

Pre-owned SmartLease Quick Reference Guide

Eligible Dealers: All franchised dealers, Used Affiliates (with or without Ally floorplan) and Used Independents with Ally floorplan (Non-floorplan Used Independents remain ineligible, unless approved by Ally)

Eligible Pre-owned Vehicles

All pre-owned vehicles listed in the Residual Value Lease Guide (RVLG) are eligible. Vehicles are not required to be Certified; however, non-certified vehicles must have a clean vehicle history report. Requirements for the CPOV additional \$1,000 vehicle valuation program remain unchanged. See the General Information section of the RVLG for Used Vehicle eligibility rules.

Pre-owned Vehicle Residuals

Dealers will use the Residual Value amount for pre-owned vehicles which are published in the RVLG.

Note: Residual values will be published in a dollar amount, not in a percentage like new.

Aftermarket Products

Ally will only purchase a lease that includes an approved Aftermarket Product, see the Ally Quick Links for Dealer Use for a complete list.

Note: SmartLease Protect/Select is not eligible on pre-owned vehicle lease transactions.

Dealer Installed Options (DIOs)

Any dealer installed option can be capitalized provided it does not affect the structure of or impair the integrity or future resale value of the vehicle. Residualizable dealer installed options are not available.

Maximum Lease Advance / Max Net Cap Cost

S/A/B Tiers: (EDC x 120%) + DIOs

C Tier: (EDC x 115%) + DIOs

D Tier: (EDC x 105%) + DIOs

EDC = Used Vehicle Book-out Sheet (BOS) or auction invoice + \$1000 Certified Used

DIOs = Allowable Dealer Installed Options as determined by Ally
Net Cap Cost may include the following (if capitalized):

- Agreed Upon Value of the Vehicle
- + Admin Fee
- + Aftermarket Products
- + Taxes/Title/License/Registration
- + Negative Equity
- Capitalized Cost Reductions

Maximum Agreed Upon Value of the Vehicle Calculation

12 - 36 months = (115% x EDC) + DIOs - Removed equipment

37 - 60 months = (110% x EDC) + DIOs - Removed equipment

Maximum Negative Equity Calculation

Agreed Upon Value of the Vehicle + Capitalized Negative Equity (or Prior Lease Balance) – Cash – CCR – Rebate must be equal to or less than the following:

12 - 36 months = (115% x EDC) + DIOs - Removed equipment

37 - 60 months = (110% x EDC) + DIOs - Removed equipment

NOTE: Negative Equity cannot be capitalized in the state of Vermont without offsetting cash, rebate or capitalized cost reduction allowance.

Negative Depreciation

Net Cap Cost cannot be less than:

Net Residual Value + Cap Admin Fee + Cap Fees & Taxes + Cap Life & Disability Ins + Cap Mechanical Warranty and/or Service Agreement + Cap Other Items + \$1.00

Minimum Residual Value

Vehicles with base residual values below 15%, as well as vehicles with reduced residual values below 15% based on anticipated use and mileage, are unacceptable for SmartLease.

Lease Rates

Standard Rates See applicable national/regional rate sheet

Regular monthly and single payment SmartLease

- Minimum lease rate is 0.01 pp
- For federally tax exempt leases, increase lease rate 0.75 pp

Single payment SmartLease

- 12 - 24 month terms = reduce lease rate by 1.00 pp
- 25 - 60 month terms = reduce lease rate by 1.75 pp

Pre-owned Vehicle Lease Terms

Vehicle Age	Eligible Terms
Current Series Used	12 – 60 Months
1 year old	
2 year old	
3 year old	
4 year old	12 – 24 Months

Note: No odd terms. The above eligible terms reflect Ally's policy; eligible terms for Pre-owned Lease transactions will be published in the RVLG and on the Ally SmartLease Rate Sheet.

Pre-owned Vehicle Mileage Parameters (Refer to the RVLG for all Eligible Models)

Vehicle Age	Standard Mileage	Max Allowed Mileage
Current Series Used	0	30,000
1 - year old	15,000	45,000
2 - year old	30,000	45,000
3 - year old	45,000	60,000
4 - year old	60,000	75,000

The charges for upfront and termination are the same as New. If the beginning mileage exceeds the standard amount, adjust the residual downward using the appropriate charge per mile for the difference between the standard beginning mileage and the vehicles actual mileage at lease inception. All low mileage programs are ineligible for pre-owned vehicle leasing. **Note:** The 1pt deduct for beginning miles greater than the standard mileage does not apply.

Mileage Parameters	Annual Mileage	Standard ¹		High Standard ²		Mid-Luxury ³		High Luxury ⁴	
		Upfront	Term	Upfront	Term	Upfront	Term	Upfront	Term
Standard	15,000	\$0.15	\$0.20	\$0.20	\$0.25	\$0.25	\$0.30	\$0.40	\$0.60

¹Standard: FCA, Ford, Honda, Hyundai, Kia, Mazda, Mini, Mitsubishi, Nissan, Scion, Subaru & Toyota

²High Standard: Acura, Audi, BMW, GM, Infiniti, Lexus, Mercedes, Volkswagen & Volvo

³Mid-Luxury: Land Rover, Jaguar & Porsche

⁴High-Luxury: Maserati

Administrative Fee for All Models

All States	\$595
Maserati Only – All States	\$795

Single Payment Lease

Ally does not permit capitalizing amounts other than the agreed upon value of the vehicle. Any other amounts payable in connection with the origination of single payment leases such as the Ally administrative fee, aftermarket products, tax, title, etc. should be disclosed in section 5 as being due at lease signing or delivery.

Security Deposit

Monthly payment amount rounded up to the next \$25.00

3 Ways to Waive the Security Deposit:

- 1) S – A Tier Waived for Standard Rate and Residual Leases
- 2) Security deposit waiver programs – Reference applicable Incentive/Special Program for eligibility
- 3) Lease rate increase of 0.50 pp

First Payment Waiver Option

Lessee option to waive first month payment in exchange for increased lease payments:

12 - 35 Month Terms = 1.50 pp

36 - 60 Month Terms = 0.70 pp

Dealer Finance Income (DFI) Opportunities

Max 2.0 pp 100% Upfront Rebateable -OR-
Minimum Participation Non-Rebateable

Purchase Option at End of Lease Calculation

Residual Value (line 44 of worksheet)

+ \$0.00 (from line 45 of worksheet)

= Total (line 46 of worksheet and line 9 of lease agreement)

Purchase Option Increment is \$0 and it cannot be increased for dealer profit.

Valuable Tools Available via allydealer.com

NetQuote, Online RVLG, SmartLease Dealer Manual for additional information