with these debt covenants.

Note 8. Variable Interest Entities

Securitizations and Credit Facilities The following table summarizes the assets and liabilities related to our consolidated VIEs:

	December 31, 2024	December 31, 2023
Restricted cash[(a)]	$ 2,761	$ 2,765
Finance receivables	$ 55,456	$ 46,648
Lease related assets	$ 14,252	$ 15,794
Secured debt	$ 49,646	$ 45,299

(a) Included in other assets.

Note 9. Derivative Financial Instruments and Hedging Activities

We are exposed to certain risks arising from both our business operations and economic conditions. We manage economic risks, including interest rate risk, primarily by managing the amount, sources, and duration of our assets and liabilities and by using derivative financial instruments. Specifically, we enter into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. Our derivative financial instruments are used to manage differences in the amount, timing, and duration of our known or expected cash receipts and our known or expected cash payments principally related to our borrowings.

Certain of our foreign operations expose us to fluctuations of foreign interest rates and exchange rates. We primarily finance our earning assets with debt in the same currency to minimize the impact to earnings from our exposure to fluctuations in exchange rates. When we use a different currency, these fluctuations may impact the value of our cash receipts and payments in terms of our functional currency. We enter into derivative financial instruments to protect the value or fix the amount of certain assets and liabilities in terms of the relevant functional currency.

The table below presents the gross fair value amounts of our derivative financial instruments and the associated notional amounts:

	December 31, 2024			December 31, 2023		
	Notional	Fair Value of Assets	Fair Value of Liabilities	Notional	Fair Value of Assets	Fair Value of Liabilities
Derivatives designated as hedges						
Fair value hedges						
Interest rate swaps	$ 36,145	$ 32	$ 621	$ 18,379	$ 75	$ 238
Cash flow hedges						
Interest rate swaps	1,873	35	4	2,381	17	16
Foreign currency swaps	8,363	80	508	8,003	144	311
Derivatives not designated as hedges						
Interest rate contracts	123,346	833	1,294	134,683	1,573	1,997
Total	$ 169,727	$ 981	$ 2,427	$ 163,446	$ 1,809	$ 2,563

The gross amounts of the fair value of our derivative instruments that are classified as assets or liabilities are included in other assets or other liabilities, respectively. Amounts accrued for interest payments in a net receivable position are included in other assets. Amounts accrued for interest payments in a net payable position are included in other liabilities. All our derivatives are categorized within Level 2 of the fair value hierarchy. The fair value for Level 2 instruments was derived using the market approach based on observable market inputs including quoted prices of similar instruments and foreign exchange and interest rate forward curves.

We primarily enter into derivative instruments through AmeriCredit Financial Services, Inc. (AFSI); however, our SPEs may also be parties to derivative instruments. Agreements between AFSI and its derivative counterparties include rights of setoff for positions with offsetting values or for collateral held or posted. At December 31, 2024 and 2023, the fair value of derivative instruments that are classified as assets or liabilities available for offset was $693 million and $1.2 billion. At December 31, 2024 and 2023, we held $190 million and $457 million of collateral from counterparties that was available for netting against our asset positions. At both December 31, 2024 and 2023, we had $1.2 billion of collateral posted to counterparties that was available for netting against our liability positions.

The following amounts were recorded in the consolidated balance sheet related to items designated and qualifying as hedged items in fair value hedging relationships:

	Carrying Amount of Hedged Items		Cumulative Amount of Fair Value Hedging Adjustments[(a)]	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Unsecured debt	$ 36,664	$ 33,551	$ 1,281	$ 1,029

(a) Includes $719 million and $872 million of unamortized losses remaining on hedged items for which hedge accounting has been discontinued at December 31, 2024 and 2023.

The table below presents the effect of our derivative financial instruments in the consolidated statements of income:

	Years Ended December 31,					
	2024		2023		2022	
	Interest Expense[a]	Operating Expenses[b]	Interest Expense[a]	Operating Expenses[b]	Interest Expense[a]	Operating Expenses[b]
Fair value hedges						
Hedged items - interest rate swaps	$ 252	$ —	$ 248	$ —	$ 1,003	$ —
Interest rate swaps	(452)	—	(279)	—	(957)	—
Hedged items - foreign currency swaps[c]	—	—	—	—	—	23
Foreign currency swaps	—	—	—	—	(2)	(24)
Cash flow hedges						
Interest rate swaps	15	—	37	—	15	—
Hedged items - foreign currency swaps[c]	—	414	—	(263)	—	611
Foreign currency swaps	(145)	(413)	(145)	263	(156)	(611)
Derivatives not designated as hedges						
Interest rate contracts	51	—	218	—	130	—
Foreign currency contracts	—	—	—	(1)	—	(4)
Total income (loss) recognized	$ (280)	$ 2	$ 79	$ (1)	$ 33	$ (4)

(a) Total interest expense was $6.0 billion, $4.7 billion and $2.9 billion for 2024, 2023 and 2022.
(b) Total operating expenses were $1.8 billion for both 2024 and 2023, and $1.7 billion for 2022.
(c) Transaction activity recorded in operating expenses related to foreign currency-denominated debt.

The tables below present the effect of our derivative financial instruments in the consolidated statements of comprehensive income:

	Gains (Losses) Recognized In Accumulated Other Comprehensive Income (Loss)		
	Years Ended December 31,		
	2024	2023	2022
Fair value hedges			
Foreign currency swaps	$ —	$ —	$ (2)
Cash flow hedges			
Interest rate swaps	43	(1)	17
Foreign currency swaps	(375)	139	(529)
Total	$ (332)	$ 138	$ (514)

	(Gains) Losses Reclassified From Accumulated Other Comprehensive Income (Loss) Into Income (Loss)		
	Years Ended December 31,		
	2024	2023	2022
Fair value hedges			
Foreign currency swaps	$ —	$ —	$ 2
Cash flow hedges			
Interest rate swaps	(9)	(28)	(11)
Foreign currency swaps	422	(92)	578
Total	$ 413	$ (120)	$ 569

All amounts reclassified from accumulated other comprehensive income (loss) were recorded to operating expenses or interest expense. During the next 12 months, we estimate an insignificant amount in gains will be reclassified into pre-tax earnings from derivatives designated for hedge accounting.

Note 10. Commitments and Contingencies

Operating Leases Our lease obligations consist primarily of real estate office space. Certain leases contain escalation clauses and renewal options, and generally our leases have no residual value guarantees or material covenants. We exclude from our balance sheet leases with a term equal to one year or less, and do not separate non-lease components from our real estate leases.

Rent expense under operating leases was $39 million, $37 million and $39 million in 2024, 2023 and 2022. Variable lease costs were insignificant for 2024, 2023 and 2022. At December 31, 2024 and 2023, operating lease right-of-use assets, included in other assets, were $90 million and $100 million and operating lease liabilities, included in other liabilities, were $105 million and $116 million. Operating lease right-of-use assets obtained in exchange for lease obligations were $17 million, an insignificant amount, and $17 million in 2024, 2023 and 2022. At December 31, 2024, our undiscounted future lease obligations related to operating leases having initial terms in excess of one year were $26 million, $27 million, $22 million, $20 million, $17 million, and $5 million for 2025, 2026, 2027, 2028, 2029 and thereafter, with imputed interest of $12 million at December 31, 2024. The weighted average discount rate was 4.7% and 4.3%, and the weighted average remaining lease term was 4.7 years and 5.3 years at December 31, 2024 and 2023. Payments for operating leases included in net cash provided by operating activities were $46 million, $49 million and $45 million in 2024, 2023 and 2022. Lease agreements that have not yet commenced were $44 million at December 31, 2024.

Concentrations of Credit Risk Financial instruments that potentially subject us to concentrations of credit risk are primarily cash equivalents, restricted cash, derivative financial instruments and retail finance receivables. Our cash equivalents and restricted cash represent investments in highly rated securities placed through various major financial institutions. The counterparties to our derivative financial instruments are various major financial institutions.

Borrowers located in Texas accounted for 15.0% of the retail finance receivables portfolio at December 31, 2024. No other state or country accounted for more than 10% of the retail finance receivables portfolio.

At December 31, 2024, substantially all of our commercial finance receivables represent loans to GM-franchised dealers and their affiliates.

Legal Proceedings We are subject to various pending and potential legal and regulatory proceedings in the ordinary course of business, including litigation, arbitration, claims, investigations, examinations, subpoenas and enforcement proceedings. Some litigation against us could take the form of class actions. The outcome of these proceedings is inherently uncertain, and thus we cannot confidently predict how or when proceedings will be resolved. An adverse outcome in one or more of these proceedings could result in substantial damages, settlements, fines, penalties, diminished income or reputational harm.

In accordance with the current accounting standards for loss contingencies, we establish reserves for legal matters when it is probable that a loss associated with the matter has been incurred and the amount of the loss can be reasonably estimated. The actual costs of resolving legal matters may be higher or lower than any amounts reserved for these matters. At December 31, 2024, we estimated our reasonably possible legal exposure for unfavorable outcomes to be approximately $29 million, and we have accrued an insignificant amount.

Other Administrative Tax Matters We accrue non-income tax liabilities for contingencies when management believes that a loss is probable and the amounts can be reasonably estimated, while contingent gains are recognized only when realized. In the event any losses are sustained in excess of accruals, they will be charged against income at that time.

In evaluating indirect tax matters, we take into consideration factors such as our historical experience with matters of similar nature, specific facts and circumstances, and the likelihood of prevailing. We reevaluate and update our accruals as matters progress over time, where there is a reasonable possibility that losses exceeding amounts already recognized may be incurred. Our estimate of additional losses is up to $159 million at December 31, 2024.

Note 11. Shareholders' Equity

	December 31, 2024	December 31, 2023
Common Stock		
Number of shares authorized	10,000,000	10,000,000
Number of shares issued and outstanding	5,050,000	5,050,000

Our Board of Directors declared and paid dividends of $1.8 billion in both 2024 and 2023, and $1.7 billion in 2022 on our common stock to General Motors Holdings LLC.

	December 31, 2024	December 31, 2023
Preferred Stock		
Number of shares authorized	250,000,000	250,000,000
Number of shares issued and outstanding[(a)]		
Series A	1,000,000	1,000,000
Series B	500,000	500,000
Series C	500,000	500,000

(a) Issued at a liquidation preference of $1,000 per share.

During 2024, 2023, and 2022, we paid dividends of $58 million to holders of record of our Series A Preferred Stock, $32 million to holders of record of our Series B Preferred Stock, and $29 million to holders of record of our Series C Preferred Stock.

In December 2024, our Board of Directors declared a dividend of $28.75 per share, $29 million in the aggregate, on our Series A Preferred Stock, a dividend of $32.50 per share, $16 million in the aggregate, on our Series B Preferred Stock, and a dividend of $28.50 per share, $14 million in the aggregate, on our Series C Preferred Stock, payable on March 30, 2025 to holders of record at March 15, 2025. Accordingly, $59 million has been set aside for the payment of these dividends.

The following table summarizes the significant components of accumulated other comprehensive income (loss):

	Years Ended December 31,		
	2024	2023	2022
Unrealized gain (loss) on hedges			
Beginning balance	$ (3)	$ (21)	$ (77)
Change in value of hedges, net of tax	81	18	55
Ending balance	$ 77	$ (3)	$ (21)
Foreign currency translation adjustment			
Beginning balance	$ (1,206)	$ (1,352)	$ (1,197)
Translation gain (loss)	(403)	147	(156)
Ending balance	$ (1,609)	$ (1,206)	$ (1,352)

Note 12. Parent Company Stock-Based Compensation

GM grants to certain employees and key executive officers Restricted Stock Units (RSUs), Performance-based Share Units (PSUs) and stock options (collectively, stock incentive awards). The awards under the plans are subject to forfeiture if the participant leaves the company for reasons other than those permitted under the plans, such as retirement, death or disability.

RSU awards granted either cliff vest or ratably vest generally over a three-year service period, as defined in the terms of each award. PSU awards vest at the end of a three-year performance period based on performance criteria determined by the Executive Compensation Committee of the GM Board of Directors at the time of award. The number of shares earned, or units paid in cash, may equal, exceed or be less than the targeted number depending on whether the performance criteria are met, surpassed or not met. GM's service-based stock options vest ratably over three years. Stock options expire 10 years from the grant date.

Equity-classified awards The following table summarizes information about RSUs, PSUs and stock options granted to our employees and key executive officers under GM's stock-based compensation programs (shares in thousands):

	Year Ended December 31, 2024		
	Shares	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term in Years
Outstanding at January 1, 2024	3,017	$ 38.96	1.3
Granted	722	$ 39.27	
Settled	(643)	$ 46.62	
Forfeited or expired	(192)	$ 56.20	
Outstanding at December 31, 2024[(a)]	2,904	$ 36.20	2.3

(a) Includes the target amount of PSUs.

There were no stock options issued during the year ended December 31, 2024. The assumptions used to estimate the fair value of the stock options are a dividend yield of 1.90% and 1.60%, expected volatility of 34.0% and 41.0%, a risk-free interest rate of 3.70% and 1.88%, and an expected option life of 6.0 years for options issued during 2023 and 2022. The expected volatility is based on the average of the implied volatility of publicly traded options for GM's common stock.

Total compensation expense related to the above awards was $32 million, $42 million and $50 million in 2024, 2023 and 2022.

At December 31, 2024, total unrecognized compensation expense for nonvested equity awards granted was $25 million. This expense is expected to be recorded over a weighted-average period of 1.5 years. The total fair value of RSUs and PSUs vested was $31 million, $45 million and $31 million at December 31, 2024, 2023 and 2022.

Liability-classified awards We grant certain employees stock incentive awards that are payable in cash. The total compensation expense and cash paid to settle these awards was insignificant in the year ended December 31, 2024.

Note 13. Employee Benefit Plans

We have defined contribution retirement plans covering the majority of our employees. We recognized compensation expense related to these plans of $36 million, $35 million and $29 million in 2024, 2023 and 2022. Contributions to the plans were made in cash.

Note 14. Income Taxes

The following table summarizes income before income taxes and equity income:

	Years Ended December 31,		
	2024	2023	2022
U.S. income (loss)	$ 2,407	$ 2,417	$ 3,499
Non-U.S. income (loss)	494	430	404
Income (loss) before income taxes and equity income (loss)	$ 2,901	$ 2,847	$ 3,903

	Years Ended December 31,		
Income Tax Expense	2024	2023	2022
Current income tax expense (benefit)			
U.S. federal	$ (525)	$ 341	$ 342
U.S. state and local	102	144	85
Non-U.S.	146	91	80
Total current income tax expense (benefit)	(277)	576	507
Deferred income tax expense (benefit)			
U.S. federal	994	112	322
U.S. state and local	45	24	85
Non-U.S.	22	28	77
Total deferred income tax expense (benefit)	1,061	165	484
Total income tax provision (benefit)	$ 784	$ 741	$ 992

We have foreign subsidiaries with cumulative undistributed earnings that are indefinitely reinvested. Accordingly, no provision for U.S. income tax has been provided, and the unrecognized deferred tax liability is insignificant. An estimate of the undistributed earnings is $713 million and $454 million at December 31, 2024 and 2023.

A reconciliation between the U.S. federal statutory tax rate and the effective tax rate is as follows:

	Years Ended December 31,		
	2024	2023	2022
U.S. federal statutory tax rate	21.0 %	21.0 %	21.0 %
Non-U.S. income taxed at other than the U.S. federal statutory rate	1.8	1.1	0.9
State and local income taxes	3.5	3.6	3.2
U.S. tax on non-U.S. earnings	0.9	3.8	0.3
Valuation allowance	—	(2.9)	0.3
Other	(0.1)	(0.6)	(0.3)
Effective tax rate	27.0 %	26.0 %	25.4 %

Deferred Income Tax Assets and Liabilities Deferred income tax assets and liabilities at December 31, 2024 and 2023 reflect the effect of temporary differences between amounts of assets, liabilities and equity for financial reporting purposes and the basis of such assets, liabilities and equity as measured by tax laws, as well as tax loss and tax credit carryforwards. The following table summarizes the components of temporary differences and carryforwards that give rise to deferred tax assets and liabilities:

	December 31, 2024	December 31, 2023
Deferred tax assets		
Net operating loss carryforward - U.S.[(a)]	$ 331	$ 2
Net operating loss carryforward - non-U.S.[(b)]	84	115
Market value difference of loan portfolio	426	322
Accruals	135	186
Tax credits[(c)]	649	352
Other	210	164
Total deferred tax assets before valuation allowance	1,835	1,141
Less: valuation allowance	(235)	(236)
Total deferred tax assets	1,600	905
Deferred tax liabilities		
Depreciable assets	3,637	2,354
Deferred acquisition costs	232	159
Other	153	125
Total deferred tax liabilities	4,022	2,638
Net deferred tax liability	$ (2,422)	$ (1,733)

(a) *At December 31, 2024, U.S. operating loss deferred tax assets were $331 million, of which $315 million can be carried forward indefinitely* and *$16 million, will expire by 2038, if not utilized.*
(b) *At December 31, 2024, non-U.S. operating loss deferred tax assets were $84 million, of which $17 million can be carried forward indefinitely and $67 million will expire by 2044, if not utilized.*
(c) *At December 31, 2024, U.S. tax credit carryforwards were $649 million, expiring through 2044, if not utilized.*

As of December 31, 2024, we have $235 million in valuation allowances against deferred tax assets in U.S. jurisdictions.

Uncertain Tax Positions The following table summarizes activity of the total amounts of unrecognized tax benefits:

	Years Ended December 31,		
	2024	2023	2022
Beginning balance	$ 86	$ 63	$ 70
Additions to prior years' tax positions	—	22	—
Reductions to prior years' tax positions	(8)	—	(6)
Additions to current year tax positions	6	9	—
Changes in tax positions due to lapse of statutory limitations	(4)	(8)	(2)
Foreign currency translation	(2)	—	1
Ending balance	$ 78	$ 86	$ 63

At December 31, 2024, 2023 and 2022, there were $62 million, $67 million and $51 million of net unrecognized tax benefits that, if recognized, would favorably affect the effective tax rate.

We recognize accrued interest and penalties associated with uncertain tax positions as a component of the income tax provision. Accrued interest and penalties are included within other liabilities on the consolidated balance sheets. At December 31, 2024 and 2023, we had liabilities of $60 million and $62 million for income tax-related interest and penalties.

At December 31, 2024, it is not possible to reasonably estimate the expected change to the total amount of unrecognized tax benefits in the next twelve months.

Other Matters We are included in GM's consolidated U.S. federal income tax returns and certain U.S. state returns, and we are obligated to pay GM for our share of these tax liabilities. During 2024, we moved from a taxes payable position of $384 million to a taxes receivable position of $70 million, primarily due to a change in our tax depreciation method. The receivable will offset future related party taxes for federal and state tax liabilities.

Income tax returns are filed in multiple jurisdictions and are subject to examination by taxing authorities throughout the world. We have open tax years from 2010 to 2024 with various tax jurisdictions. These open years contain matters that could be subject to differing interpretations of applicable tax laws and regulations as they relate to the amount, character, timing or inclusion of revenue and/or recognition of expenses, or the sustainability of income tax credits. Certain of our state and foreign tax returns are currently under examination in various jurisdictions.

Note 15. Supplemental Information for the Consolidated Statements of Cash Flows

Cash payments for interest costs and income taxes consist of the following:

	Years Ended December 31,		
	2024	2023	2022
Interest costs (none capitalized)	$ 5,406	$ 4,652	$ 2,673
Income taxes	$ 170	$ 182	$ 824

Non-cash investing items consist of the following:

	Years Ended December 31,		
	2024	2023	2022
Subvention receivable from GM[(a)]	$ 360	$ 508	$ 469
Commercial loan funding payable to GM[(a)]	$ 100	$ 55	$ 105

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(a) Refer to Note 2 for further information.

Note 16. Segment Reporting and Geographic Information

We analyze the results of our business through the following reportable segments: North America and International. Our chief operating decision-maker, the President and Chief Executive Officer, evaluates the operating results through reportable segment income before income taxes. This financial metric is used to review operating trends, perform analytical comparisons between periods and among geographic regions, and to monitor budget-to-actual variances on a monthly basis in order to assess performance and allocate resources.

Our North America Segment includes operations in the U.S. and Canada. Our International Segment includes operations in Brazil, Chile, Colombia, Mexico and Peru, as well as our equity investments in joint ventures in China. The management of each segment is responsible for executing our strategies.

The following tables summarize key financial information by segment:

	Year Ended December 31, 2024		
	North America	International	Total
Revenue from reportable segments	$ 14,341	$ 1,515	$ 15,856
Reconciliation of revenue			
Other revenue[(a)]			19
Total revenue			$ 15,875
Costs and expenses[(b)]			
Salaries and benefits	1,013	154	
Leased vehicle depreciation	4,770	74	
(Gain) loss on termination of leased vehicles	(759)	1	
Provision for loan losses	912	116	
Interest expense	5,362	668	
GM Protection claim losses	30	—	
Other segment items[(c)]	329	230	
Equity income	—	64	
Impairment of investment in nonconsolidated affiliate	—	(320)	
Reportable segment income before income taxes	$ 2,683	$ 16	$ 2,699
Reconciliation to income before income taxes			
Other loss[(d)]			(54)
Income before income taxes			$ 2,645

(a) Revenue from our other operating segment that does not meet any of the quantitative thresholds for determining reportable segments.

(b) The significant expense categories and amounts align with the segment-level information that is regularly provided to the chief operating decision-maker.

(c) Other segment items for each reportable segment primarily include professional fees, supplies and equipment, occupancy costs, depreciation and amortization, and commission expense.

(d) Income/loss from our other operating segment that does not meet any of the quantitative thresholds for determining reportable segments.

	Year Ended December 31, 2023		
	North America	International	Total
Revenue from reportable segments	$ 12,876	$ 1,345	$ 14,221
Reconciliation of revenue			
Other revenue[(a)]			3
Total revenue			$ 14,224
Costs and expenses[(b)]			
Salaries and benefits	990	156	
Leased vehicle depreciation	4,840	65	
Gain on termination of leased vehicles	(877)	(1)	
Provision for loan losses	682	144	
Interest expense	4,109	576	
GM Protection claim losses	8	—	
Other segment items[(c)]	407	223	
Equity income	—	138	
Reportable segment income before income taxes	$ 2,716	$ 320	$ 3,036
Reconciliation to income before income taxes			
Other loss[(d)]			(51)
Income before income taxes			$ 2,985

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(a) Revenue from our other operating segment that does not meet any of the quantitative thresholds for determining reportable segments.

(b) The significant expense categories and amounts align with the segment-level information that is regularly provided to the chief operating decision-maker.

(c) Other segment items for each reportable segment primarily include professional fees, supplies and equipment, occupancy costs, depreciation and amortization, and commission expense.

(d) Income/loss from our other operating segment that does not meet any of the quantitative thresholds for determining reportable segments.

	Year Ended December 31, 2022		
	North America	International	Total
Revenue from reportable segments	$ 11,776	$ 989	$ 12,765
Reconciliation of revenue			
Other revenue[(a)]			1
Total revenue			$ 12,766
Costs and expenses[(b)]			
Salaries and benefits	940	143	
Leased vehicle depreciation	4,793	46	
Gain on termination of leased vehicles	(1,187)	—	
Provision for loan losses	537	116	
Interest expense	2,526	355	
Other segment items[(c)]	381	197	
Equity income	—	173	
Reportable segment income before income taxes	$ 3,786	$ 305	$ 4,091
Reconciliation to income before income taxes			
Other loss[(d)]			(15)
Income before income taxes			$ 4,076

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(a) Revenue from our other operating segment that does not meet any of the quantitative thresholds for determining reportable segments.
(b) The significant expense categories and amounts align with the segment-level information that is regularly provided to the chief operating decision-maker.
(c) Other segment items for each reportable segment primarily include professional fees, supplies and equipment, occupancy costs, depreciation and amortization, and commission expense.
(d) Income/loss from our other operating segment that does not meet any of the quantitative thresholds for determining reportable segments.

The following table presents certain balance sheet information by segment:

	December 31, 2024			December 31, 2023		
	North America	International	Total	North America	International	Total
Finance receivables, net	$ 87,084	$ 6,426	$ 93,510	$ 78,148	$ 6,489	$ 84,637
Leased vehicles, net	$ 31,236	$ 350	$ 31,586	$ 30,227	$ 356	$ 30,582
Assets from reportable segments	$ 131,643	$ 9,254	$ 140,897	$ 122,051	$ 9,883	$ 131,933
Other assets[(a)]			134			77
Total assets			$ 141,030			$ 132,011

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(a) Assets from our other operating segment that does not meet any of the quantitative thresholds for determining reportable segments.

The following table summarizes information concerning principal geographic areas:

	At and For the Years Ended December 31,					
	2024		2023		2022	
	Revenue[a]	Long-Lived Assets[b]	Revenue[a]	Long-Lived Assets[a]	Revenue[a]	Long-Lived Assets[a]
U.S.	$ 13,608	$ 28,129	$ 12,168	$ 27,397	$ 11,037	$ 29,411
Non-U.S.	2,267	3,563	2,056	3,309	1,729	3,431
Total consolidated	$ 15,875	$ 31,693	$ 14,224	$ 30,707	$ 12,766	$ 32,842

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(a) No individual country other than the U.S. represented more than 10% of our total revenue.

(b) Long-lived assets include $31.6 billion, $30.6 billion, and $32.7 billion of vehicles on operating leases at December 31, 2024, 2023 and 2022. Other than the U.S., no individual country represented more than 10% of our total long-lived assets at December 31,2024, 2023 and 2022, except for Canada, with long-lived assets of $3.2 billion at December 31, 2024.

Note 17. Regulatory Capital and Other Regulatory Matters

We are required to comply with a wide variety of laws and regulations. Certain of our entities operate in international markets as either banks or regulated finance companies that are subject to regulatory restrictions. These regulatory restrictions, among other things, require that certain of these entities meet minimum capital requirements and may restrict dividend distributions and ownership of certain assets. We were in compliance with all regulatory capital requirements as most recently reported. Our most significant regulated international bank, located in Brazil, had a most recently reported capital ratio of 21.7%, and the minimum capital requirement was 10.5%. Total assets of our regulated international banks and finance companies were approximately $7.5 billion and $7.7 billion at December 31, 2024 and 2023.

Exhibit 31.1

GENERAL MOTORS FINANCIAL COMPANY, INC.

CERTIFICATIONS

I, Daniel E. Berce, certify that:

1. I have reviewed this Annual Report on Form 10-K of General Motors Financial Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 28, 2025

/s/ Daniel E. Berce

Daniel E. Berce
President and Chief Executive Officer

Exhibit 31.2

GENERAL MOTORS FINANCIAL COMPANY, INC.

CERTIFICATIONS

I, Susan B. Sheffield, certify that:

1. I have reviewed this Annual Report on Form 10-K of General Motors Financial Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 28, 2025

/s/ Susan B. Sheffield

Susan B. Sheffield
Executive Vice President and Chief Financial Officer

Principales diferencias entre los criterios contables establecidos por las autoridades financieras mexicanas y los principios de contabilidad generalmente aceptados en los Estados Unidos de América aplicables para GMF Inc.

Las Sociedades Financieras de Objeto Múltiple en México son reguladas en cuanto a sus criterios y principios contables por las siguientes disposiciones:

a) La Ley General de Organizaciones y Actividades Auxiliares del Crédito (LGOAAC)
b) La Ley de Instituciones de Crédito
c) Ley de Mercado de Valores
d) Las Disposiciones de carácter general aplicables a las emisoras de valores y a otros participantes del mercado de valores (Circular Única de Emisoras)
e) Las Disposiciones de carácter general aplicables a las instituciones de crédito (Circular Única de Bancos)
f) Las Disposiciones de carácter general aplicables a los almacenes generales de depósito, casas de cambio, uniones de crédito y sociedades financieras de objeto múltiple reguladas (CUIFE)
g) Normas de Información financiera emitidas por el CINIF supletoriamente

Los Criterios Contables dictados por las regulaciones locales difieren de los principios de contabilidad generalmente aceptados en los Estados Unidos de América ("U.S. GAAP") en diversos puntos y criterios, sin embargo consideramos que dentro de los que aplican para GMF Inc. los más importantes son los siguientes:

I. Reconocimiento de los efectos de inflación
II. Reserva para riesgos crediticios
III. Reconocimiento de pasivo contingente
IV. Costos por emisión de deuda
V. Reconocimiento de ingresos
VI. Crédito mercantil
VII. Reconocimiento de posiciones fiscales inciertas
VIII. Compensación basada en acciones
IX. Consolidación
X. Valor razonable

I. Reconocimiento de los efectos de inflación

U.S. GAAP

Los principios contables aplicables en los Estados Unidos establecen como principio básico el costo histórico. Los efectos de Inflación no se registran en los estados financieros excepto en casos cuando una entidad de reporte opere en un entorno económico altamente inflacionario. Bajo los principios de contabilidad generalmente aceptados en los Estados Unidos de América (U.S. GAAP), una economía es considerada como altamente inflacionaria cuando la tasa de inflación acumulada de los últimos tres años excede el 100%.

Criterios contables establecidos para instituciones financieras en México

Al 1ero de enero de 2008, las Compañías en México suspendieron el reconocimiento de los efectos de la inflación en los estados financieros debido a un entorno económico no inflacionario, sin embargo, los activos y pasivos no monetarios y el capital contable incluyen los efectos de re expresión reconocidos hasta el 31 de diciembre de 2007.

A la fecha señalada en el párrafo anterior, las Compañías en México solo reconocen los efectos de inflación en los estados financieros cuando el entorno económico califica como inflacionario. Un entorno económico inflacionario ocurre cuando la inflación acumulada de los últimos tres años es igual o mayor al 26%.

II. Reserva para Riesgos Crediticios

U.S. GAAP

La reserva para préstamos y arrendamientos se basa en la estimación de la probable pérdida inherente a los préstamos y cartera de la compañía tanto comerciales como de consumo.

La evaluación y medida del deterioro de los préstamos y arrendamientos financieros ocurre a través de una de los dos siguientes metodologías establecidas:

1. Reservas específicas establecidas para préstamos y arrendamientos financieros específicos evaluados como en deterioro, o
2. Reservas para carteras las cuáles son establecidas para grupos grandes de préstamos y arrendamientos financieros con saldos de pequeños y homogéneos los cuales son evaluados colectivamente para su deterioro.

Los préstamos y arrendamientos financieros que no son parte de un grupo grande de préstamos y arrendamientos financieros homogéneos son evaluados bajo la metodología de reserva específica. Los préstamos y arrendamientos financieros que nos son considerados en deterioro bajo la metodología de reserva específica así como bajo préstamos y arrendamientos financieros homogéneos están sujetos al cálculo para reserva a nivel de cartera.

La reserva deberá ser establecida cuando es probable que los préstamos de la cartera se han deteriorado y el importe de la pérdida pueda ser razonablemente estimado. Una acumulación de pérdida es inicialmente reconocida en los estados financieros durante el período en el cual el evento de pérdida que dio lugar al deterioro ocurre y solamente por el monto del deterioro que ha ocurrido a la fecha del balance general.

El deterioro a nivel de cartera puede ser basado en estadísticas históricas, tales como período de recuperación promedio y promedio de monto recuperado, junto con una tasa de interés efectiva como medio de medición del deterioro de dichos préstamos.

El deterioro de un préstamo en especifico puede ser medido en base al valor actual de los flujos de efectivo futuros esperados descontados a la tasa de interés efectiva del préstamo. Como recurso práctico, un acreedor puede medir el deterioro en base al precio de mercado observable de un préstamo, o al valor razonable de la garantía si el préstamos es un préstamo que depende de una garantía.

La descripción antes mencionada se basa en los principios de contabilidad generalmente aceptados en los Estados Unidos de América (U.S. GAAP) que se incluyen dentro de las normas ASC 310-10 “Cuentas por Cobrar- En general,” ASC 450-10-25 “Contingencias- En general” y ASC 942-10 “Servicios Financieros - Depósitos y Préstamos- En general,” entre otras.

Criterios contables establecidos para instituciones financieras en México

La reserva para pérdidas crediticias para SOFOMES E.N.R. Emisoras se realiza de acuerdo a los lineamientos establecidos por la Comisión para SOFOMES Reguladas la cual establece la metodología para la calificación de cartera crediticia para la constitución de reserva. La Comisión utiliza modelos de pérdida esperada los cuales contemplan el riesgo crediticio colectivo y datos de pérdida esperada de las instituciones de préstamos Mexicanas. La reserva para la cartera de préstamos comerciales y de consumo se determina de la siguiente manera:

> **Reserva de cartera consumo** - Las reservas de la cartera de consumo no revolvente, se determinan evaluando la probabilidad de incumplimiento, la severidad de la pérdida y la exposición al incumplimiento, crédito por crédito, considerando los datos históricos de dicha cartera.
>
> La probabilidad de incumplimiento se determina de acuerdo al número de atrasos que tenga el cliente; si tiene menos de cuatro mensualidades de atraso la probabilidad de incumplimiento se determinara con el promedio del porcentaje que representa el pago realizado respecto al monto exigible en los últimos cuatro periodos de facturación y si tiene 4 atrasos o más la probabilidad de incumplimiento será del 100%.
>
> Del mismo modo, la severidad de perdida será del 65% si el atraso del cliente es menor a 10 mensualidades y de 100% si el atraso es de 10 ó más mensualidades.
>
> **Reserva de cartera comercial -** La reserva de la cartera comercial se determina en base al artículo 110 de la Circular Única de Bancos (CUB). Al 2014, para la determinación de la

calificación de cartera, se debe de considerar la probabilidad de incumplimiento, severidad de la pérdida y exposición al incumplimiento.

Las reservas de la cartera comercial se determinan mediante la evaluación del puntaje crediticio total para créditos a cargo de Personas Morales y Personas Físicas con Actividad Empresarial, haciendo la separación de aquellos con ingresos netos o ventas netas anuales menores al equivalente en moneda nacional a 14 millones de Unidades de Inversión (UDIS) de conformidad con los anexos mencionados.

De estos puntajes se obtiene la probabilidad de incumplimiento, en el caso de créditos que se encuentren en cartera vencida la probabilidad de incumplimiento será del 100% y la severidad de perdida será del 45%.
El porcentaje requerido de la reserva para pérdidas en la cartera de préstamos se determina en función del grado de riesgo asignado.

III. Reconocimiento de Pasivo Contingente

U.S. GAAP

Cuando existe una contingencia de perdida, la evaluación debe ser realizada en cuanto a la probabilidad de que el evento o eventos futuros ocurran confirmando la pérdida.

Se establecen 3 categorías de probabilidad con respecto a la ocurrencia de una pérdida:

- Remota: La posibilidad de que el evento o eventos futuros ocurran es poco probable.
- Razonablemente posible: La posibilidad de que el evento o eventos futuros ocurran es más que remota pero menos que probable.
- Probable: El evento o los eventos futuros son probable que ocurran.

El registro de la pérdida por contingencia es registrada solamente cuando la probabilidad de una confirmación de un evento es designada como “Probable” y el monto de la pérdida puede ser razonablemente estimado. La descripción antes mencionada se basa en los principios contables US GAAP FASB ASC 450-10-25 “Contingencias- En general”.

Criterios contables establecidos para instituciones financieras en México

El reconocimiento de un pasivo contingente se efectúa en base al Boletín C-9 de Pasivos, Provisiones, Activos y Pasivos Contingentes, en el cual se señala que se debe considerar como una obligación presente si el suceso ocurrido en el pasado ha producido o no el nacimiento de dicha obligación y en caso de duda de la ocurrencia o no ocurrencia de ciertos sucesos, la entidad procederá a determinar la existencia de la obligación presente, teniendo en cuenta toda la evidencia posible, entre los que se incluirá la opinión de expertos y, en base a esa evidencia, lo siguiente:

- Si la obligación es probable se reconocerá el pasivo siempre que la probabilidad de la existencia de la obligación a la fecha del balance sea mayor que la probabilidad de la inexistencia y se pueda obtener un cálculo fiable del monto de la obligación,

- Se revelará la obligación si la obligación presente es posible, esto siempre y cuando la obligación presente sea menor que la probabilidad que no exista y no habrá necesidad de revelación en el caso de que sea remota la probabilidad de salida de recursos.

IV. Costos por Emisión de Deuda

U.S. GAAP

La norma ASU 2015-03 requiere que los costos por emisión de deuda asociados con deuda no revolvente sean presentados como una reducción al saldo principal de la deuda, con aplicación retrospectiva.

Criterios contables establecidos para instituciones financieras en México

Los costos por emisión de deuda son presentados de acuerdo al Anexo 33 de la CUB Criterio A-2 Aplicación de Normas Específicas que menciona que en el caso de pagos anticipados se aplicará la Norma de Información Financiera C-5 Pagos Anticipados y se reconocerá como un pago anticipado en el rubro de Otros Activos.

V.Reconocimiento de Ingresos

U.S. GAAP

El ingreso por cargo financiero relacionado a cuentas por cobrar de financiamiento es reconocido utilizando el método de interés efectivo. Las comisiones y cargos recibidos y los costos directos de originación de préstamos son generalmente diferidos y amortizados durante el término de las cuentas por cobrar de financiamiento relacionadas utilizando el método de interés efectivo y son eliminados del balance general consolidado cuando las cuentas por cobrar de financiamiento relacionadas son vendidas, canceladas o liquidadas. La provisión de ingresos por cargos financieros es suspendida en las cuentas que tienen 60 días o más de morosidad, cuentas en bancarrota y cuentas adjudicadas. Los pagos recibidos para préstamos en suspenso son aplicados primero a cualquier recargo que se deba, luego se aplican a cualquier interés pendiente de pago, y finalmente, cualquier monto restante recibido es aplicado al saldo principal. La provisión de intereses continúa una vez que una cuenta ha recibido pagos que regresan su estatus de morosidad a menos de 60 días.

El ingreso por cargo financiero relacionado a cuentas por cobrar de financiamiento comercial es reconocido utilizando el método de acumulación. La acumulación de ingreso por cargos financieros es generalmente suspendida en las cuentas que tienen 90 días o más de morosidad, una vez que se recibe una notificación de bancarrota por parte del acreditado, o cuando existe duda razonable sobre la recuperación total del saldo principal e intereses acordados en el contrato. Los pagos recibidos para préstamos en mora son aplicados primero al saldo principal. La provisión de intereses continua una vez que una cuenta ha recibido pagos que la clasifican al corriente y que el cobro del saldo principal e intereses acordados en el contrato es razonable (incluyendo montos previamente cancelados) o, cuando se trata de reestructuraciones de deuda en problemas, cuando el pago es razonablemente asegurado con base a los términos modificados del préstamo.

Los ingresos por arrendamientos operativos en vehículos arrendados son reconocidos por medio del método de línea recta durante el periodo del arrendamiento. Los cargos o costos netos diferidos por originación son amortizados en línea recta durante el periodo del contrato de arrendamiento.

Criterios contables establecidos para instituciones financieras en México

Se deberá suspender la acumulación de los intereses devengados de las operaciones crediticias, en el momento en que el saldo insoluto del crédito sea considerado como vencido, entendiéndose como vencido lo siguiente:

1. Se tenga conocimiento de que el acreditado es declarado en concurso mercantil, conforme a la Ley de Concursos Mercantiles, o
2. Sus amortizaciones no hayan sido liquidadas en su totalidad en los términos pactados originalmente, considerando al efecto lo siguiente:
   a) Si los adeudos consisten en créditos con pago único de principal e intereses al vencimiento y presentan 30 o más días naturales de vencidos;
   b) Si los adeudos se refieren a créditos con pago único de principal al vencimiento y con pagos periódicos de intereses y los respectivos pagos de los intereses presentan 90 ó más días naturales de vencimiento, y el saldo principal presenta 30 ó más días naturales de vencimiento;
   c) Si los adeudos consisten en créditos con pagos periódicos parciales de principal e intereses, incluyendo los préstamos hipotecarios y presentan 90 ó más días naturales de vencimiento;
   d) Si los adeudos consisten en créditos revolventes y presentan dos periodos mensuales de facturación vencidos o, en caso de que el periodo de facturación sea distinto al mensual, el correspondiente a 60 ó más días naturales de vencidos, y
   e) Los documentos de cobro inmediato a que se refiere el criterio B-1 “Fondos Disponibles”, serán reportados como cartera vencida al momento en el cual se presente dicho evento.

3. Cualquier amortización que no haya sido liquidada en su totalidad en los términos pactados originalmente y presenten 90 ó más días de vencimiento y los créditos otorgados a personas físicas destinados a la remodelación o mejoramiento de la vivienda sin propósito de especulación comercial que estén respaldados por el ahorro de la subcuenta de vivienda del acreditado. *(No aplica a GM Financial de México SA de CV SOFOM E.R., sin embargo es parte de la redacción de la normatividad aplicable a otras entidades SOFOMs).*

Asimismo, se deberá suspender la amortización en resultados del ejercicio de los ingresos financieros por devengar, así como del importe correspondiente a la opción de compra de los créditos por operaciones de arrendamiento capitalizable, en el momento en que el saldo insoluto del crédito sea considerado como vencido..

A los créditos que contractualmente capitalizan intereses al monto del adeudo, les será aplicable la suspensión de acumulación de intereses establecida en el párrafo anterior.

En tanto el crédito se mantenga en cartera vencida, el control de los intereses o ingresos financieros devengados se llevará en cuentas de orden. En caso de que dichos intereses o ingresos financieros vencidos sean cobrados, se reconocerán directamente en los resultados del ejercicio en el rubro de ingresos por intereses, cancelando en el caso de arrendamiento capitalizable o en operaciones de factoraje financiero el crédito diferido correspondiente.

VI. Crédito Mercantil

U.S. GAAP

No se permite cancelar los deterioros reconocidos de crédito mercantil.

Criterios contables establecidos para instituciones financieras en México

Bajo ciertas circunstancias es permitido cancelar deterioros reconocidos de crédito mercantil.

VII. Reconocimiento de posiciones fiscales inciertas

U.S. GAAP

Se contabilizan las posiciones fiscales inciertas con base a un proceso de dos pasos en donde: (1) se determina si es más probable que no que las posiciones fiscales sean sostenidas en base a los méritos técnicos de la posición; y (2) para aquellas posiciones fiscales que cumplen con el probable reconocimiento, se reconoce el monto más alto de beneficio fiscal que sea mayor al 50% de probabilidad de que se materialice basado en la última negociación con la autoridad tributaria correspondiente.

Se reconocen intereses y multas sobre posiciones fiscales inciertas en la cuenta de impuesto sobre la renta.

Criterios contables establecidos para instituciones financieras en México

Se aplicará la metodología indicada en el punto III. Reconocimiento de Pasivo Contingente para su reconocimiento contable.

VIII. Compensación basada en acciones

U.S. GAAP

Los premios de compensación en acciones emitidas por una subsidiaria a empleados de la subsidiaria que son liquidados del capital de la compañía matriz deben ser clasificados como premios de capital en los estados financieros independientes de la subsidiaria. De la misma forma, la subsidiaria registra el gasto por compensación por concepto de los premios de compensación en acciones de la compañía matriz en base al valor razonable de los premios sobre el período de devengamiento aplicable al premio.

Criterios contables establecidos para instituciones financieras en México

Los premios de compensación en acciones otorgados por una subsidiaria a empleados de la subsidiaria y liquidados en acciones de la compañía matriz son clasificados como premios pasivos en los estados financieros independientes de la subsidiaria.

IX. Consolidación

U.S. GAAP

Bajo los principios de contabilidad generalmente aceptados en los Estados Unidos de América ("U.S. GAAP"), existen dos modelos diferentes para determinar si la consolidación es apropiada. Si una entidad de reporte cuenta con participación en otra entidad que satisface la definición de una Entidad de Participación Variable (VIE), el modelo de una VIE debe ser aplicado. Bajo este modelo, la consolidación está basada en poder y economía - esto es, qué accionista tiene (1) el poder de dirigir las actividades de la VIE que más afecten de manera considerable el desempeño económico de la VIE y (2) la obligación de absorber las pérdidas o el derecho a recibir beneficios de la VIE que pudieran ser potencialmente considerables para la VIE. Sin embargo, si una entidad de reporte cuenta con participación en otra entidad que no es considerada como una Entidad de Participación Variable (VIE) o que no se encuentra dentro del ámbito del modelo de una VIE, el modelo de participaciones con derecho de voto deberá aplicarse. Bajo este modelo, la consolidación está basada en si la entidad de reporte mantiene una participación financiera de control en la entidad.

Bajo el modelo de participaciones con derecho de voto, no se le requiere a la entidad tomar en cuenta potenciales derechos de voto al determinar si hay o no control; más bien, dichos potenciales derechos de voto pudieran indicar la existencia de control. El modelo de las VIE no aborda específicamente el impacto de los potenciales derechos de voto en la determinación de qué parte cuenta con el poder para dirigir las actividades más importantes de una entidad.

Criterios contables establecidos para instituciones financieras en México

La consolidación bajo los estándares mexicanos se basa en el concepto de control. Los tres elementos de control son los siguientes:

- Poder sobre la sociedad participada
- Exposición, o derecho, a ganancias variables de la participación en la sociedad participada; y
- La habilidad de utilizar poder sobre la sociedad participada para tener un efecto sobre el monto de las ganancias del inversionista.

Un inversionista debe poseer los tres elementos para concluir que controla a una sociedad participada. El modelo de consolidación aplica a todas las entidades.

Una entidad debe considerar la existencia y el efecto de potenciales derechos de voto que son actualmente ejecutables al determinar si existe o no control.

X. Valor Razonable

U.S. GAAP

Bajo los principios de contabilidad generalmente aceptados en los Estados Unidos de América ("U.S. GAAP"), una de las características que definen al valor razonable es que se asume que es el precio de salida. El precio de salida se define como el precio que será recibido o pagado por la entidad de reporte "en una operación ordenada entre participantes de mercado para vender un activo o transferir un pasivo a la fecha de la medición." El riesgo crediticio de la contraparte y el riesgo crediticio de la propia entidad son considerados en las mediciones de valor razonable de ciertos instrumentos financieros.

Criterios contables establecidos para instituciones financieras en México

El valor razonable se define como el monto que un participante de mercado interesado e informado estaría dispuesto a pagar por la compra o venta de un activo o el monto que estaría dispuesto a asumir o liquidar un pasivo en un mercado libre. Esta definición puede considerar ya sea un precio de entrada o salida. Se les requiere a las entidades usar las mediciones de valor razonable proporcionadas por un proveedor de precios autorizado por la Comisión. Dichas mediciones generalmente no toman en cuenta el riesgo crediticio de la contraparte o de la propia entidad.