PRESS RELEASE

Federal Deposit Insurance Corporation

FOR IMMEDIATE RELEASE
November 15, 2006

Media Contact:
David Barr (202) 898-6992
dbarr@fdic.gov

FDIC Board Approves Change in Control Notice for GMAC Automotive Bank, Midvale, Utah

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) unanimously approved an application by a consortium of investors to obtain control of GMAC Automotive Bank, Midvale, Utah, an industrial loan company (ILC) that specializes in the purchase of automobile loan and lease contracts.

The consortium is headed by Stephen A. Feinberg, who is the founder of the private investment firm of Cerberus Capital Management, L.P., New York, New York. Minority members of the consortium are Citigroup, Inc., The PNC Financial Services Group, Inc., and Aozora Bank Limited, a Japanese bank. The change in control was required due to the consortium's planned acquisition of 51 percent of GMAC, Detroit Michigan, a $310 billion financial services subsidiary of General Motors Corporation (GM) and an indirect parent of GMAC Automotive Bank.

In July, the FDIC Board imposed a moratorium on ILC applications for deposit insurance and change in control notices. The moratorium expires on January 31, 2007. The FDIC acted on this change in control notice prior to the expiration of the moratorium because of the unique circumstances of the case.

"The FDIC Board decided to act on this notice during the moratorium to avoid the potential for substantial interference with a major restructuring by General Motors Corporation," said FDIC Chairman Sheila C. Bair. "This action is based on agreements that include commitments to ensure that whatever final decisions the FDIC makes about ILCs following the moratorium will ultimately apply to this ILC. The FDIC Board's action permits this corporate restructuring to go forward while preserving the purposes and goals of the moratorium. The Board's decision should not be viewed as a precursor to decisions the Board may ultimately make regarding ILCs generally. This is a unique situation which necessitated an individualized solution."

The intent in establishing the moratorium was to give the FDIC an opportunity to make a careful and comprehensive examination of the supervisory and regulatory issues inherent in the ILC industry. Understanding that there are economic costs when delays occur, the FDIC has taken a number of steps in an effort to minimize the potential for significant, adverse economic effects arising out of the moratorium. For example, the FDIC has continued to process, but not decide on, deposit insurance applications and change in control notices that had been filed as of the start of the moratorium. The FDIC has also continued to engage in pre-filing discussions with applicants in order to minimize any disruption to those who have not yet filed with the FDIC.

The change in control is tied to a global restructuring of GM, and waiting to act until after the expiration of the moratorium could have had a significant adverse impact on GM's restructuring and GM's subsidiaries. As part of the approval, the consortium entered into a written agreement with the FDIC ensuring that this ILC will be subject to any changes that the FDIC might make to the regulation and supervision of ILCs going forward once the moratorium has been lifted. Specifically, they have committed to the FDIC that within two years they will divest control of the bank; terminate the bank's insured status; become a registered bank or thrift holding company; or apply to be subject to the same applicable law and regulation as other similarly situated companies at that time.