

BREAKING NEWS

GMAC Offers 90 Day Deferral of Wholesale Charges GMAC – Dealer Confidence Plan

This week, we learned that some of our clients using GMAC for wholesale and retail financing received the GMAC Dealer Confidence Plan.

Any dealer with GMAC must take note of the new Dealer Confidence Plan. If you are not working with GMAC, understand what they are doing so that you can better evaluate your lending and financing relationships.

As defined by GMAC, the Dealer Confidence Plan includes the following:

Cash Flow Options

- GMAC will waive April 2009 curtailments for all dealers
- Certain aged eligible dealer inventory can be posted to SmartAuction free of charge
- **Qualified dealers may elect to defer wholesale charges**

Not sure if you are a qualified GM dealer?

We spoke with one of our clients who asked GMAC for the definition of a qualified dealer. Our client was advised that a dealer qualifies if they have complied with all net worth and working capital requirements that may have been requested of a dealer. Our client was also told by GMAC that they (GMAC) can opt to decline a dealer if they feel uncomfortable about their financial health.

Retail Assistance

- A 50 b.p. buy rate reduction on new standard rate retail offerings for selected tiers under certain conditions
- Buy rate reductions for used volume effective April 1, 2009
- GMAC will evaluate credit applications under 621 credit bureau score

To see the full GMAC Dealer Confidence Plan as distributed to GM Dealers, [download here](#).

For additional information on the GMAC Dealer Confidence Plan, please contact your local GMAC representative. For information on how this impacts your dealership consult with your Dealer Services Group member or contact, us at dsg@dixon-hughes.com or via phone at (877) DLR-CPAS.

For additional information regarding the Dixon Hughes Dealer Services Group, please contact us at dsg@dixon-hughes.com, (877) DLR-CPAS or visit us on the web at www.dixon-hughes.com/dsg.



To ensure compliance with requirements imposed by the IRS, we inform you that any tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code.



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ADVISORY

The Dixon Hughes Dealer Services Group | April 2009

About the Dixon Hughes Dealer Services Group

The Dealer Services Group of Dixon Hughes, one of the nation's top 20 accounting firms, has over 135 dedicated professionals working exclusively with some of the largest automotive and heavy truck dealerships across the country. Providing our clients with industry thought leaders in our Assurance, Tax and Risk Service Groups, we consult on best practices to help maximize efficiencies, decrease costs and understand risk management. Dealerships need an independent CPA firm to provide an objective view to take their business to the next level. At Dixon Hughes, we deliver on both sides of the service equation. A fact you might find a plus.



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