Poorman John Kevin
Form SC 13D/A
May 18, 2011

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 13D

[Rule 13d-101]

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO § 204.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO § 240.13d-2(a)

(Amendment No. 2)

Hyatt Hotels Corporation

(Name of Issuer)

Class A Common Stock, $0.01 par value per share

(Title of Class of Securities)

448579102

(CUSIP Number)

Michael A. Pucker, Esq.

Cathy A. Birkeland, Esq.

Latham & Watkins LLP

233 S. Wacker Drive, Suite 5800

Chicago, Illinois 60606

(312) 876-7700

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

May 16, 2011

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. ¨

The information required in the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, *see* the Notes).

(Continued on following pages)

1.	Names of Reporting Persons I.R.S. Identification Nos. of Above Persons (Entities Only) John Kevin Poorman, not individually, but solely as trustee of the trusts listed on Appendix A-1.	
2.	Check the Appropriate Box if a Member of a Group (a) x (b) ¨	
3.	SEC Use Only	
4.	Source of Funds OO	
5.	Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) ¨	
6.	Citizenship or Place of Organization United States	

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7.	Sole Voting Power 0
	8.	Shared Voting Power 7,307,195*
	9.	Sole Dispositive Power 0
	10.	Shared Dispositive Power 7,307,195*

11.	Aggregate Amount Beneficially Owned by Each Reporting Person

7,307,195*

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares x

13. Percent of Class Represented by Amount in Row (11)

4.4%*

* Represents shares of the Issuer s Class A Common Stock, $0.01 par value per share (the Class A Common Stock), issuable upon conversion of shares of the Issuer s Class B Common Stock, $0.01 par value per share (the Class B Common Stock and, together with the Class A Common Stock, the Common Stock). As provided in the Issuer s Amended and Restated Certificate of Incorporation, each

14. Type of Reporting Person

OO

share of Class B Common Stock is convertible at any time, at the option of the holder, into one share of Class A Common Stock.

The Reporting Person is party to certain agreements with the Separately Filing Group Members (as defined in the Schedule 13D), which agreements contain, among other things, certain voting agreements and limitations on the sale of their shares of Common Stock. As a result, the Reporting Person may be deemed to be a member of a group, within the meaning of Section 13(d)(3) of the Act (as defined in the Schedule 13D), comprised of the Reporting Person and the Separately Filing Group Members. Shares listed as beneficially owned by the Reporting Person exclude shares held by any other Reporting Person or by any of the Separately Filing Group Members, in each case as to which the Reporting Person disclaims beneficial ownership.

All references to the number of shares outstanding are as of April 28, 2011, as reported in the Issuer s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, as adjusted to account for 8,987,695 shares of Class B Common Stock that were repurchased by the Issuer from certain of the Separately Filing Group Members on May 16, 2011 and May 18, 2011. The percentage is calculated using the total number of shares of Common Stock beneficially owned by the Reporting Person and based on 165,017,711 shares of Common Stock outstanding as of April 28, 2011, as adjusted. With respect to matters upon which the Issuer s stockholders are entitled to vote, the holders of Class A Common Stock and Class B Common Stock vote together as a single class, and each holder of Class A Common Stock is entitled to one vote per share and each holder of Class B Common Stock is entitled to ten votes per share. The shares of Class B Common Stock owned by the Reporting Person represent 5.8% of the total voting power of the Common Stock as of April 28, 2011, as adjusted. The percentage of total voting power of the Common Stock is calculated based on the total voting power of the Common Stock outstanding as of April 28, 2011, as adjusted, which is comprised of 44,539,406 shares of Class A Common Stock and 120,478,305 shares of Class B Common Stock and assumes that no outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock.

1. Names of Reporting Persons

I.R.S. Identification Nos. of Above Persons (Entities Only)

CIBC Trust Company (Bahamas) Limited, not individually, but solely as trustee of the trusts listed on Appendix A-2.

2. Check the Appropriate Box if a Member of a Group

(a) x (b) ¨

3. SEC Use Only

4. Source of Funds

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) ¨

6. Citizenship or Place of Organization

Bahamian International Business Company

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7.	Sole Voting Power 0
	8.	Shared Voting Power 1,424,099*
	9.	Sole Dispositive Power 0
	10.	Shared Dispositive Power 1,424,099*

11. Aggregate Amount Beneficially Owned by Each Reporting Person

1,424,099*

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares x

13. Percent of Class Represented by Amount in Row (11)

0.9%*

* Represents shares of the Issuer s Class A Common Stock, $0.01 par value per share (the Class A Common Stock), issuable upon conversion of shares of the Issuer s Class B Common Stock, $0.01 par value per share (the Class B Common Stock and, together with the Class A Common Stock, the

14. Type of Reporting Person

OO

Common Stock). As provided in the Issuer s Amended and Restated Certificate of Incorporation, each share of Class B Common Stock is convertible at any time, at the option of the holder, into one share of Class A Common Stock.

The Reporting Person is party to certain agreements with the Separately Filing Group Members (as defined in the Schedule 13D), which agreements contain, among other things, certain voting agreements and limitations on the sale of their shares of Common Stock. As a result, the Reporting Person may be deemed to be a member of a group, within the meaning of Section 13(d)(3) of the Act (as defined in the Schedule 13D), comprised of the Reporting Person and the Separately Filing Group Members. Shares listed as beneficially owned by the Reporting Person exclude shares held by any other Reporting Person or by any of the Separately Filing Group Members, in each case as to which the Reporting Person disclaims beneficial ownership.

All references to the number of shares outstanding are as of April 28, 2011, as reported in the Issuer s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, as adjusted to account for 8,987,695 shares of Class B Common Stock that were repurchased by the Issuer from certain of the Separately Filing Group Members on May 16, 2011 and May 18, 2011. The percentage is calculated using the total number of shares of Common Stock beneficially owned by the Reporting Person and based on 165,017,711 shares of Common Stock outstanding as of April 28, 2011, as adjusted. With respect to matters upon which the Issuer s stockholders are entitled to vote, the holders of Class A Common Stock and Class B Common Stock vote together as a single class, and each holder of Class A Common Stock is entitled to one vote per share and each holder of Class B Common Stock is entitled to ten votes per share. The shares of Class B Common Stock owned by the Reporting Person represent 1.1% of the total voting power of the Common Stock as of April 28, 2011, as adjusted. The percentage of total voting power of the Common Stock is calculated based on the total voting power of the Common Stock outstanding as of April 28, 2011, as adjusted, which is comprised of 44,539,406 shares of Class A Common Stock and 120,478,305 shares of Class B Common Stock and assumes that no outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock.

1. Names of Reporting Persons

I.R.S. Identification Nos. of Above Persons (Entities Only)

Penny Pritzker, individually

2. Check the Appropriate Box if a Member of a Group

(a) x (b) ¨

3. SEC Use Only

4. Source of Funds

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) ¨

6. Citizenship or Place of Organization

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	
	7. Sole Voting Power 0
	8. Shared Voting Power 3,170*
	9. Sole Dispositive Power 0
	10. Shared Dispositive Power 3,170*

11. Aggregate Amount Beneficially Owned by Each Reporting Person

3,170*

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares x

13. Percent of Class Represented by Amount in Row (11)

0.0%*

* The Reporting Person is party to certain agreements with the Separately Filing Group Members (as defined in the Schedule 13D), which agreements contain, among other things, certain voting agreements and limitations on the sale of their shares of Common Stock. As a result, the Reporting Person may be deemed to be a member of a group, within the meaning of Section 13(d)(3) of the Act (as defined in the

14. Type of Reporting Person

IN

Schedule 13D), comprised of the Reporting Person and the Separately Filing Group Members. Shares listed as beneficially owned by each Reporting Person exclude shares held by any other Reporting Person or by any of the Separately Filing Group Members, in each case as to which the Reporting Person disclaims beneficial ownership.

All references to the number of shares outstanding are as of April 28, 2011, as reported in the Issuer s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, as adjusted to account for 8,987,695 shares of Class B Common Stock that were repurchased by the Issuer from certain of the Separately Filing Group Members on May 16, 2011 and May 18, 2011. The percentage is calculated using the total number of shares of Common Stock beneficially owned by the Reporting Person and based on 165,017,711 shares of Common Stock outstanding as of April 28, 2011, as adjusted. With respect to matters upon which the Issuer s stockholders are entitled to vote, the holders of Class A Common Stock and Class B Common Stock vote together as a single class, and each holder of Class A Common Stock is entitled to one vote per share and each holder of Class B Common Stock is entitled to ten votes per share. The shares of Class B Common Stock owned by the Reporting Person represent less than 0.1% of the total voting power of the Common Stock as of April 28, 2011, as adjusted. The percentage of total voting power of the Common Stock is calculated based on the total voting power of the Common Stock outstanding as of April 28, 2011, as adjusted, which is comprised of 44,539,406 shares of Class A Common Stock and 120,478,305 shares of Class B Common Stock and assumes that no outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock.

EXPLANATORY NOTE: This Amendment No. 2 to Schedule 13D (Amendment No. 2) relates to the Class A Common Stock, $0.01 par value per share, of Hyatt Hotels Corporation, a Delaware corporation (the Issuer), which has its principal executive office at 71 South Wacker Drive, 12th Floor, Chicago, Illinois 60606. This Amendment No. 2 amends and supplements, as set forth below, the Schedule 13D filed by the Reporting Persons with respect to the Issuer on August 26, 2010 (the Original Schedule 13D), as amended and supplemented by Amendment No. 1 to Schedule 13D filed by the Reporting Persons with respect to the Issuer on September 9, 2010 (Amendment No. 1). The Original Schedule 13D, as amended and supplemented by Amendment No. 1, is referred to as the Schedule 13D . All capitalized terms not otherwise defined herein have the meanings ascribed to them in the Schedule 13D. The Schedule 13D is amended and supplemented by adding the information contained herein. Only those items amended are reported herein.

Item 5. Interest in Securities of the Issuer

Item 5 of the Schedule 13D is amended and supplemented as follows:

On September 29, 2010, under the terms of the Non-Employee Director Compensation Program, Ms. Pritzker received a grant of 828 shares of Class A Common Stock for her service as a director. On December 30, 2010, under the terms of the Non-Employee Director Compensation Program, Ms. Pritzker received an additional grant of 691 shares of Class A Common Stock for her service as a director.

Based solely on the information contained in amendments to the Schedule 13Ds filed by certain of the Separately Filing Group Members, certain of the Separately Filing Group Members entered into Purchase and Sale Agreements with the Issuer on May 15, 2011, pursuant to which the Issuer agreed to repurchase an aggregate of 8,987,695 shares of Class B Common Stock from the Separately Filing Group Members for $44.03 per share. The transactions closed on May 16, 2011 and May 18, 2011.

Schedule A attached to this Amendment No. 2 amends and restates, in its entirety, Schedule A attached to the Schedule 13D. Schedule A attached to this Amendment No. 2 sets forth, as of the date hereof, the number of shares and percentage of the Class A Common Stock outstanding, the number of shares and percentage of the Class B Common Stock outstanding, the percentage of the total number of shares of Common Stock outstanding, and the percentage of the total voting power of the shares of Common Stock outstanding, voting together as a single class, represented by the shares beneficially owned by each Reporting Person.

Based solely on the information contained in the Schedule 13Ds, as amended, filed by the Separately Filing Group Members, as of the date hereof, the Pritzker Family Group in the aggregate may be deemed to be the beneficial owners of 11,640 shares of currently issued Class A Common Stock and 95,366,219 shares of Class A Common Stock issuable upon conversion of 95,366,219 shares of Class B Common Stock beneficially owned by the Pritzker Family Group. The number of shares of Class A Common Stock beneficially owned by the Pritzker Family Group and currently issued represents less than 0.1% of the total number of shares of Class A Common Stock outstanding, assuming that no outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock. The number of shares of Class B Common Stock beneficially owned by the Pritzker Family Group represents 79.2% of the total number of shares of Class B Common Stock outstanding. The number of shares of Common Stock beneficially owned by the Pritzker Family Group represents 57.8% of the total number of shares of Common Stock outstanding and 76.3% of the total voting power of the shares of Common Stock outstanding, voting together as a single class, assuming that no outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock.

Schedule B attached to this Amendment No. 2 amends and restates, in its entirety, Schedule B attached to the Schedule 13D. Schedule B attached to this Amendment No. 2 sets forth, as of the date hereof, the number of shares and percentage of the Class A Common Stock outstanding, the number of shares and percentage of the Class B Common Stock outstanding, the percentage of the total number of shares of Common Stock outstanding, and the percentage of the total voting power of the shares of Common Stock outstanding, voting together as a single class, represented by the shares beneficially owned by the Reporting Persons and each Separately Filing Group Member. All information with respect to the Separately Filing Group Members is based solely on the information contained in the Schedule 13Ds, as amended, filed by the Separately Filing Group Members.

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: May 18, 2011

/s/ JOHN KEVIN POORMAN
John Kevin Poorman,

not individually, but solely in the capacity as trustee of the trusts listed on Appendix A-1.

CIBC Trust Company (Bahamas) Limited, solely as trustee of the Non-U.S. Situs Trusts listed on Appendix A-2.

By: /s/ SCHEVON MILLER
Schevon Miller
Authorized Signatory*

By: /s/ CARLIS E. CHISHOLM
Carlis E. Chisholm
Authorized Signatory*

/s/ PENNY PRITZKER
Penny Pritzker,

individually

* A Secretary s Certificate evidencing the authority of such persons to sign and file this Amendment No. 2 on behalf of CIBC Trust Company (Bahamas) Limited was previously filed as Exhibit 7 to the Schedule 13D and is incorporated by reference herein.

[Signature Page to Amendment No. 2 to Schedule 13D]

Appendix A-1

Trust Name	Jurisd. of Org.
Penny Trust M2	Illinois
A.N.P. Trust #31M6	Illinois
A.N.P. Trust #37M6	Illinois
LaSalle Trust #47M1	Illinois
LaSalle Trust #51M1	Illinois
A.N.P. Trust #34-Penny M6	Illinois
A.N.P. Trust #36-Penny M6	Illinois
A.N.P. Trust #40-Penny M6	Illinois
A.N.P. Trust #42-Penny M5	Illinois
Don G.C. Trust #8M2	N/A
LaSalle G.C. Trust #9M1	Illinois
RA G.C. Trust #8M3	Illinois

Appendix A-2

Trust Name	Jurisd. of Org.
T-551-10FD2	Bahamas
1740 #34FD2	Bahamas
1740 #37FD	Bahamas

Schedule A

Certain Information Regarding the

Reporting Persons[1]

Name of Beneficial Owner	Class A Common Stock[2] Shares	Class A Common Stock[2] % of Class A	Class B Common Stock[3] Shares	Class B Common Stock[3] % of Class B	% of Total Common Stock[4]	% of Total Voting Power[5]
John Kevin Poorman not individually, but solely in the capacity as trustee of the trusts listed on Appendix A-1			7,307,195	6.1%	4.4%	5.8%
CIBC Trust Company (Bahamas) Limited not individually, but solely in the capacity as trustee of the trusts listed on Appendix A-2			1,424,099	1.2%	0.9%	1.1%
Penny Pritzker, individually	3,170	*				

* Less than 1% beneficial ownership

1 All references to the number of shares outstanding are as of April 28, 2011, as reported in the Issuer s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, as adjusted to account for 8,987,695 shares of Class B Common Stock that were repurchased by the Issuer from certain of the Separately Filing Group Members on May 16, 2011 and May 18, 2011.

2 The information shown in the table with respect to the percentage of Class A Common Stock beneficially owned is based on 44,539,406 shares of the Class A Common Stock outstanding as of April 28, 2011, as adjusted, assuming that no outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock.

3 The information shown in the table with respect of the percentage of Class B Common Stock beneficially owned is based on 120,478,305 shares of Class B Common Stock outstanding as of April 28, 2011, as adjusted.

4 The information shown in the table with respect to the percentage of total Common Stock beneficially owned is based on 44,539,406 shares of Class A Common Stock and 120,478,305 shares of Class B Common Stock outstanding as of April 28, 2011, as adjusted.

5 With respect to matters upon which the Issuer s stockholders are entitled to vote, the holders of Class A Common Stock and Class B Common Stock vote together as a single class, and each holder of Class A Common Stock is entitled to one vote per share and each holder of Class B Common Stock is entitled to ten votes per share. The percentage of total voting power of the shares of Common Stock is calculated based on the total voting power of the shares of Common Stock outstanding as of April 28, 2011, as adjusted, which is comprised of 44,539,406 shares of Class A Common Stock and 120,478,305 shares of Class B Common Stock and assumes that no outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock.

Schedule B

Certain Information Regarding the

Separately Filing Group Members[1]

Separately Filing Group Member	Class A Common Stock[2] Shares	Class A Common Stock[2] % of Class A	Class B Common Stock[3] Shares	Class B Common Stock[3] % of Class B	% of Total Common Stock[4]	% of Total Voting Power[5]
Co-Trustees of the U.S. Situs Trusts[6]			5,149,874	4.3%	3.1%	4.1%
Trustee of the Non-U.S. Situs Trusts[7]			4,698,863	3.9%	2.8%	3.8%
Trustees of the Thomas J. Pritzker Family Trusts and Other Reporting Persons[8]			18,044,396	15.0%	10.9%	14.4%
Trustees of the Nicholas J. Pritzker Family Trusts[9]			5,846,633	4.9%	3.5%	4.7%
Trustees of the James N. Pritzker Family Trusts and Other Reporting Persons[10]	8,470	*	4,670,792	3.9%	2.8%	3.7%
Trustees of the John A. Pritzker Family Trusts[11]						
Trustees of the Linda Pritzker Family Trusts and Other Reporting Persons[12]						
Trustees of the Karen L. Pritzker Family Trusts[13]			8,584,104	7.1%	5.2%	6.9%
Trustees of the Penny Pritzker Family Trusts and Other Reporting Persons[14]	3,170	*	8,731,294	7.2%	5.3%	7.0%
Trustees of the Daniel F. Pritzker Family Trusts[15]			10,001,457	8.3%	6.1%	8.0%
Trustees of the Anthony N. Pritzker Family Trusts[16]			6,186,817	5.1%	3.7%	5.0%
Trustees of the Gigi Pritzker Pucker Family Trusts and Other Reporting Persons[17]			16,879,919	14.0%	10.2%	13.5%
Trustees of the Jay Robert Pritzker Family Trusts[18]			6,051,483	5.0%	3.7%	4.8%
Trustee of the Richard Pritzker Family Trusts[19]			520,587	0.4%	0.3%	0.4%
Pritzker Family Group Totals	11,640	*	95,366,219	79.2%	57.8%	76.3%

* Less than 1% beneficial ownership

1 All references to the number of shares outstanding are as of April 28, 2011, as reported in the Issuer s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, as adjusted to account for 8,987,695 shares of Class B Common Stock that were repurchased by the Issuer from certain of the Separately Filing Group Members on May 16, 2011 and May 18, 2011.

2 The information shown in the table with respect to the percentage of Class A Common Stock beneficially owned is based on 44,539,406 shares of Class A Common Stock outstanding as of April 28, 2011, as adjusted, assuming that no outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock.

3 The information shown in the table with respect of the percentage of Class B Common Stock beneficially owned is based on 120,478,305 shares of Class B Common Stock outstanding as of April 28, 2011, as adjusted.

4 The information shown in the table with respect to the percentage of total Common Stock beneficially owned is based on 44,539,406 shares of Class A Common Stock and 120,478,305 shares of Class B Common Stock outstanding as of April 28, 2011, as adjusted.

5 With respect to matters upon which the Issuer s stockholders are entitled to vote, the holders of Class A Common Stock and Class B Common Stock vote together as a single class, and each holder of Class A Common Stock is entitled to one vote per share and each holder of Class B Common Stock is entitled to ten votes per share. The percentage of total voting power of the shares of Common Stock is calculated based on the total voting power of the shares of Common Stock outstanding as of April 28, 2011, as adjusted, which is comprised of 44,539,406 shares of Class A Common Stock and 120,478,305 shares of Class B Common Stock and assumes that no outstanding shares of Class B Common Stock have been converted into shares of Class A Common Stock.

6 *See* the Schedule 13D filed on August 26, 2010, as amended, by Thomas J. Pritzker, Marshall E. Eisenberg and Karl J. Breyer, not individually, but solely in their capacity as co-trustees of the U.S. Situs Trusts listed on Appendix A to the Schedule 13D, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[7] *See* the Schedule 13D filed on August 26, 2010, as amended, by the CIBC Trust Company (Bahamas) Limited, solely as trustee of the Non-U.S. Situs Trusts listed on Appendix A to the Schedule 13D, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[8] *See* the Schedule 13D filed on August 26, 2010, as amended, by Marshall E. Eisenberg, not individually, but solely as trustee of certain trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[9] *See* the Schedule 13D filed on August 26, 2010, as amended, by Marshall E. Eisenberg, not individually, but solely as trustee of certain trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[10] *See* the Schedule 13D filed on August 26, 2010, as amended, by Charles E. Dobrusin and Harry B. Rosenberg, not individually, but solely as co-trustees of certain trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[11] *See* the Schedule 13D filed on August 26, 2010 by Lewis M. Linn, not individually, but solely as trustee for the trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[12] *See* the Schedule 13D filed on August 26, 2010, as amended, by Lewis M. Linn, not individually, but solely as trustee for the trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[13] *See* the Schedule 13D filed on August 26, 2010 by Walter W. Simmers, Andrew D. Wingate and Lucinda Falk, not individually, but solely as co-trustees for the trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[14] *See* the Schedule 13D filed on August 26, 2010, as amended, by John Kevin Poorman, not individually, but solely as trustee of certain trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[15] *See* the Schedule 13D filed on August 26, 2010 by Lewis M. Linn, not individually, but solely as trustee for the trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[16] *See* the Schedule 13D filed on August 26, 2010, as amended, by Lewis M. Linn, not individually, but solely as trustee for the trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[17] *See* the Schedule 13D filed on August 26, 2010, as amended, by Gigi Pritzker Pucker and Edward W. Rabin, not individually, but solely as trustees of certain trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[18] *See* the Schedule 13D filed on August 26, 2010, as amended, by Thomas J. Muenster, not individually, but solely as trustee for the trusts listed on Appendix A-1 to the Schedule 13D, and the other Reporting Persons named therein, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

[19] *See* the Schedule 13D filed on August 26, 2010, as amended, by the CIBC Trust Company (Bahamas) Limited, solely as trustee of the trusts listed on Appendix A to the Schedule 13D, which includes information regarding the filer s jurisdiction of organization, principal business, and address of principal office.

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Notes payable

secured structural financings

715,461 4,009,722 5,489,171 2,668,832 12,883,186

Contractual interest on notes payable

291,609 523,632 309,333 40,700 1,165,274

$2,121,929	$6,806,534	$5,804,220	$2,709,532	$17,442,215

The above table does not include operating lease obligations related to the lease we entered into on October 21, 2013. Future minimum lease payments for the twelve-year term of the lease total approximately $83.6 million.

The above table also does not include purchase commitments under the agreement with a third party retailer we entered into in April 2013, under terms of which we are committed to purchase certain new advances of unsecured revolving financings originated by the retailer, along with existing balances on accounts with new advances, for an initial term ending in April 2020. In connection with this agreement, as of September 30, 2013, we had elected to exercise our option to purchase certain existing balances on accounts without new advances, thereby committing to purchase approximately $90 million of loans on or about October 4, 2013, a commitment we fulfilled in a timely manner.

The above table also does not include purchase commitments under the agreement with a peer-to-peer unsecured lender we entered into in July 2013, under terms of which we are committed to purchase the lesser of $30 million per month or 75% of the lender s near-prime originations through July 2015, and the lesser of $30 million per month or 50% of the lender s near-prime originations thereafter through July 2017. This commitment can be reduced or cancelled with 90 days notice.

Market Risk

We assume various types of risk in the normal course of business. Management classifies risk exposures into six risk categories: (1) strategic, including reputational, (2) credit, (3) market, (4) liquidity, (5) capital, and (6) non prudential risk including operations, technology, compliance, human resources, accounting and model risks.

We continuously enhance our risk management capabilities with additional processes, tools and systems designed to not only provide management with deeper insight into our various risks and assess our tolerance for risk, but also enhance our ability to mitigate these risks with the proper control infrastructure, ensure mitigation actions are effective in modifying or reducing the risk profile and the appropriate return is received for the risks taken.

The Board Enterprise Risk Committee (BERC) has been established by the Board of Directors (the Board) and charged with responsibility for establishing the governance over the risk management process, providing oversight in managing the aggregate risk position and reporting on the comprehensive portfolio of risk categories and the potential impact these risks can have on our risk profile. The BERC is principally composed of the executive management team representing the different risk areas and business units who are appointed by the Chief Executive Officer.

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The BERC meets quarterly and is chartered to assist the Board in promoting the best interests of the Company by overseeing policies, procedures and risk practices relating to enterprise-wide risk and compliance with regulatory guidance. Members of the BERC are selected such that the committee comprises individuals whose experiences and qualifications can lead to broad and informed views on risk matters facing us and the financial services industry, including, but not limited to, risk matters that address credit, market, liquidity, operational, compliance, legal and other general business conditions. A comprehensive risk report is submitted to the BERC each quarter providing management s view of our risk position provided by the Chief Compliance and Risk Officer.

In addition to the BERC, the CEO delegates risk responsibility to management committees. These committees are: Executive Operations Committee (EOC), Asset Liability Committee (ALCO), Finance & Treasury Committee, Pricing and Credit Risk Oversight Committee (PCROC), the Legal & Compliance Committee (L&C) and the Model Risk Committee. The Chief Compliance and Risk Officer participates in each of these committees.

In response to the evolving regulatory requirements for consumer finance, in 2012, we established the position of Chief Compliance Officer, later expanded to Chief Compliance and Risk Officer, to place emphasis on SCUSA s commitment to manage regulatory in a comprehensive compliance management program and overall risk in an enterprise risk program.

Interest Rate Risk

A change from the current low interest rate environment, a flat or inverted yield curve, and changes in prevailing interest rates can have an adverse impact on our business. Loans and leases originated or otherwise acquired by us and pledged to secure borrowings under our revolving credit facilities bear fixed interest rates and finance charges. Our gross interest rate spread, which is the difference between the income we earn through the interest and finance charges on our finance receivables and lease contracts and the interest we pay on our funding, is affected by changes in interest rates as a result of our dependence on the incurrence of variable rate debt. We are exposed to variable rate funding through our borrowings under our revolving credit facilities.

The variable rates on the borrowings under our revolving credit facilities are indexed to LIBOR or commercial paper rates and fluctuate periodically based on movements in those indexes. We sometimes use interest rate swap agreements to convert the variable rate exposures on these borrowings to a fixed rate, thereby mitigating our interest rate exposure. Interest rate swap agreements purchased by us do not impact the contractual cash flows to be paid to the creditor. The counterparty for most of our interest rate swaps is Santander or one of its affiliates. As of September 30, 2013, the notional value of our hedges with Santander and affiliates was approximately $6.0 billion.

In our public and Rule 144A securitization transactions, we transfer fixed rate to trusts that, in turn, issue fixed rate securities to investors. The interest rate demanded by investors in our securitization transactions and other secured financings depends on the general interest rate environment and prevailing interest rate spreads for securitizations. We are able to obtain attractive interest rate spreads on our securitizations due to among other factors: (i) the credit quality of the receivables in the trusts; (ii) the historical credit performance of similar pools of our receivables; (iii) the significant expansion of our securitization investor base since 2010; (iv) the historical lack of defaults in auto ABS; (v) the structure of our securitizations (with first losses going to the equity residual retained by us); and (vi) our obtaining of ratings from at least two ratings agencies on each securitization.

We are, in certain circumstances, required to hedge our interest rate risk on our secured structured financings and the borrowings under our revolving credit facilities, and we use both interest rate swaps and interest rate caps to satisfy these requirements. We currently hold purchased interest rate caps and offsetting sold interest rate caps related to several of our secured structured financings and to our Chrysler retail financing facility. Although the interest rate caps are purchased by these financing facilities, cash outflows from the

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facilities ultimately impact our retained interests in the secured structured financings as cash expended by the facilities will decrease the ultimate amount of cash to be received by us. Therefore, when economically feasible, we may simultaneously sell a corresponding interest rate cap to offset the premium paid to purchase the interest rate cap. The fair values of our interest rate cap agreements purchased and sold net to an immaterial value in our financial statements and have an immaterial earnings impact comprised solely of their execution cost. The counterparty for certain of our interest rate caps and related options is an affiliate of Santander. As of September 30, 2013, the notional value of our caps and options with this affiliate was approximately $3.2 billion.

Our board of directors requires that we closely monitor and manage the amount of our interest rate risk exposure. We monitor our interest rate risk by conducting sensitivity analyses that include parallel shifts in prevailing interest rates. As of September 30, 2013, the impact of a hypothetical 100 basis point parallel increase in the interest rate curve on our net interest margin and our economic net worth was a decrease of $49.5 million and $78.3 million, respectively. We assess interest rate risk by monitoring the repricing gap by maturity date of our interest-bearing assets and liabilities to ensure appropriate duration matching. The following table provides information about maturities of our interest rate-sensitive financial instruments by expected maturity date as of September 30, 2013:

	1M	3M	6M	12 M	2 Y	3 Y	4 Y	5 Y	>5 Y
				(Dollar amounts in millions)					
Assets	1,029	1,438	2,384	3,636	5,700	4,372	1,552	694	527
Liabilities	8,319	1,209	1,787	2,140	3,055	1,981	952		
Net Swaps	5,934	(324)	(495)	(923)	(1,739)	(1,386)	(708)	(360)	
Repricing Gap	(1,356)	(96)	101	573	907	1,005	(107)	334	527
Cumulative Gap	(1,356)	(1,451)	(1,350)	(778)	129	1,134	1,027	1,361	1,889

Finance receivables are estimated to be realized by us in future periods using discount rate, prepayment, and credit loss assumptions similar to our historical experience. Notional amounts on interest rate swap and cap agreements are based on contractual terms. Credit facilities and securitization notes payable amounts have been classified based on expected payoff.

The notional amounts of interest rate swap and cap agreements, which are used to calculate the contractual payments to be exchanged under the contracts, represent average amounts that will be outstanding for each of the years included in the table. Notional amounts do not represent amounts exchanged by parties and, thus, are not a measure of our exposure to loss through our use of these agreements.

Management monitors our interest rate hedging activities to ensure that the value of derivative financial instruments, their correlation to the contracts being hedged, and the amounts being hedged continue to provide effective protection against interest rate risk. However, there can be no assurance that our strategies will be effective in minimizing interest rate risk or that increases in interest rates will not have an adverse effect on our profitability.

Liquidity Risk

We view liquidity as integral to other key elements such as capital adequacy, asset quality and profitability. Because our debt is nearly entirely serviced by collections on consumer receivables, our primary liquidity risk relates to the ability to continue to grow our business through the funding of new originations. We have a robust liquidity policy in place to manage this risk.

Our liquidity policy also establishes the following guidelines:

- that we maintain at least four external credit providers (as of September 30, 2013, we had nine);

- that we rely on Santander and affiliates for no more than 30% of our funding (as of September 30, 2013, Santander and affiliates provided 14% of our funding);

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- that no more than 35% and 65% of our debt mature in the next six and twelve months, respectively (as of September 30, 2013, only 3% and 9%, respectively, of our debt is scheduled to mature in these timeframes);
- that we maintain unused capacity of at least $3.0 billion in excess of our expected peak usage over the following twelve months (as of September 30, 2013, we had twelve-month rolling unused capacity of approximately $4.8 billion); and
- that we maintain a minimum liquidity ratio, defined as our short-term assets divided by our short-term liabilities, of at least 70% over periods of one, three, six, and twelve months (as of September 30, 2013, our minimum liquidity ratio was at least 99% for each of these periods).

Our liquidity policy also requires that our Asset and Liability Committee monitor many indicators, both market-wide and company-specific, to determine if action may be necessary to maintain our liquidity position. These indicators include:

- delinquency and loss ratios on our securitizations;
- available commitments on our borrowing lines;
- Santander ratings, market capitalization, and commercial paper rate;
- spreads on U.S. and Spanish debt;
- swap rates; and
- the Manheim Used Vehicle Index.

We generally look for funding first from structured secured financings, second from third-party credit facilities, and last from Santander. We believe this strategy helps us avoid being overly reliant on Santander for funding. We also utilize financing structures whereby even if a credit facility is canceled, balances outstanding are not due and payable immediately but rather run off only as the underlying collateral amortizes. Additionally, we can reduce originations to significantly lower levels if necessary during times of limited liquidity.

Our liquidity management tools include daily and twelve-month rolling cash requirements forecasts, monthly funding usage and availability reports, daily sources and uses reporting, structural liquidity risk exercises, and the establishment of liquidity contingency plans. We also perform quarterly stress tests in which we forecast the impact of various negative scenarios (alone and in combination), including reduced credit availability, higher funding costs, lower advance rates, lower customer interest rates, dealer discount rates, and higher credit losses.

We are currently in the process of establishing a qualified like-kind exchange program in order to defer tax liability on gains on sale of vehicle assets at lease termination. If we do not meet the safe harbor requirements of IRS Revenue Procedure 2003-39, we may be subject to large, unexpected tax liabilities, thereby generating immediate liquidity needs. We believe that our compliance monitoring policies and procedures will be adequate to enable us to remain in compliance with the program requirements.

Credit Risk

The risk inherent in our loan and lease portfolios is driven by credit quality and is affected by borrower-specific and economy-wide factors such as changes in employment. We manage this risk through our underwriting and credit approval guidelines and servicing policies and practices, as well as geographic and manufacturer concentration limits.

Our automated originations process reflects a disciplined approach to credit risk management. Our robust historical data on both organically originated and acquired loans provides us with the ability to perform advanced

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loss forecasting. Each applicant is automatically assigned a proprietary loss forecasting score (LFS) using information such as FICO®, debt-to-income ratio, loan-to-value ratio, and over 30 other predictive factors, placing the applicant in one of 100 pricing tiers. The pricing in each tier is continuously monitored and adjusted to reflect market and risk trends. In addition to our automated process, we maintain a team of underwriters for manual review, consideration of exceptions, and review of deal structures with dealers. We generally tighten our underwriting requirements in times of greater economic uncertainty (including during the recent financial crisis) to compete in the market at loss and approval rates acceptable for meeting our required returns. We have also adjusted our underwriting standards to meet the requirements of our contracts such as the Chrysler agreement. In both cases, we have accomplished this by adjusting our risk-based pricing, the material components of which include interest rate, down payment, and loan-to-value.

We monitor early payment defaults and other potential indicators of dealer or customer fraud, and use the monitoring results to identify dealers who will be subject to more extensive stipulations when presenting customer applications, as well as dealers with whom we will not do business at all.

As part of our plan for minimizing credit losses from our new dealer lending product line, we will conduct periodic inventories, generally without advance notice to the dealer, of the collateral for floorplan lines of credit we have extended. We also will reevaluate the creditworthiness of each dealer with an outstanding balance on at least an annual basis, and more often if events indicate a possible decline in creditworthiness.

See additional discussion of our servicing approach in Business.

Collateral Risk

Our lease portfolio presents an inherent risk that residual values recognized upon lease termination will be lower than those used to price the contracts at inception. Although we have elected not to purchase residual value insurance, our residual risk is somewhat mitigated by our residual risk-sharing agreement with Chrysler, as all of our leases are originated under terms of the Chrysler Agreement with Chrysler. We also utilize industry data, including the Automotive Lease Guide (ALG) benchmark for residual values, and employ a team of individuals experienced in forecasting residual values.

Similarly, lower used vehicle prices also reduce the amount we can recover when remarketing repossessed vehicles that serve as collateral underlying loans. We manage this risk through loan-to-value limits on originations, monitoring of new and used vehicle values using standard industry guides, and active, targeted management of the repossession process.

Legal and Compliance Risk

We must comply with the significant number of laws and regulations governing the consumer finance industry and, specifically, consumer protection. Compliance with applicable law is costly and can affect operating results. Compliance also requires a robust framework of governance and controls, which may create operational constraints.

To manage our legal and compliance risk, we maintain an extensive compliance, internal control, and monitoring framework, which includes the gathering of corporate control performance threshold indicators, Sarbanes-Oxley testing, monthly quality control tests, ongoing compliance monitoring with all applicable regulations, internal control documentation and review of processes, and internal audits. We also utilize internal and external legal counsel for expertise when needed. All associates upon new hire and annually receive comprehensive mandatory regulatory compliance training. In addition, the board of directors receives annual regulatory and compliance training. We use industry-leading call mining and other software solutions that assist us in analyzing potential breaches of regulatory requirements and customer service. Our call mining software analyzes all customer service calls, converting speech to text and mining for specific words and phrases that may

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indicate inappropriate comments by a representative. The software also detects escalated voice volume, enabling a supervisor to intervene if necessary. This tool enables us to effectively manage and identify training opportunities for associates, as well as track and resolve customer complaints through a robust quality assurance program. An example of another system control to mitigate compliance risk is that our customer dialing system has been programmed based on regulatory requirements to not permit dialing a customer phone number outside of permissible time periods or that already has been called the maximum number of times that day.

Operational and Technological Risk

We are exposed to loss that occurs in the process of carrying out our business activities. These relate to failures arising from inadequate or failed processes, failures in our people or systems, or from external events. Our operational risk management program encompasses risk event reporting, analysis, and remediation; key risk indicator monitoring; and risk profile self-assessments.

Foreign Exchange Risk

As we do not currently operate in foreign markets, substantially all of our vendors are based in the United States, and we have only one employee outside of the United States (an employee in Canada working to establish our presence in that country). As a result, we do not currently have material exposure to currency fluctuations.

Inflation Risk

The risk of inflation does not have a significant impact on our business.

Critical Accounting Policies and Significant Judgments and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities as of the date of the financial statements and the amount of revenue and costs and expenses during the reporting periods. Actual results could differ from those estimates and those differences may be material. The accounting estimates that we believe are the most critical to understanding and evaluating our reported financial results include the following:

Retail Installment Contracts

Retail installment contracts consist largely of nonprime automobile finance receivables, which are acquired individually from dealers at a nonrefundable discount from the contractual principal amount. Retail installment contracts also include receivables originated through a direct lending program and loan portfolios purchased from other lenders. Retail installment contracts acquired individually or originated directly are primarily classified as held-for-investment and carried at amortized cost, net of allowance for loan losses. Most of our retail installment contracts are pledged under warehouse lines of credit or securitization transactions. Retail installment contracts we do not have the intent and ability to hold for the foreseeable future or until maturity or payoff are classified as held for sale and carried at the lower of cost or market, as determined on an aggregate basis.

Interest is accrued when earned in accordance with the terms of the retail installment contract. The accrual of interest is discontinued and reversed once a retail installment contract becomes more than 60 days past due, and is resumed and reinstated if a delinquent account subsequently becomes 60 days or less past due. The amortization of discounts, subvention payments from manufacturers, and origination costs on retail installment contracts held for investment acquired individually or through a direct lending program are recognized as adjustments to the yield of the related contract using the effective interest method. We estimate future principal prepayments and defaults in the calculation of the constant effective yield.

A portion of the discount received on contracts purchased from other lenders is attributable to the expectation that not all contractual cash flows will be received from the borrowers. These loans are accounted for in accordance with FASB ASC 310-30, *Loans and Debt Securities Acquired with Deteriorated Credit Quality*. The excess of the estimated undiscounted principal, interest, and other cash flows expected to be collected over the initial investment in the acquired loans, or accretable yield, is accreted to interest income over the expected life of the loans using the effective interest rate method. The nonaccretable difference, or excess of contractually required payments over the estimated cash flows expected to be collected, is not accreted into income.

Any deterioration in the performance of the purchased portfolios results in an incremental provision for loan losses. Improvements in performance of the purchased pools that significantly increase actual or expected cash flows result first in a reversal of previously recorded allowance for loan losses and then in a transfer of the excess from nonaccretable difference to accretable yield, which will be recorded as finance income over the remaining life of the receivables.

Unsecured Consumer Loans, net

Unsecured consumer loans, net, consist of both revolving and amortizing term finance receivables acquired individually under terms of the Company s agreements with certain third parties who originate and continue to service the loans. Certain of the revolving receivables were acquired at a discount. Unsecured consumer loans are classified as held-for-investment and carried at amortized cost, net of allowance for loan losses.

Interest is accrued when earned in accordance with the terms of the contract. The accrual of interest on amortizing term receivables is discontinued and reversed once a receivable becomes past due more than 60 days, and is resumed and reinstated if a delinquent account subsequently becomes 60 days or less past due. The accrual of interest on revolving unsecured loans continues until the receivable becomes 180 days past due, at which point the principal amount and interest are charged off. The amortization of discounts is recognized straight-line over the estimated period over which the receivables are expected to be outstanding.

Receivables from Dealers

Receivables from dealers include floorplan loans provided to dealerships to finance new and used vehicles for their inventory. Receivables from dealers also include real estate loans and working capital revolving lines of credit. Interest on these loans is accrued when earned in accordance with the agreement with the dealer. Receivables from dealers we do not have the intent and ability to hold for the foreseeable future or until maturity or payoff are classified as held for sale and carried at the lower of cost or market, as determined on an aggregate basis.

Dealers with floorplan loans are permitted to deposit cash with the Company in exchange for a lower interest rate. This cash is commingled with the Company s other cash and available for general use.

Provision for Loan Losses

Provisions for loan losses are charged to operations in amounts sufficient to maintain the loan loss allowance at a level considered adequate to cover probable credit losses inherent in the portfolio. Probable losses are estimated based on contractual delinquency status and historical loss experience, in addition to the Company s judgment of estimates of the value of the underlying collateral, bankruptcy trends, economic conditions such as unemployment rates, changes in the used vehicle value index, delinquency status, historical collection rates and other information in order to make the necessary judgments as to probable loan losses.

Retail installment contracts acquired individually are charged off against the allowance in the month in which the account becomes 120 days contractually delinquent if we have not repossessed the related vehicle. We charge off accounts in repossession when the automobile is repossessed and legally available for disposition. A charge-off represents the difference between the estimated net sales proceeds and the amount of the delinquent

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contract. Accounts in repossession that have been charged off and are pending liquidation are removed from retail installment contracts and the related repossessed automobiles are included in repossessed vehicles and other assets in our consolidated balance sheets.

Term and revolving unsecured consumer loans are charged off against the allowance in the month in which the accounts become 120 and 180 days contractually delinquent, respectively.

In addition to maintaining a general allowance based on risk ratings, receivables from dealers are evaluated individually for impairment with specific reserves established for receivables determined to be individually impaired. Receivables from dealers are charged off against these reserves at management s discretion based on the dealer s individual facts and circumstances.

Leased Vehicles, net

Vehicles for which we are the lessor are classified as operating leases, as they do not meet the accounting requirements to be classified as a capital lease. The net capitalized cost of each lease is recorded as an asset and depreciated on a straight-line basis over the contractual term of the lease to the expected residual value. The expected residual value and, accordingly, the monthly depreciation expense may change throughout the term of the lease. We estimate expected residual values using independent data sources and internal statistical models that take into consideration economic conditions, current auction results, our remarketing abilities, and manufacturer vehicle and marketing programs.

Lease payments due from customers are recorded as income until and unless a customer becomes more than 60 days delinquent, at which time the accrual of revenue is discontinued and reversed. The accrual is resumed and reinstated if a delinquent account subsequently becomes 60 days or less past due. Subvention payments from the manufacturer, down payments from the customer, and initial direct costs incurred in connection with originating the lease are amortized on a straight-line basis over the contractual term of the lease. We periodically evaluate our investment in operating leases for impairment if circumstances, such as a general decline in used vehicle values, indicate that an impairment may exist.

Income Taxes

Income tax expense consists of income taxes currently payable and deferred income taxes computed using the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The deferred tax asset is subject to reduction by a valuation allowance in certain circumstances. This valuation allowance is recognized if it is more likely than not that some portion or all of the deferred tax asset will not be realized based on a review of available evidence. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Periodic reviews of the carrying amount of deferred tax assets are made to determine if the establishment of a valuation allowance is necessary. If, based on the available evidence, it is more likely than not that all or a portion of our deferred tax assets will not be realized, a deferred tax valuation allowance is established. Consideration is given to all positive and negative evidence related to the realization of the deferred tax assets. Factors considered in this evaluation include historical financial performance, expectation of future earnings of an appropriate character, the ability to carry back losses to recoup taxes previously paid, length of statutory carryforward periods, tax planning strategies, and timing of reversals of temporary differences. Significant judgment is required in assessing future earnings trends and the timing of reversals of temporary differences. The evaluation is based on current tax laws as well as expectations of future performance.

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BUSINESS

Overview

We are a full-service, technology-driven consumer finance company focused on vehicle finance and unsecured consumer lending products. Since our founding in 1995, we believe that we have achieved strong brand recognition in the nonprime vehicle finance space and have recently increased our presence in the prime space. We continually strive to build mutually beneficial relationships in the consumer finance industry that expand our franchise. For example, in February 2013, we entered into a ten-year agreement with Chrysler whereby in May we began originating private-label loans and leases under our Chrysler Capital brand to facilitate Chrysler vehicle retail sales to consumers and Chrysler-franchised automotive dealers. In addition, we have several relationships through which we provide unsecured consumer loans. We have developed sophisticated, proprietary software applications that leverage our knowledge of consumer behavior across the full credit spectrum. Our platforms allow us to effectively price and manage risk by origination channel and closely monitor our risk-adjusted margins and excess spread. As a result of our deep understanding of the market, we have consistently produced controlled growth and robust profitability in both economic expansions and downturns.

We believe our extensive data and advanced analytics tools enhance our proprietary loan origination, servicing and risk management platforms. We believe that these platforms are technologically sophisticated, readily expandable and easily adaptable to a diverse set of consumer finance products. We also believe that our scalable platforms will allow us to significantly expand our product offerings in both the vehicle finance and unsecured consumer lending markets to originate and service loans and leases at attractive costs. Led by our experienced and disciplined management team, we have significantly increased our origination volume and our portfolio over the past three years, demonstrating our ability to rapidly grow our asset base without having to significantly invest in new infrastructure or compromise our credit performance. Since 2008, our gross originations were over $37 billion as of September 30, 2013. In addition to originations, we have acquired and/or converted over $34 billion of assets to our lending platform since 2008.

Historically, we have originated loans primarily through franchised automotive dealers for manufacturers such as Chrysler, Ford, General Motors, and Toyota in conjunction with the sale of new and used vehicles to retail consumers. We currently have active relationships with over 14,000 such franchises and dealers throughout the United States. In February 2013, we entered into a ten-year agreement with Chrysler whereby we originate private-label loans and leases under the Chrysler Capital brand to facilitate Chrysler vehicle retail sales. We also originate loans and leases through selected independent automobile dealers, such as CarMax, from national and regional banks as well as through relationships with other OEMs. Additionally, we directly originate and refinance vehicle loans via our branded online platform, RoadLoans.com, which is available through major online affiliates including Cars.com, AutoTrader.com, Kelley Blue Book, and eBay Motors. Moreover, we periodically purchase vehicle loan portfolios from other lenders.

Vehicle loans, leases, and dealer loans originated through our relationships with OEMs represent a significant source of growth for our vehicle finance business. Under our Chrysler Capital brand, we expect to significantly grow our vehicle finance portfolio, which we expect will more than offset the run-off of previously acquired portfolios, diversify the types of vehicle finance products that we offer, and continue to increase the volume of new vehicle financings. For the three months ended September 30, 2013, new vehicle financings as a percentage of our originations increased from approximately 10% 20% historically to approximately 40%. Under the Chrysler Capital brand, we originate vehicle loans and leases across the full credit spectrum, and provide dealer loans to Chrysler-franchised automotive dealers. We have entered into flow agreements in connection with the loans we originate through Chrysler Capital. For those loans, we retain the servicing rights at contractually agreed-upon rates, which provides us with an additional and stable fee income stream. We also believe that we can provide substantial benefits to our OEM partners. According to JD Power s Power Information Network® data, our partnership with Chrysler has helped Chrysler s market share in the sub-650 FICO® vehicle space compared to other OEMs increase to first in September 2013 from fourth in February 2010. We continue to evaluate opportunities for new OEM relationships in addition to Chrysler, as well as new flow agreements.

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We also provide unsecured consumer loans. Recently, we have entered into relationships with Bluestem, a retailer, and LendingClub, a peer-to-peer lending platform, to acquire and, in certain circumstances, service unsecured consumer loans. In addition, we are actively utilizing our deep understanding of underwriting consumer finance assets and our technologically advanced operating and servicing platforms to expand into private label credit cards and other unsecured consumer finance products. As an example of this, we have recently entered into a strategic relationship with a technology provider to obtain and process credit applications of retail store customers, including those rejected by the primary lender.

Santander is our largest shareholder, a leader in the banking and consumer finance industries and, as of September 30, 2013, the largest bank in the Eurozone by market capitalization. We derive significant benefits from our relationship with Santander, including liquidity support and shared best practices in compliance and risk management. During the credit crisis that began in 2008, Santander maintained its commitment to us. We have benefitted from our strong relationship with Santander, which provided us with financing to opportunistically acquire and/or convert several large portfolios of loans and certain operations from institutions including CitiFinancial Auto, Triad Financial, HSBC Auto, and GE Capital (RV/marine portfolio). Santander has demonstrated its continuing commitment to us by extending $4.5 billion in credit facilities with terms of three to five years, which have yearly renewal options, as well as a $0.5 billion letter of credit facility.

We have significant access to the capital markets: we have issued and sold over $26 billion in securitization transactions since 2010, obtained approximately $13.7 billion in committed credit lines and privately issued amortizing notes from large commercial banks, and entered into material flow agreements with leading commercial banks. In 2011, funds managed by three of the world s leading private equity investment firms, Centerbridge Partners, L.P., Kohlberg Kravis Roberts & Co. L.P., and Warburg Pincus LLC, purchased $1.0 billion of newly issued common stock.

Our Markets

The consumer finance industry in the United States has approximately $2.5 trillion of outstanding borrowings and includes vehicle loans and leases, credit cards, home equity lines of credit, private student loans, and personal loans. As economic conditions have recovered from the 2008 and 2009 downturn, there has been a significant demand for consumer financing, particularly to finance vehicle sales.

Our primary focus is the vehicle finance segment of the U.S. consumer finance industry. Vehicle finance includes loans and leases taken out by consumers to fund the purchase of new and used automobiles, as well as motorcycles, RVs, and watercraft. Within the vehicle finance segment, we maintain a strong presence in the auto finance market. The auto finance market features a fungible product resulting in an efficient pricing market, but it

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is highly fragmented, with no individual lender accounting for more than 10% of market share. As of September 30, 2013, there were approximately $850 billion of auto loans outstanding.

Through the recent economic downturn, auto loans generally were not as adversely impacted as most other consumer lending products. This performance was largely attributable to several factors, including: (i) the importance that automobiles serve in consumers everyday lives; (ii) the ability to locate, repossess and sell a vehicle to mitigate losses on defaulted loans; and (iii) the robustness of the used car market and residual values. This latter factor is subject to fluctuations in the supply and demand of automobiles. The primary metric used by the market to monitor the strength of the used car market is the Manheim Used Vehicle Index, a measure of wholesale used car prices adjusted by their mileage or vintage. As of September 30, 2013, used car financing represented 73% of our outstanding retail installment contracts of which 87% consisted of nonprime auto loans. The Manheim Used Vehicle Index has recently been well above historical norms and during the recent economic downturn rebounded in nine months while the broader economy took several years to rebound. This strength in the used car market reflects the importance of cars to U.S. consumers.

Historically, used car financing has made up a majority of our business. Used automobiles accounted for 74% of total automobiles sold in the United States in 2012. In the second quarter of 2013, approximately 53% of used car purchases were financed. Most loans in the used auto finance space are extended to nonprime consumers, who comprise a significant portion of the U.S. population. Of the approximately 200 million Americans with a credit history, 34% have FICO® scores below 650. Although nonprime auto loans typically

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produce higher losses than prime loans, our data-driven approach, extensive experience, and adaptive platform have enabled us to accurately project cash flows and effectively price loans for their inherent risk.

Through our Chrysler Capital brand, we are increasing our focus on the new auto finance space by providing financing for the acquisition of new Chrysler cars. The new auto market continues to recover from the recent economic downturn. There were 14.4 million new cars sold in 2012, which was an increase of 39% over the number of new cars sold in 2009. Of total new auto sales in the second quarter of 2013, approximately 85% were financed. Future growth of new auto sales in the United States, and the parallel growth of consumer loans and leases to finance those sales, are driven by improving economic conditions, new automobile product offerings, and the need to replace aging automobiles. During 2012, the average age of U.S. autos reached an all-time high of 11.2 years. Chrysler Capital loan and lease growth will be driven by the volume of new Chrysler cars sold in the United States.

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We are a leading originator of nonprime auto loans. National and regional banks have historically been the largest originators of used and nonprime vehicle loans and leases due to their broad geographic footprint and wide array of vehicle finance products. We primarily compete against national and regional banks, as well as automobile manufacturers captive finance businesses, to originate loans and leases to finance consumers purchases of new and used cars.

The unsecured consumer lending market, including credit cards, private student loans, point-of-sale financing, and personal loans, represents a significant expansion opportunity for us within the U.S. consumer finance industry. From a recent high in 2008, the U.S. consumer has steadily faced declining access to traditional sources of consumer credit. This decline is evidenced by the reduction of outstanding consumer credit card limits by approximately $865 billion and of home equity lines of credit by over approximately $370 billion since 2008. During the recent economic downturn, traditional lenders were forced to tighten credit and, in some cases, exit the market altogether, leaving a large market opportunity with significant growth potential. Additionally, consumer loan demand is recovering and, on average, most domestic bank lenders have reported stronger demand for consumer loans since April 2011. Imbalances in supply and demand have created a significant opportunity for companies like us who have national scale, financial strength, stability of management, strong credit and underwriting processes, and an appetite for identifying incremental lending opportunities.

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In both the vehicle finance and unsecured consumer lending markets, we generate originations indirectly and directly. The indirect model requires relationships with third parties who are generally active in the market, are looking for an additional source of financing for their customers, and agree to direct certain customers to SCUSA. The direct model requires an internally-managed platform through which consumers are able to make requests for credit directly to SCUSA. While we have historically focused on the indirect model, we are growing our direct presence in the vehicle finance market through our RoadLoans.com platform and we are currently building out our unsecured consumer lending platform. Additionally, we continue to develop new relationships with third parties to further broaden our origination channels within these markets.

Our Strengths

We believe the following are our most significant competitive strengths:

Technology-Driven Platforms Drive Superior Credit and Operational Performance. Throughout our history we have made significant investments in the technology underlying our origination, servicing and risk management platforms in order to be nimble and adapt quickly to market forces and changes in performance data. We have internally developed proprietary software applications that we believe are highly effective and leverage nearly 20 years of consumer behavior across the full credit spectrum. These systems enable us to effectively price, manage, and monitor risk on a real-time basis and at a highly granular level, including by vintage, origination channel, brand, and location where the loan or lease was originated. Our internally generated data, acquired historical credit data and extensive third-party data are utilized to continuously adapt our origination, servicing and risk management platforms to evolving consumer behavior and product performance. The strength of our platforms is demonstrated by our proactive decision to tighten credit standards prior to the recent economic downturn and by our successful acquisition and/or conversion of over $34 billion of assets onto our platform since 2008. During the first half of 2007, we began to notice upward trends in early payment default rates, leading to a decision to tighten extensions of credit. As a result, in the third quarter of 2007, we made significant changes to the higher-risk segment of our portfolios, including minimizing no-cash-down loans and loans with high payments and high payment-to-income ratios (which resulted in a reduction in origination volume). We continued to tighten our credit standards throughout 2008 and 2009, and closely monitor the data we collect through our servicing and origination platforms to refine our underwriting criteria. Another benefit of our technology-driven platform is that it allows us to move quickly. For example, in 2010 we onboarded a portfolio of $14.4 billion in assets in just four months.

Our data-driven approach, extensive experience and adaptive platform have enabled us to accurately project cash flows and develop our leadership in the industry for a period of nearly 20 years. We believe that our proprietary credit scoring system helps us maximize originations by appropriately applying risk-adjusted pricing for any given consumer s credit profile through economic cycles. Our proprietary credit scoring system, LFS, takes into account 36 unique attributes, including FICO®, time at residence, time at job, loan-to-value, payment-to-income, collateral attributes, dealer attributes, and economic factors, and we believe it has a higher predictive power regarding consumers willingness and ability to pay their debts than FICO®, a conventional measure of consumer creditworthiness, alone. In addition, our scalable technology platform allows us to expand our existing relationships and explore new relationships at low marginal cost.

Growth-Oriented Business Model. We believe our business model and strategic third-party relationships will continue to attract new channels for origination volume growth and increase our penetration in the markets we serve. We have demonstrated the ability to capture growth and opportunities for diversification within the consumer finance industry, having successfully built mutually beneficial relationships with Chrysler, CarMax, other national automotive dealer groups, national and regional banks through their private label auto loan programs, and others. The flexibility of our platform has allowed us to expand our vehicle finance product offerings through the Chrysler Capital brand to include prime vehicle loans, vehicle leases, and dealer loans. Additionally, we believe we can quickly and efficiently provide similar or expanded offerings for others, including OEMs and consumer lenders. Further, our knowledge of consumer behavior across the full credit spectrum and our technologically sophisticated origination and servicing platforms will continue to facilitate our expansion of unsecured consumer lending and servicing.

We believe that our business and the underlying systems are highly scalable, thereby enabling growth through new and existing channels. From December 31, 2008 to September 30, 2013, our total assets grew by 424% while maintaining an efficiency ratio of between 16% and 22%. We currently process 7 million credit applications annually and have handled up to 1.4 million phone calls per day. Further, we believe our systems have the capacity to handle growth of 4x the current portfolio.

Our diverse array of origination channels coupled with our flexible technology platforms enables us to seamlessly shift loan production to take advantage of changing market conditions to maximize returns and minimize credit risk. For the first nine months of 2013, our average nonprime capture rate was only 8% and our prime capture rate averaged 18% since the start of the Chrysler Agreement in May 2013. Management continually evaluates each origination channel for anomalies in expected credit performance and utilizes available tools to remedy the anomaly, including fraud investigations or pricing and volume adjustments. At the same time, other available origination channels may be experiencing more attractive market conditions than other channels, allowing management to increase originations through those channels and continue to drive profitable, risk-adjusted growth.

Robust Financial Performance. We have been profitable every year for the last ten years, including throughout the recent economic downturn. We believe this consistent profitability can be attributed to our credit analysis, pricing discipline, and efficient low-cost structure. From 2005 to 2012, average profit per loan by vintage never dropped below $1,000. Our lending experience, deep understanding of consumer behavior across the full credit spectrum and rigorous business processes help us manage risk and insulate us from swings in the economic and consumer credit cycles. In addition, while portions of our nonprime customer base produce relatively high losses, we structure and apply risk-adjusted pricing to these loans to produce a consistent return on capital. Supported by our robust financial profile, we delivered an average return on assets of 3.9% from 2009 to 2012 and a return on total common equity of more than 30% in each of those years, and have continued to deliver similar levels of return on assets and equity in 2013, which we believe provides us with the ability to support our growth organically and return capital to our shareholders.

Deep Access to Committed Funding. We also maintain diverse and stable financing sources, and have demonstrated significant access to the broader capital markets. We have issued and sold over $26 billion of ABS since 2010, and we were the largest U.S. issuer of retail auto ABS in 2011, 2012, and in 2013. We have significant bank funding relationships, with third-party banks and Santander currently providing $13.7 billion and $4.5 billion in committed financing, respectively. We also have a $17 billion retail flow agreement in place with Bank of America and a dealer lending flow agreement in place with SBNA whereby we provide SBNA with the first right to review and assess Chrysler dealer lending opportunities and, if SBNA elects, to provide the proposed financing. We provide servicing, for a fee, on all loans originated under these arrangements. Further, we have been able to attract a substantial amount of third-party capital from our private equity sponsors.

Strong Relationship with Santander. We believe that our relationship with Santander, our largest shareholder (through SHUSA) and a premier global bank, offers us significant competitive advantages. As of September 30, 2013, Santander was the largest bank in the Eurozone by market capitalization. In addition, Santander, operating through Santander Consumer Finance s pan-European platform, is one of the top three consumer lending companies and is a leading non-captive vehicle lender in twelve European countries. Through Santander Consumer Finance, Santander continues to demonstrate its commitment to vehicle finance, as evidenced by its eleven current global OEM relationships and large vehicle loan portfolio. We may in the future look to benefit from Santander s strong relationships with global OEMs. Santander, a deposit-funded lender, has also provided us with significant funding support, both through existing committed liquidity and opportunistic extensions of credit. For example, during the recent economic downturn, Santander and its affiliates provided us with substantial liquidity that enabled us to complete several significant acquisitions and conversions of consumer assets. In addition, because of our relationship with Santander, we are subject to the oversight of the Federal Reserve. We believe that this regulatory oversight has led us to develop and maintain extensive risk management and reporting procedures, and has helped us to continually adapt our business to meet the evolving regulatory requirements for consumer finance in the United States.

Experienced Management Team. We have a highly respected management team that is focused on the continued success and growth of our business. Our company is led by one of our founders, Thomas Dundon, who currently serves as our Chief Executive Officer. Mr. Dundon has approximately 20 years of experience in the consumer finance industry. In addition, Jason Kulas, our President and Chief Financial Officer, has approximately 18 years of experience in the financial services industry and seven years of experience as our Chief Financial Officer. Mr. Dundon maintains a meaningful equity stake in SCUSA and, after giving effect to this offering, he will continue to own approximately 10.46% of our outstanding common stock as well as options to purchase an additional 3.29% of our common stock. In addition, the remainder of our senior management team in the aggregate will own approximately 0.10% of our common stock and options to purchase an additional 0.82% of our common stock after this offering. Our senior management team brings an average of over 16 years of experience across the financial services and consumer industries. They have demonstrated their ability to ably steer the company through economic expansions as well as downturns, as evidenced by our strong financial performance during the 2008 and 2009 downturn. Our management team is fully committed to our entrepreneurial spirit, attracting and developing talent, the implementation of best practices in risk management, corporate governance, regulatory compliance, financial accountability and effective system control.

Our Business Strategy

Our primary goal is to create stockholder value by leveraging our systems, data, liquidity, and management. Our growth strategy is to increase market penetration in the consumer finance industry while deploying our capital and funding efficiently.

Expand Our Vehicle Finance Franchise

Organic Growth in Indirect Auto Finance. We have a deep knowledge of consumer behavior across the full credit spectrum and are a key player in the U.S. vehicle finance market. We have the ability to continue to increase our market penetration in the vehicle finance market, subject to attractive market conditions, via the number and depth of our relationships. We plan to achieve this in part through rolling out alliance programs with national vehicle dealer groups and financial institutions, including banks, credit unions, and other lenders, in both the prime and nonprime vehicle finance markets. Our technology-based platform enables us to integrate seamlessly with other originators and thereby benefit from their channels and brands. Additionally, we are evaluating new indirect auto finance opportunities across both North and South America.

Strategic Alliances with OEMs. We plan to expand our existing OEM relationships and develop future relationships with other OEMs to drive incremental origination volume. The loans and leases originated through Chrysler Capital should provide us with the majority of our near-term expected growth. In addition, the experience gained in lease and dealer financing can be applied to improve origination volume through the rest of our dealer base. Our relationship with Chrysler has accelerated our transformation into a full-service vehicle finance company that provides financial products and services to consumers and automotive dealers. In addition to the Chrysler Agreement, we have a pilot program with another OEM, pursuant to which we serve as a preferred finance provider for certain dealers in certain geographic markets.

Growth in Direct-to-Consumer Exposure. We are working to further diversify our vehicle finance product offerings by expanding our web-based, direct-to-consumer offerings. We are seeking to engage the consumer at the early stages of the car buying experience. Our RoadLoans.com program is a preferred finance resource for many major vehicle shopping websites, including Cars.com, AutoTrader.com, Kelley Blue Book, and eBay

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Motors, each of which have links on their websites promoting our RoadLoans.com website for financing. We will continue to focus on securing relationships with additional vehicle-related websites. We anticipate that the next generation of our web-based direct-to-consumer offerings will include additional strategic relationships, an enhanced online experience, and additional products and services to assist with all stages of the vehicle ownership life cycle, including research, financing, buying, servicing, selling, and refinancing.

Expansion of Fee-Based Income Opportunities. We seek out opportunities to leverage our technologically sophisticated and highly adaptable servicing platform for both prime and nonprime loans, as well as other vehicle finance (including RV and marine) and unsecured consumer lending products. We collect fees to service loan portfolios for third parties, and we handle both secured and unsecured loan products across the full credit spectrum. Loans sold to or sourced to third-party banks through flow agreements (including our flow agreements with Bank of America and SBNA) also provide additional opportunities to service large vehicle loan pools. Additionally, we are exploring the possibility of expanding our loan servicing activities in North and South America by leveraging our existing relationships with Chrysler, as well as Santander and other banks in these regions. We believe our loan servicing business is scalable and provides an attractive return on equity, and we intend to continue to develop new third-party relationships to increase its size. In 2013, as of September 30, we have added over $1 billion of assets to our portfolio of assets serviced for others.

Continue to Grow Our Unsecured Consumer Lending Platform

We are further diversifying our business through our strategic relationships in the unsecured consumer lending space, which includes point-of-sale financing, personal loans, and private label credit cards. Unsecured consumer lending is a rapidly growing segment of the consumer finance market in the United States, and we expect that financing in the unsecured consumer loan space will significantly contribute to our growth. For the nine months ended September 30, 2013, we originated approximately $0.7 billion in unsecured consumer loans. Our ability to offer these products is derived from our deep knowledge of consumer behavior across the full credit spectrum, our scalable technology platform and Santander s expertise in the unsecured consumer lending industry. One of our principal strategic consumer finance relationships is with Bluestem, which owns the Fingerhut®, Gettington.com and PayCheck Direct® brands. Bluestem s customers rely on Bluestem proprietary credit products at the point of sale to make purchases. Through our agreement with Bluestem, we have the option to purchase certain loans through April 2020. Additionally, we have a strategic relationship with LendingClub, pursuant to which we invest in or purchase personal loans and have the right to purchase nonprime loans as well, and have recently begun originating private label revolving lines of credit through our relationship with another point-of-sale lending technology company. We also have a pipeline of private label credit card initiatives we expect to pursue. We believe these relationships and initiatives provide us with a strong entry point into the unsecured consumer lending space.

History

We were founded by a group of entrepreneurs within the auto industry, including our CEO, Thomas Dundon. The group gained experience working in finance in auto dealerships, and in 1995 left the dealership environment to start a new company focused on the finance side of the industry. As a non-originator, the new company marketed the auto finance programs of various banks, gaining valuable perspective on the originations process.

The success of the group caught the attention of FirstCity Financial and in 1998 our entrepreneurial partnership joined with FirstCity Financial to form FirstCity Funding, a nonprime auto finance company with a unique business model serving a niche market. FirstCity Funding grew quickly and in 2000 our ownership group expanded to include HBOS plc., and we officially became Drive Financial Services LP (Drive).

In 2004, FirstCity Financial sold its interest in Drive, shifting ownership to HBOS plc and Drive Management, LP. The stability and strength of HBOS plc allowed Drive to surpass expectations and continue to

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grow at a rapid pace. HBOS plc helped develop Drive s information technology infrastructure, compliance organization and data warehouse, which has been the backbone of our operational success in recent acquisitions. In 2006, HBOS plc and certain members of Drive Management, LP sold their interest to Santander, forming SCUSA Illinois.

In 2009, Santander contributed its interest in us to SHUSA and until December 31, 2011, we were owned 91.5% by SHUSA and 8.5% by Mr. Dundon. In late 2011, we completed an infusion of $1.16 billion in capital from funds managed by our private equity sponsors, Mr. Dundon, and our Chief Financial Officer. This resulted in the private equity sponsors owning approximately 24% of our stock, with SHUSA continuing to own approximately 65%, and Mr. Dundon owning approximately 11%.

In July 2013, Santander Consumer USA Holdings Inc. and SCUSA Merger Sub were formed solely for the purpose of effecting this offering. Immediately prior to the closing of this offering, SCUSA Merger Sub will merge with and into SCUSA Illinois, with SCUSA Illinois continuing as the surviving corporation and a wholly owned subsidiary and operating company of Santander Consumer USA Holdings Inc., the registrant. In the merger, all of the outstanding shares of common stock of SCUSA Merger Sub will be converted into shares of SCUSA Delaware common stock on a 2.6665 for 1.00 basis. See Reorganization.

Our Products and Services

We offer vehicle-related financing products and services and, beginning in the first quarter of 2013, unsecured consumer financing.

Vehicle Finance

Our vehicle finance products and services include loans and leases to consumers and dealer loans.

Consumer Vehicle Loans

Our primary business is to indirectly originate vehicle loans through automotive dealerships throughout the United States. We currently do business with over 14,000 dealers, over 95% of whom are manufacturer-affiliated and the remainder of whom are selected large and reputable independent dealers. We use our risk-adjusted methodology to determine the price we pay the automotive dealer for the loan, which may be above or below the principal amount of the loan depending on characteristics such as the contractual APR, the borrower s credit profile and the tenor of the loan. The consumer is obligated to make payments in an amount equal to the principal amount of the loan plus interest at the APR negotiated with the dealer. In addition, the consumer is also responsible for charges related to past-due payments. Dealers typically retain some portion of the finance charge as income. Our agreements with dealers place a limit on the amount of the finance charges they are entitled to retain. Although we do not own the vehicles we finance through loans, we hold a perfected security interest in those vehicles. Loans with below-market APRs are frequently offered through manufacturer incentive programs. The manufacturer will compensate the originator of these loans for the amount of the financing rate that is below market. These payments are called rate subvention. We are entitled to receive rate subvention payments as Chrysler s preferred provider through the Chrysler Agreement.

Since 2008, we also have directly originated loans through our branded online RoadLoans.com platform, and we also periodically acquire large portfolios of loans. The loans acquired in bulk acquisitions have primarily been collateralized by automobiles. However, a small amount of such loans have been collateralized by marine and RVs. We generate revenue on these loans through finance charges.

Vehicle Leases

We acquire leases from Chrysler-affiliated automotive dealers and, as a result, become the titleholder for the leased car. The acquisition cost for these leases is based on the underlying value of the vehicle, the contractual

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lease payments and the residual value, which is the expected value of the vehicle at the time of the lease termination. We use projected residual values that are estimated by third parties, such as ALG. The residual value we use to determine lease payments, or the contractual residual value, may be upwardly adjusted as part of marketing incentives provided by the manufacturer of the vehicle. When a contractual residual value is written up, the lease payments we offer may become more attractive to consumers. The marketing incentive payment that manufacturers pay is equal to the expected difference between the projected ALG residual value and the contractual residual value. This residual support payment is a form of subvention. We are a preferred provider of subvented leases through Chrysler Capital. The consumer, or lessee, is responsible for the contractual lease payments and any excessive mileage or wear and tear on the car that results in a lower residual value of the car at the time of the lease s termination. In addition, the consumer is also generally responsible for charges related to past due payments. Our leases are primarily closed-ended, meaning the consumer does not bear the residual risk.

We generate revenue on leases through monthly lease payments and fees, and, depending on the market value of the off-lease vehicle, we may recognize a gain or loss upon remarketing. Our agreement with Chrysler permits us to share any residual losses over a threshold, determined on an individual lease basis, with Chrysler.

Dealer Loans

We provide dealer floorplan loans to certain automotive dealers, primarily Chrysler-franchised dealerships, so that they can acquire new and used vehicles for their inventory. We provide these loans in our sole discretion and in accordance with our credit policies, generally advancing up to 100% of the vehicle s wholesale invoice price for a new vehicle, up to 100% of the price of a used vehicle purchased at an authorized auction, and up to 90% for any other used vehicle. Each dealer loan is secured by all of the dealer s existing vehicle inventory and is generally secured by dealership assets and/or personal guarantees by the dealership s owner. Repayment of the advance related to each vehicle in inventory is required within seven days of the date the vehicle is sold or leased. A full or partial repayment also may also be required if the vehicle in inventory remains unsold. The interest charged on such loans is based on our internal risk rating for the dealer and is payable monthly.

In addition, we may periodically provide certain automotive dealers, primarily Chrysler-franchised dealerships, with real estate loans and working capital revolving lines of credit. Generally a dealer must have a floorplan loan with us in order to be eligible for real estate loans and working capital revolving lines of credit from us.

As of September 30, 2013, substantially all of the dealer floorplan loans originated under Chrysler Capital were held by our affiliate, SBNA, under terms of either of two agreements, a flow agreement entered into in June 2013 and a sale agreement entered into in August 2013. In November 2013, we entered into an additional sale agreement to sell substantially all of the non-floorplan dealer loans to SBNA.

Servicing for Others

We service a portfolio of vehicle loans originated or otherwise independently acquired by SBNA, as well as the dealer loans SBNA purchased from us and originated under a flow agreement. We also service loans sold through our flow agreement with Bank of America and several smaller loan portfolios for various third-party institutions.

Unsecured Consumer Lending

In March 2013, we began indirectly originating unsecured consumer loans. Most of these loans are currently serviced by the third-party originators, who handle daily cash remittances and customer service. We are constantly evaluating new unsecured consumer lending opportunities, such as credit cards, so that we may further diversify and expand our business.

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Origination and Servicing

Vehicle Finance

Our origination platform delivers automated 24/7 underwriting decision-making through a proprietary, credit-scoring system designed to ensure consistency and efficiency, with dealers receiving a decision in under 10 seconds for 95% of all requests. Every loan application we receive is processed by our risk scoring and pricing models. Our credit scorecard development process is supported by an extensive market database that includes nearly 20 years of historical data on the loans we have acquired as well as extensive consumer finance third-party data. We continuously evaluate loan performance and consumer behavior to improve our underwriting decisions. As a result of our readily adaptable and scalable systems, we are able to quickly implement changes in pricing and scoring credit policy rules and we seek to modify our underwriting standards to match the economic environment. Our scorecard methodology supports underwriting decisions for consumers across the full credit spectrum and has been designed to allow us to maximize modeled risk-adjusted yield for a given consumer s credit profile. As a result of the Chrysler Agreement, we have adjusted underwriting standards in the prime space to compete with the major lenders in the area.

We have built our servicing approach based on years of experience as a nonprime lender. Our servicing activities consist largely of processing customer payments, responding to customer inquiries (such as requests for payoff quotes), processing customer requests for account revisions (such as payment deferrals), maintaining a perfected security interest in the financed vehicle, monitoring vehicle insurance coverage, pursuing collection of delinquent accounts, and remarketing repossessed or off-lease vehicles. We have made significant technology investments in our servicing systems to ensure that our servicing activities are in compliance with federal and local consumer lending rules in all 50 states.

Through our servicing platform, we seek to maximize collections while providing the best possible customer service. Our servicing practices are closely integrated with our origination platform. This results in an efficient exchange of customer data, market information and understanding of the latest trends in consumer behavior. Our customer account management process is model-driven and utilizes automated customer service and collection strategies, including the use of automated dialers rather than physical phones. Each of the models we use is validated by back-testing with data and can be adjusted to reflect new information that we receive throughout our entire business and to include new vehicle loan and lease applications, refreshed consumer credit data, and consumer behavior that we observe through our servicing operations. Our robust processes and sophisticated technology support our servicing platform to maximize efficiency, consistent loan treatment, and cost control.

In order to provide the best possible customer service, we provide multiple convenience options to our customers and have implemented many strategies to monitor and improve the customer experience. In addition to live agent assistance, our customers are offered a wide range of self-service options via our interactive voice response system and through our customer website. Self-service options include demographic management (such as updating a customer s address, phone number, and other identifying information), payment and payoff capability, payment history reporting, as well as online chat and communication requests. Quality assurance teams perform account reviews and are responsible for grading our phone calls to ensure adherence to our policies and procedures as well as compliance with regulatory rules. Our analytics software converts speech from every call into text so that each of our conversations with a customer can be analyzed and subsequently data-mined. This is used to identify harmful words or phrases in real-time for potential intervention from a manager, and to search for the omission of words or phrases that are required for specific conversations. A quality control team provides an independent, objective assessment of the servicing department s internal control systems and underlying business processes. This helps us identify organizational improvements while protecting our franchise reputation and brand. Lastly, complaint tracking processes ensure customer complaints are addressed appropriately and that the customers receive status updates. These systems assign the account to a specialized team (Office of the President) until the complaint is deemed to be closed. This team tracks and resolves customer complaints and is subject to a robust quality assurance program.

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The servicing process is divided into stages based on delinquency status and the collectors for each stage receive specialized training. In the event that a retail installment contract becomes delinquent, we follow an established set of procedures that we believe maximize our ultimate recovery on the loan or lease. Late stage account managers employ skip tracing, utilize specialized negotiation skills, and are trained to tailor their collection attempts based on the proprietary borrower behavioral score we assign to each of our customers. Collection efforts include calling within one business day when an obligor has broken a promise to make a payment on a certain date and using alternative methods of contact such as location gathering via references, employers, landlords, credit bureaus, and cross-directories. If the borrower is qualified, the account manager may offer an extension of the maturity date, a temporary reduction in payment, or a modification permanently lowering the interest rate or principal. If attempts to work with the customer to cure the delinquency are unsuccessful, the customer is sent a right to cure letter in accordance with state laws and the loan is assigned a risk score based on our historical days-to-repossess data. This score is used to prioritize repossessions, and each repossession is systematically assigned to third-party repossession agents according to their recent performance with us. Once the vehicle has been secured, any repairs required are performed and the vehicle is remarketed as quickly as possible, typically through an auction process.

Most of our servicing processes and quality-control measures also serve a dual purpose in that they both ensure compliance with the appropriate regulatory laws and ensure that we deliver the best possible customer service. Additionally, our servicing platform and all of the features we offer to our customers are scalable and can be tailored through statistical modeling and automation.

Unsecured Consumer Lending

We offer point-of-sale financing and personal loans through our partnerships with retailers and other lenders that offer several unsecured consumer lending products. Our ability to offer these products is derived from our expertise in originating nonprime vehicle retail loans and Santander s expertise in the unsecured consumer lending industry. Our existing relationships with Bluestem, LendingClub, and others are partner-managed programs. In these arrangements, our partner decides whether to extend credit on any application using their own credit policies. If the applicant is declined, the application is sent to us to decide whether or not to extend a loan based on our own credit policy. For each unsecured consumer loan that we purchase, our partner retains the servicing rights unless the loan becomes delinquent, at which point we can elect to become the servicer. Additionally, our partners are required to share data files with us for accounting and portfolio review throughout the life of the unsecured consumer loan. We intend to leverage this data to further strengthen our origination and servicing systems with respect to unsecured consumer lending.

Our Relationship with Chrysler

On February 6, 2013, we entered into the Chrysler Agreement pursuant to which we are the preferred provider for Chrysler s consumer loans and leases and dealer loans effective May 1, 2013. Business generated under terms of the Chrysler Agreement is branded as Chrysler Capital. During the period from the May 1, 2013 launch of the Chrysler Capital business through September 30, 2013, we acquired over $5 billion of Chrysler Capital retail installment contracts and over $1.4 billion of Chrysler Capital vehicle leases, and facilitated the origination of over $300 million of Chrysler Capital dealer loans. We expect these volumes to continue.

The Chrysler Agreement requires, among other things, that we bear the risk of loss on loans originated pursuant to the agreement, but that Chrysler share in any residual gains and losses in respect of consumer leases. The agreement also requires that we maintain at least $5.0 billion in funding available for dealer inventory financing and $4.5 billion of financing dedicated to Chrysler retail financing. In turn, Chrysler must provide designated minimum threshold percentages of its subvention (Chrysler subsidized below-market loan and lease rates) business to us.

Under the Chrysler Agreement, we have agreed to specific transition milestones, including market penetration rates, approval rates, staffing, and service milestones, for the initial year following launch on May 1, 2013. If the transition milestones are not met in the first year, the agreement may terminate and we may lose the

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ability to operate as Chrysler Capital. If the transition milestones are met, the Chrysler Agreement will have a ten-year term, subject to early termination in certain circumstances, including the failure by either party to comply with certain of their ongoing obligations. In addition, Chrysler may also terminate the agreement, among other circumstances, if (i) we fail to meet certain performance metrics, including certain penetration and approval rate targets, during the term of the agreement, (ii) a person other than Santander and its affiliates or our other stockholders owns 20% or more of our common stock and Santander and its affiliates own fewer shares of common stock than such person, (iii) we become, control, or become controlled by, an OEM that competes with Chrysler or (iv) if certain of our credit facilities become impaired. Based on projections and our initial performance under the agreement, management believes that we will meet all of our performance targets.

In connection with entering into the Chrysler Agreement, we paid Chrysler a $150 million upfront, nonrefundable fee on May 1, 2013. This fee is considered payment for future profits generated from the Chrysler Agreement and, accordingly, we are amortizing it over the expected ten-year term of the agreement as a component of net finance and other interest income. We have also executed an Equity Option Agreement with Chrysler, whereby Chrysler may elect to purchase, at any time during the term of the Chrysler Agreement, at fair market value, an equity participation of any percentage in the Chrysler Capital portion of our business.

For a period of 20 business days after Chrysler s delivery to us of a notice of intent to exercise its option, we are to discuss with Chrysler in good faith the structure and valuation of the proposed equity participation. If the parties are unable to agree on a structure and Chrysler still intends to exercise its option, we will be required to create a new company into which the Chrysler Capital assets will be transferred and which will own and operate the Chrysler Capital business. If Chrysler and we cannot agree on a fair market value during the 20-day negotiation period, each party will engage an investment bank and the appointed banks will mutually appoint a third independent investment bank to determine the value, with the cost of the valuation divided evenly between Chrysler and us. Each party has the right to a one-time deferral of the independent valuation process for up to nine months. Chrysler will have a period of 90 days after a valuation has been determined, either by negotiation between the parties or by an investment bank, to deliver a binding notice of exercise. Following this notice, Chrysler s purchase is to be paid and settled within 10 business days, subject to a delay of up to 180 days if necessary to obtain any required consents from governmental authorities.

Any new company formed to effect Chrysler s exercise of its equity option will be a Delaware limited liability company unless otherwise agreed to by the parties. As long as each party owns at least 20% of the business, Chrysler and we will have equal voting and governance rights without regard to ownership percentage. If either party has an ownership interest in the business of less than 20%, the party with less than 20% ownership will have the right to designate a number of directors proportionate to its ownership and will have other customary minority voting rights.

As the equity option is exercisable at fair market value, we could recognize a gain or loss upon exercise if the fair market value is determined to be different from book value. We believe that the fair market value of our Chrysler Capital financing business currently exceeds book value and therefore have not recorded a contingent liability for potential loss upon Chrysler s exercise.

Subsequent to the exercise of the equity option, SCUSA s rights under the Chrysler Agreement will be assigned to the jointly owned business. Exercise of the equity option would be considered a triggering event requiring re-evaluation of whether or not the remaining unamortized balance of the upfront fee we paid to Chrysler on May 1, 2013 should be impaired.

On June 13, 2013, we entered into a committed forward flow agreement that, as amended on September 26, 2013, commits us to sell up to $300 million per month of prime loans to Bank of America through May 31, 2018. For those loans, we will retain the servicing rights at contractually agreed upon rates. This servicing arrangement will provide us with an additional fee income stream. We also will receive or pay a servicer performance payment if net credit losses on the sold loans are lower or higher, respectively, than expected net credit losses at the time of sale.

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On June 28, 2013, we entered into a flow agreement with SBNA whereby we provide SBNA with the first right to review and assess Chrysler dealer lending opportunities and, if SBNA elects, to provide the proposed financing. On August 16, 2013, we sold most of our existing Chrysler floorplan loans to SBNA. We provide servicing on all loans sold or originated under these agreements. We also will receive or pay a servicer performance payment if yields, net of credit losses, on the loans originated under the flow agreement are higher or lower, respectively, than expected at origination.

In addition, we may periodically provide certain automotive dealers, primarily Chrysler-franchised dealerships, with real estate loans and working capital revolving lines of credit. Generally, a dealer must have a floorplan loan with us in order to be eligible for real estate loans and working capital revolving lines of credit from us.

Competition

The automotive finance industry is highly competitive. We compete on the pricing we offer on our loans and leases as well as the customer service we provide to our automotive dealer customers. Pricing for these loans and leases is very transparent. We, along with our competitors, post our pricing for loans and leases on web-based credit application aggregation platforms. When dealers submit applications for consumers acquiring vehicles, they can compare our pricing against our competitors pricing. Dealer relationships are important in the automotive finance industry. Vehicle finance providers need to tailor product offerings to meet each individual dealer s needs.

We believe that we can effectively compete because our proprietary scorecards and industry experience enable us to price risk appropriately. In addition, we benefit from Chrysler subvention programs through the Chrysler Agreement. We have developed strong dealer relationships through our nationwide sales force and long history in the automotive finance space. Further, we expect that we will be able to deepen dealer relationships through our Chrysler Capital product offerings.

Our primary competitors in the vehicle finance space are:

- national and regional banks;
- credit unions;
- independent financial institutions; and
- the affiliated finance companies of automotive manufacturers.

While the used car market is fragmented with no single lender accounting for more than 10% of the market, in both the new and used car markets there are a number of competitors that have substantial positions nationally or in the markets in which they operate. Some of our competitors have lower cost structures, lower cost funding, and are less reliant on securitization. We believe we can compete effectively by continuing to expand and deepen our relationships with dealers. In addition, through our Chrysler Capital brand we will benefit from the manufacturer s subvention programs and Chrysler s relationship with its dealers.

Our primary competitors in the unsecured consumer lending space are banks that have traditionally offered revolving credit products such as credit cards, home equity lines of credit, and personal loans. In recent years, new, smaller competitors have emerged to fulfill consumers demand for credit products by offering point-of-sale financing and personal loans through technologically sophisticated and often web-based applications. We compete with banks by identifying borrowers with attractive credit profiles who do not rely on traditional bank-offered consumer finance products like credit cards and home equity lines of credit. We also compete with other financial institutions who seek to identify potential partners that offer point-of-sale and web-based credit applications. We believe we can compete successfully due to our ability to identify unsecured consumer loan applications with attractive risk-adjusted returns, as well as the speed at which we can adapt to our potential partners operations.

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Seasonality

Our origination volume is generally highest in March and April each year due to consumers receiving tax refunds. Our delinquencies are generally highest in the period from November through January due to consumers holiday spending. Although we are profitable throughout the year, these trends drive a seasonal fluctuation whereby our profits generally are highest in the first quarter of each year and decline each quarter thereafter.

Employees

As of September 30, 2013, we had approximately 3,900 employees. None of our employees are parties to a collective bargaining agreement. We consider our relationship with our employees to be satisfactory.

Facilities and Real Estate

Our corporate headquarters are located in Dallas, Texas, where we lease approximately 125,000 square feet of office and operations space pursuant to a lease agreement expiring in 2016. In October 2013, we signed a lease expiring in 2024 for an additional 373,000 square feet of office and operations space in Dallas, Texas. We intend to move our corporate headquarters to this newly leased space in 2014. We also lease a 165,000 square foot servicing facility in North Richland Hills, Texas, a 73,000 square foot servicing facility in Lewisville, Texas, a 43,000 square foot servicing facility in Englewood, Colorado, and a 2,000 square foot operations facility in Costa Mesa, California, under leases that expire at various dates through 2018. Management believes the terms of the leases are consistent with market standards and were arrived at through arm s-length negotiation.

Intellectual Property

Our right to use the Santander name is on the basis of a non-exclusive, royalty-free and non-transferable license from Santander, and only extends to uses in connection with our current and future operations within the United States. Santander may terminate such license at any time Santander ceases to own, directly or indirectly, 50% or more of our common stock.

In connection with our agreement with Chrysler, Chrysler has granted us a limited, non-exclusive, non-transferable, royalty-free license to use certain Chrysler trademarks, including the term Chrysler Capital, for as long as the Chrysler Agreement is in effect. We are required to adhere to specified guidelines, specifications, and other usage instructions related to these trademarks, as well as to obtain prior written approval of any materials, including financing documents and promotional materials, using the trademarks. This license does not grant us any ownership rights in Chrysler s trademarks.

Legal Proceedings

On September 13, 2013, Ally Financial Inc. filed suit against us in the United States District Court for the Eastern District of Michigan, in a matter pending as Case No. 13-CV-13929, alleging copyright infringement and misappropriation of trade secrets and confidential information in connection with our launch of Chrysler Capital and, in particular, our offering of floorplan lines of credit to Chrysler dealerships. We consider the allegations to be without merit and intend to vigorously defend the case.

From time to time, we may become involved in various additional lawsuits and legal proceedings that arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We do not expect that the legal proceedings to which we are currently party, individually, or in the aggregate, will have a material adverse impact.

Supervision and Regulation

The U.S. lending industry is highly regulated under federal and state law. We are subject to inspections, examinations, supervision, and regulation by each state in which we are licensed, the CFPB, and the Federal

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Trade Commission. In addition, because our largest shareholder is a bank holding company, we are subject to certain bank regulations, including oversight by the Federal Reserve, the Office of the Comptroller of the Currency, and the Bank of Spain. See Risk Factors Regulatory Risks We may be subject to certain banking regulations that may limit our business activities.

State Lending Regulations

In general, state statutes establish maximum loan amounts, interest rates, fees and maximum amounts allowed to be charged for such fees, insurance premiums, and fees that may be charged for both direct and indirect lending. Specific allowable charges vary by state and type of license. Statutes in Texas, for example, allow for indexing the maximum small loan amounts to the Consumer Price Index and setting maximum rates for automobile purchase loans based on the age of the vehicle. In addition, state laws regulate the keeping of books and records and other aspects of the operation of consumer finance companies. State and federal laws regulate account collection practices.

We are separately licensed under the laws of each state in which we operate. Licenses granted by the regulatory agencies in these states are subject to renewal every year and may be revoked for failure to comply with applicable state and federal laws and regulations. We are in compliance with state laws and regulations applicable to our lending operations in each state.

We and our operations are regulated by several state agencies. We are subject to compliance audits of our operations in every state.

Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010

At the federal level, Congress enacted comprehensive financial regulatory reform legislation on July 21, 2010. A significant focus of the new law (the Dodd-Frank Act) is heightened consumer protection. The Dodd-Frank Act established a new body, the CFPB, which has regulatory, supervisory, and enforcement powers over providers of consumer financial products and services, including us, including explicit supervisory authority to examine and require registration of non-depository lenders and promulgate rules that can affect the practices and activities of lenders.

Although the Dodd-Frank Act expressly provides that the CFPB has no authority to establish usury limits, some consumer advocacy groups have suggested that various forms of alternative financial services or specific features of consumer loan products should be a regulatory priority, and it is possible that at some time in the future the CFPB could propose and adopt rules making such lending services materially less profitable or impractical, which may impact finance loans or other products that we offer.

In March 2013, the CFPB issued a bulletin recommending that indirect vehicle lenders, a class that includes us, take steps to monitor and impose controls over dealer markup policies whereby dealers charge consumers higher interest rates, with the markup shared between the dealer and the lender.

The CFPB is also conducting supervisory audits of large vehicle lenders and has indicated it intends to study and take action with respect to possible ECOA disparate impact credit discrimination in indirect vehicle finance. If the CFPB enters into a consent decree with one or more lenders on disparate impact claims, it could negatively impact the business of the affected lenders, and potentially the business of dealers and other lenders in the vehicle finance market. This impact on dealers and lenders could increase our regulatory compliance requirements and associated costs.

In addition to the grant of certain regulatory powers to the CFPB, the Dodd-Frank Act gives the CFPB authority to pursue administrative proceedings or litigation for violations of federal consumer financial laws. In these proceedings, the CFPB can obtain cease and desist orders (which can include orders for restitution or rescission of contracts, as well as other kinds of affirmative relief) and monetary penalties.

Other Federal Laws and Regulations

In addition to the Dodd-Frank Act and state and local laws and regulations, numerous other federal laws and regulations affect our lending operations. These laws and their implementing regulations include, among others, usury laws, Anti-Money Laundering requirements (Bank Secrecy Act and USA PATRIOT Act), Equal Credit Opportunity Act, Fair Debt Collection Practices Act, Fair Credit Reporting Act, Privacy Regulations (Gramm-Leach-Bliley Act and Right to Financial Privacy Act), Electronic Funds Transfer Act, Servicemembers Civil Relief Act, Telephone Consumer Protection Act, Truth in Lending Act, and requirements relating to unfair, deceptive, or abusive acts or practices. Under the Fair Credit Reporting Act, we must provide certain information to customers whose credit applications are not approved on the basis of a report obtained from a consumer reporting agency, promptly update any credit information reported to a credit reporting agency about a customer and have a process by which customers may inquire about credit information furnished by us to a consumer reporting agency.

Under the Gramm-Leach-Bliley Act, we must protect the confidentiality of our customers nonpublic personal information and disclose information on our privacy policy and practices, including with regard to the sharing of customers nonpublic personal information with third parties. This disclosure must be made to customers at the time the customer relationship is established and, in some cases, at least annually thereafter.

Under the Truth in Lending Act and Regulation Z promulgated thereunder, we must disclose certain material terms related to a credit transaction, including, but not limited to, the APR, finance charge, amount financed, total of payments, the number and amount of payments, and payment due dates to repay the indebtedness.

Under the Equal Credit Opportunity Act and Regulation B promulgated thereunder, we cannot discriminate against any credit applicant on the basis of any protected category, such as race, color, religion, national origin, sex, marital status, or age. We are also required to make certain disclosures regarding consumer rights and advise customers whose credit applications are not approved of the reasons for the rejection.

The Federal Trade Commission s Credit Practices Rule limits the types of property we may accept as collateral to secure a consumer loan.

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MANAGEMENT

Executive Officers and Directors

The following table sets forth information regarding our executive officers and directors as of the date of this prospectus.

Name	Age	Position
Executive Officers:		
Thomas G. Dundon	42	Chief Executive Officer and Chairman
Jason A. Kulas	43	President and Chief Financial Officer
Jason W. Grubb	47	Chief Operating Officer
Eldridge A. Burns, Jr.	44	Chief Legal Officer and General Counsel
James W. Fugitt	40	Chief Information Officer
R. Michele Rodgers	43	Chief Compliance and Risk Officer
Michelle L. Whatley	42	Chief Human Resources Officer
Richard Morrin	44	Executive Vice President, New Business
Nathan Staples	34	Chief Credit Officer
Hugo R. Dooner	44	Executive Vice President, Consumer Lending
Jennifer Popp	34	Chief Accounting Officer
Brad Martin	38	Executive Vice President, Business Operations
Non-Executive Directors:		
Gonzalo de Las Heras	73	Honorary Chairman
Alberto Sánchez	49	Vice Chairman
Juan Carlos Alvarez	42	Director
Roman Blanco	49	Director
Javier San Felix	46	Director
Stephen A. Ferriss	68	Director
Matthew Kabaker	37	Director
Tagar C. Olson	36	Director
Juan Andres Yanes	50	Director
Daniel Zilberman	40	Director

Executive Officers

Thomas G. Dundon, Chief Executive Officer and Chairman

As one of our founding partners, Mr. Dundon was named President in May 2005 and served in that position until November 2013. He became President & Chief Executive Officer in December 2006, and since such time he has served as a member of our board of directors. Mr. Dundon was appointed as the Chairman of our board of directors on December 28, 2013. Mr. Dundon is also a Director of Santander Holdings USA, Inc., the parent company of SBNA and of the non-profit Santander Consumer USA Inc. Foundation. Mr. Dundon holds a bachelor s degree in economics from Southern Methodist University.

Jason A. Kulas, President and Chief Financial Officer

Mr. Kulas has served as our President since November 2013 and our Chief Financial Officer since January 2007, joining us after serving as Managing Director in investment banking for JPMorgan Securities, Inc., where he was employed from 1995 to 2007. Mr. Kulas also worked as an analyst for Dun & Bradstreet and as an adjunct professor at Texas Christian University. Mr. Kulas served on our board of directors from 2007 to 2012 and currently serves as a member of the Board of the non-profit Santander Consumer USA Inc. Foundation. Mr. Kulas holds a bachelor s degree in chemistry from Southern Methodist University and an MBA from Texas Christian University.

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Jason W. Grubb, Chief Operating Officer

Mr. Grubb joined us in November 2004 as our Senior Vice President of Servicing and has served as our Chief Operating Officer since January 2007. Prior to joining us, Mr. Grubb held positions at WFS Financial, Nissan Motor Acceptance Corp, and Commercial Financial Services in which he was responsible for servicing. Mr. Grubb holds a bachelor s degree in finance from Oklahoma State University and an MBA from Our Lady of the Lake University.

Eldridge A. Burns, Jr., Chief Legal Officer and General Counsel

Mr. Burns has served as our Chief Legal Officer and General Counsel since January 2007. Prior to joining us, Mr. Burns served as Vice President and Senior Corporate Counsel for Blockbuster, Inc., where he managed real estate, mergers and acquisitions, and general corporate transactions. Prior to joining Blockbuster, Mr. Burns was an associate at Vinson & Elkins LLP. Mr. Burns is a member of the Texas Bar and Dallas Bar Associations, and has served as a member of the steering committee for the Texas Minority Counsel Program. He currently serves as a member of the Board of the non-profit Santander Consumer USA Inc. Foundation. Mr. Burns holds a bachelor s degree in business administration from Southern Methodist University and a J.D. from the University of Texas, School of Law.

James W. Fugitt, Chief Information Officer

Mr. Fugitt has served as our Chief Information Officer for Santander Consumer USA Inc. since October 2011 and prior to that served as our Chief Technology Officer and Vice President of Application Development. Prior to joining us in 2002, Mr. Fugitt held various IT development and management positions at WorldNow, a new media company, and BSG Consulting, a technology consulting company. Mr. Fugitt holds a bachelor s degree in electrical engineering from Columbia University.

R. Michele Rodgers, Chief Compliance and Risk Officer

Ms. Rodgers has served as our Chief Compliance Officer since April 2012 and added the role of Chief Risk Officer in June 2013. Ms. Rodgers joined us in March 2005 and has previously served as Controller and head of the Project Management Office. Prior to joining us, Ms. Rodgers worked in the fields of finance and technology consulting. Ms. Rodgers holds a bachelor s degree in accounting from the University of Alabama.

Michelle L. Whatley, Chief Human Resources Officer

Ms. Whatley has served as our Chief Human Resource Officer since May 2013; prior to that she served as our EVP, Human Resources and Director of Human Resources Information Systems. Prior to joining us in June 2003, Ms. Whatley held various other human resources roles in both the technology and consumer industries. She currently serves as a member of the Board of the non-profit Santander Consumer USA Inc. Foundation. Ms. Whatley attended Midwestern State University, attained the Professional in Human Resources accreditation in 2002, and has been a member of the Society of Human Resources Management for over ten years.

Richard Morrin, Executive Vice President, New Business

Mr. Morrin has served as our Executive Vice President of New Business since August 2011. Prior to joining us, Mr. Morrin held a variety of management positions in 21 years of combined service at Ally Financial and General Motors Acceptance Corp. Most recently, he managed the commercial lending operations for Ally automotive dealers in the United States and Canada. Mr. Morrin holds a bachelor s degree in economics from the University of Pennsylvania and an MBA from the University of Virginia.

Nathan Staples, Chief Credit Officer

Mr. Staples joined us in May 2001 and has served as our Chief Credit Officer since June 2013. Mr. Staples has worked with the Santander Group locally within the USA, and prior to assuming the role of Chief Credit Officer, globally in and throughout the United Kingdom. Mr. Staples is experienced in cash flow modeling, financial and portfolio analyses, credit policy, risk management and collateral recovery. Mr. Staples holds a Bachelor of Science degree in Business Administration with a concentration in Finance from the University of Texas at Dallas and an MBA with a concentration in Strategy from Southern Methodist University, Cox School of Business.

Hugo R. Dooner, Executive Vice President, Consumer Lending

Mr. Dooner joined the Company in March 2010 with more than 20 years of experience in the finance industry. Prior to joining the Santander team, Mr. Dooner was a Vice President and managed the Portfolio Marketing, Strategic Initiatives and global servicing operations of HSBC Auto Finance. Mr. Dooner holds a bachelor s degree from UC Santa Barbara and an MBA from the University of Chicago, Booth School of Business.

Jennifer Popp, Chief Accounting Officer

Ms. Popp has served in the finance industry since 2001, and joined our team in July 2012. Prior to joining our executive team, she served as Vice President, Controller for Residential Credit Solutions, Inc., a Texas-based residential mortgage servicer, and as a senior manager for KPMG LLP. Ms. Popp holds bachelor s and master s degrees in accounting from the University of Missouri, and is a Certified Public Accountant and Chartered Financial Analyst (CFA) charterholder.

Brad Martin, Executive Vice President, Business Operations

Mr. Martin has served within our senior leadership team since 2005, and has served as our Executive Vice President of Business Operations since January 2011. Prior to entering the consumer finance industry in 2000, Mr. Martin served the United States as a Petty Officer in the United States Navy. Mr. Martin attended Dallas Baptist University.

Directors

Our board of directors currently consists of eleven members.

Gonzalo de Las Heras, Honorary Chairman

Mr. de Las Heras served as our Chairman from December 2006 until December 28, 2013, when he became our Honorary Chairman. Mr. de Las Heras has been a director of SHUSA and SBNA since October 2006. Mr. de Las Heras joined Santander in 1990 and most recently served as Executive Vice President supervising Santander business in the United States until 2009, when he retired. Mr. de Las Heras is also the Chairman of Santander Bancorp, Puerto Rico, Banco Santander International, Miami, Santander Trust & Bank (Bahamas) Limited, and Banco Santander (Suisse). Prior to joining Santander, Mr. de Las Heras held various positions at JP Morgan, most recently as Senior Vice President and Managing Director heading its Latin American division. He served as a director of First Fidelity Bancorporation until its merger with First Union. From 1993 to 1997, Mr. de Las Heras served on the New York State Banking Board. He is a director and past chairman of the Foreign Policy Association and a Trustee and past chairman of the Institute of International Bankers. Mr. de Las Heras has a law degree from the University of Madrid and as a Del Amo Scholar pursued postgraduate studies in Business Administration and Economics at the University of Southern California. Mr. de Las Heras has extensive knowledge and experience in international finance, and we believe he is qualified to serve on our board.

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Alberto Sánchez, Vice Chairman

Mr. Sánchez has served as a director since December 2006. Mr. Sánchez has served as a Director of SHUSA and SBNA since January 2009, when they were Sovereign Bancorp and Sovereign Bank, respectively. Mr. Sánchez is the Head of Strategy and Specialty Finance of the U.S. for Banco Santander. Since 1997, Mr. Sánchez has held the following positions within the Santander organization: Head of Equity Research, Head of Latin American Equities, and Head of Spanish Equities and Macroeconomics Research. Previously he was a Senior Managing Director at Bear Stearns (now JP Morgan) and a Managing Director at Deutsche Bank. Mr. Sánchez serves as a director and Vice Chairman of Santander Consumer USA Inc. He also serves as a Board Member of the Greenwich Village Orchestra, the Concert Artists Guild, the Brooklyn Academy of Music and the President s Council of the Development and University Relations Department of Fordham University. Mr. Sánchez holds a master s of International Political Economy & Development from Fordham University and a law degree from the Universidad Complutense de Madrid. Mr. Sánchez has extensive knowledge and experience in international finance, and we believe he is qualified to serve on our board.

Thomas G. Dundon, Director

Mr. Dundon s biography is included under Executive Officers above. Mr. Dundon has extensive knowledge and experience in consumer finance, and we believe he is qualified to serve on our board.

Juan Carlos Alvarez, Director

Mr. Alvarez has served as a director since December 2011. Mr. Alvarez is the Chief Financial Officer of SHUSA and a Senior Executive Vice President of SBNA and is a member of the SHUSA Executive Management Committee. Mr. Alvarez served as the Corporate Treasurer of SBNA from 2009 to 2013, Global Head of Treasury and Investments for Santander International Private Banking Unit from 2006 to 2009, and Head of Treasury and Investments for Santander Suisse since 2000. Mr. Alvarez is a CFA charterholder. Mr. Alvarez earned his B.B.A. in Accounting and Finance from Tulane University and his master of science in finance from George Washington University. Mr. Alvarez has extensive knowledge and experience in global markets, and we believe he is qualified to serve on our board.

Roman Blanco, Director

Mr. Blanco has served as a director since November 2013. He is the Santander US Country Head, President and Chief Executive Officer of SHUSA and SBNA, and a member of the SHUSA Executive Management Committee. He was an executive at Banco Santander Brazil from 2004 to 2007, Santander s country head in Colombia from 2007 to 2012, and head of Santander Puerto Rico from 2012 to 2013. Prior to joining Santander, he worked for consulting firm McKinsey & Co. for thirteen years, most recently as a senior partner specializing in the financial sector. He holds a civil engineering degree and an MBA from Carnegie Mellon University. Mr. Blanco has extensive global financial experience, and we believe he is qualified to serve on our board.

Stephen A. Ferriss, Director

Mr. Ferriss was appointed a director in November 2013 and serves as the Chairman of our Audit Committee. He has served as a director to the SHUSA and SBNA Boards since 2012, serves as the chairman of the SHUSA and SBNA Audit Committees, and is a member of SBNA s Bank Secrecy Act/Anti-Money Laundering Oversight Committee. He is the senior independent director and chairman of the Nominations Committee for Management Consulting Group PLC, London, a publicly traded company on the London Stock Exchange. He also has served as a Board member of Iberchem in Madrid, Spain since 2007, and previously served as a Board member of Santander Bancorp and Banco Santander Puerto Rico from 2002 to 2010 and as a member of the Audit Committee of those companies from 2004 to 2010. He previously served as President and Chief Executive Officer of Santander Investment Securities Inc. from 1999 to 2002 and held various roles at Bankers Trust (now Deutsche Bank Alex. Brown), including managing director and partner of

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the Bankers Trust Global Investment Bank in London and New York. Mr. Ferriss has a B.A. from Columbia College and an M.I.A. from Columbia University School of International Affairs. Mr. Ferriss brings extensive global experience to the Board as a result of these positions, and we believe he is qualified to serve on our board.

Matthew Kabaker, Director

Mr. Kabaker joined Centerbridge Partners, L.P. in 2011 and focuses on investments in financial services, institutions and assets in the United States and Europe. Mr. Kabaker also currently serves as a director of Focus Financial LLC. Prior to joining Centerbridge Partners L.P., Mr. Kabaker was a Senior Advisor to Treasury Secretary Timothy Geithner and the Deputy Assistant Secretary for Capital Markets at the U.S. Treasury Department in Washington, D.C. Prior to joining the U.S. Treasury Department in 2008, Mr. Kabaker was a Managing Director at Blackstone where he worked in the firm s private equity business in New York and London for over 10 years. While at Blackstone, Mr. Kabaker focused on investments in the financial services and retail sectors. Mr. Kabaker earned a B.A. in Philosophy, Politics, and Economics from the University of Pennsylvania. Mr. Kabaker serves on the Board of Directors of Aktua Soluciones Financieras, S.L. and Santander Consumer USA Inc., and we believe he is qualified to serve on our board.

Tagar C. Olson, Director

Mr. Olson has served as a director since January 2012. Mr. Olson is a Member of the general partner of KKR & Co. L.P. (NYSE: KKR), the parent company of Kohlberg Kravis Roberts & Co. L.P., where he is head of KKR s financial services industry team within its private equity platform. Mr. Olson also serves as a Director of Alliant Insurance Services, Inc., First Data Corporation and Visant Corp. Prior to joining KKR in 2002, Mr. Olson was with Evercore Partners Inc., in their private equity and mergers and acquisition practices. He graduated summa cum laude from the University of Pennsylvania s Management and Technology dual-degree program, where he received his B.S.E. from The Wharton School and his B.A.S. from the School of Engineering and Applied Science. Mr. Olson has extensive knowledge and experience in financial services and private equity, and we believe he is qualified to serve on our board.

Javier San Felix, Director

Mr. San Felix has served as a director since 2013, and from 2006 until 2012. Mr. San Felix has been a Senior Executive Vice President of Santander in charge of the Retail and Commercial Banking business since May 2013. Prior to serving as a director, he was the Chief Executive Officer of Banesto from May 2012 until its merger into Santander. From 2008 to 2012, Mr. San Felix was Senior Executive Vice President of Santander Consumer Finance, responsible for Non-Euro Markets including the United States. He served in various other roles for Santander Consumer Finance from 2004 to 2008, and previously was a senior partner with McKinsey & Company. Mr. San Felix has a degree in Business Administration from Universidad Pontificia Comillas and an M.B.A. from the University of California, Los Angeles. Mr. San Felix has extensive international financial services experience, and we believe he is qualified to serve on our board.

Juan Andres Yanes, Director

Mr. Yanes has served as a director since December 2011. Mr. Yanes has also served as a director of SHUSA and SBNA since September 2009. Mr. Yanes is the Chief Risk Officer of SHUSA and SBNA, a Senior Executive Vice President of SHUSA and SBNA, and a member of the SHUSA Executive Management Committee and previously served as the Chief Corporate Officer of Santander USA. Mr. Yanes joined the Santander organization in 1991 and was involved in Investment Banking, Corporate Finance, and Financial Markets until 1999. Mr. Yanes has extensive knowledge and experience in financial market risk, and we believe he is qualified to serve on our board.

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Daniel Zilberman, Director

Mr. Zilberman has served as director since January 2012. Mr. Zilberman is a Partner of Warburg Pincus & Co., a Managing Director of the private equity firm Warburg Pincus LLC and leads the firm s European financial services and special situations practice. Mr. Zilberman also serves as a director of Primerica Inc., Aeolus Re, and The Mutual Fund Store and is an observer on the board of Sterling Financial. Prior to joining Warburg Pincus, Mr. Zilberman worked at Evercore Capital Partners and Lehman Brothers. Mr. Zilberman holds his MBA from The Wharton School at the University of Pennsylvania and a bachelor s degree in International Relations with honors from Tufts University. Mr. Zilberman has extensive knowledge and experience in investments in the financial services sector, and we believe he is qualified to serve on our board.

Composition of the Board of Directors

Upon the closing of this offering, we will have eleven directors and one vacant director position. We intend to avail ourselves of the controlled company exception under applicable stock exchange rules, which eliminates the requirements that we have a majority of independent directors on our board of directors and that we have compensation and nominating/corporate governance committees. We will be required, however, to have an audit committee with one independent director during the 90-day period beginning on the date of effectiveness of the registration statement filed with the SEC in connection with this offering and of which this prospectus is part. After such 90-day period and until one year from the date of effectiveness of the registration statement, we will be required to have a majority of independent directors on our audit committee. Thereafter, we will be required to have an audit committee comprised entirely of independent directors.

If at any time we cease to be a controlled company under stock exchange rules, the board of directors will take all action necessary to comply with the applicable stock exchange rules, including appointing a majority of independent directors to the board of directors and establishing certain committees composed entirely of independent directors, subject to a permitted phase-in period.

Director Independence

Our board of directors has determined that, under NYSE listing standards and taking into account any applicable committee standards, Mr. Ferriss is an independent director. Subject to the Shareholders Agreement, because of the percentage of our voting stock that our Principal Stockholders will continue to own following the offering, under NYSE listing standards, we will qualify as a controlled company and, accordingly, are exempt from its requirements to have a majority of independent directors.

Committees of the Board of Directors

Audit Committee. The members of the Audit Committee are Messrs. Ferriss, de Las Heras, Olson and Sanchez. Mr. Ferriss has been determined by our board of directors to be an independent director, as defined under the rules of the NYSE and Rule 10A-3 of the Securities Exchange Act of 1934, as amended (which we refer to as the Exchange Act). Mr. Ferriss is the chairman of the committee, is an audit committee financial expert, as that term is defined under the SEC rules implementing Section 407 of the Sarbanes-Oxley Act, and possesses financial sophistication, as defined under the rules of the NYSE. Each member of the audit committee is financially literate. The Committee is responsible for, among other things:

- reviewing our financial statements and public filings that contain financial statements, significant accounting policies changes, material weaknesses and significant deficiencies identified by outside auditors, if any, and risk management issues;

- monitoring and assessing our compliance with legal and regulatory requirements, our financial reporting processes and related internal control systems, and the performance of our internal audit function;

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- appointing our outside auditors and monitoring their independence, qualifications, compensation, and performance; and

- preparing the Audit Committee report for inclusion in our proxy statement for our annual meeting.

Board Enterprise Risk Committee. The members of the Board Enterprise Risk Committee are Messrs. Kabaker, Sanchez and Yanes. The Board Enterprise Risk Committee assists the Board in oversight responsibilities with respect to enterprise, credit, operational, market, liquidity, reputational, legal, regulatory, and compliance risk.

As a controlled company, we do not currently intend to establish a separate compensation or nominating and corporate governance committee, and compensation and nominating/corporate governance functions will be managed by the full board of directors until the rules change, we cease to be a controlled company, or we otherwise determine to do so.

Code of Business Conduct and Ethics

Our board of directors has adopted a code of business conduct and ethics (which we refer to as the Code of Ethics) that applies to all of our directors, officers, and employees, including our principal executive officer, principal financial officer, principal accounting officer, and persons performing similar functions. The Code of Ethics is available free of charge upon written request to Corporate Secretary, Santander Consumer USA Inc., 8585 North Stemmons Freeway, Suite 1100-N, Dallas, Texas 75247. If we amend or grant any waiver from a provision of our Code of Ethics that applies to our executive officers, we will publicly disclose such amendment or waiver on our website and as required by applicable law, including by filing a Current Report on Form 8-K.

Board Leadership Structure

Our board of directors does not have any formal policy on whether the same person should serve as both the Chief Executive Officer and Chairman of the Board, as the board of directors believes that it should have the flexibility to make this determination at any given point in time in the way that it believes best to provide appropriate leadership for us at that time. Our board of directors has not separated the positions of Chairman of the Board and Chief Executive Officer, and both positions are currently held by Mr. Dundon. Our board of directors does not currently have a Lead Director. The board of directors believes that this serves us well by creating a critical link between management and our board of directors, enabling our board of directors to perform its oversight function with the benefits of management s perspectives on the business, facilitating communication between our board of directors and our senior management, and providing our board of directors with direct oversight of our business and affairs.

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COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis describes the material elements of compensation awarded to, earned by, or paid to each of our executive officers who are included in the Summary Compensation Table, who we collectively refer to as our named executive officers or NEOs and focuses on the information contained in the following tables and related footnotes primarily for the fiscal year ended December 31, 2013 and, as such, neither this Compensation Discussion and Analysis nor the information in the following tables and related footnotes give effect to the Reorganization that will occur in fiscal year 2014, pursuant to which, immediately prior to the closing of this offering, SCUSA Merger Sub will merge with and into SCUSA Illinois, with SCUSA Illinois continuing as the surviving corporation and a wholly owned subsidiary and operating company of Santander Consumer USA Holdings Inc. In the merger, all of the outstanding shares of common stock of SCUSA Merger Sub and equity-based awards will be converted into shares and awards in respect of shares, as applicable, of Santander Consumer USA Holdings Inc. common stock on a 2.6665 for 1.00 basis. See Reorganization.

For the fiscal year ended December 31, 2013, our NEOs were: (i) Thomas G. Dundon, Chief Executive Officer; (ii) Jason A. Kulas, President and Chief Financial Officer; (iii) Jason W. Grubb, Chief Operating Officer; (iv) Eldridge A. Burns, Jr., Chief Legal Officer and General Counsel; and (v) Richard Morrin, EVP, New Business.

Philosophy and Objectives of Our Executive Compensation Program. The fundamental principles that Santander and we follow in designing and implementing compensation programs for the NEOs are to:

- attract, motivate, and retain highly skilled executives with the business experience and acumen necessary for achieving our long-term business objectives;
- link pay to performance;
- align, to an appropriate extent, the interests of management with those of our stockholders; and
- support our core values, strategic mission, and vision.

We aim to provide a total compensation package that is comparable to that of other financial institutions in the geographic area in which the NEOs are located, taking into account publicly available information considered by our Chief Executive Officer and Chief Human Resources Officer; however, we did not engage in formal market or industry benchmarking in fiscal year 2013. Within this framework, SCUSA considers each component of each NEO s compensation package independently; that is, SCUSA does not evaluate what percentage each component comprises of the total compensation package.

SCUSA took into account individual performance, level of responsibility, and track record within the organization in setting each named executive officer s compensation for fiscal year 2013.

Process for Determining Executive Compensation

SCUSA Board of Directors. Our board of directors has oversight of, among other things, adoption, modification or termination of the terms within our executive equity-based incentive plan in which our NEOs participate and approval of amounts paid to the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer under the executive incentive program. Our board of directors also sets compensation for our Chief Executive Officer.

SCUSA Human Resources Department. Our human resources department has the authority and responsibility to oversee management performance reviews, and to prepare the management bonus pools for presentation to our board of directors. Our Executive Committee (which includes all of our NEOs), in partnership with our human resources department, also approves individual bonus awards to the extent that our board of directors delegates such powers and responsibilities.

SCUSA Management. Our Chief Executive Officer collaborates with our Chief Human Resources Officer in setting compensation for all of our NEOs other than our Chief Executive Officer.

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Santander. While our NEOs were eligible to participate in Santander s Performance Shares Plan in fiscal year 2013, no awards were granted to the NEOs under the Performance Shares Plan in fiscal year 2013, and no awards are anticipated to be granted to the NEOs under the Performance Shares Plan in the future.

Benchmarking and Independent Compensation Consultant. We did not engage in market or industry benchmarking in fiscal year 2013 with respect to the compensation of the NEOs. In addition, neither we nor our board of directors engaged a compensation consultant in fiscal year 2013.

Principal Components of Executive Compensation

For fiscal year 2013, the compensation that we paid to our NEOs consisted primarily of base salary and short- and long-term incentive opportunities, as we describe more fully below. In addition, the NEOs are eligible for participation in company-wide welfare benefits plans, and we provide the NEOs with certain welfare benefits and perquisites not available to our employees generally.

Base Salary

Base salary represents the fixed portion of each NEO s compensation and is intended to provide compensation for expected day-to-day performance. The base salaries of the NEOs were generally set in accordance with each NEO s employment agreement, each of which was entered into prior to fiscal year 2013. See Employment Agreements with Named Executive Officers. While each NEO s employment agreement provides for the possibility of increases in base salary, annual increases are not guaranteed. No NEO received an increase in annual base salary in fiscal year 2013, however, our board of directors has approved the following base salary increases for fiscal year 2014 for Messrs. Dundon, Kulas, Grubb, and Burns, to retain these key executives and to reflect the increased responsibility relating to their roles with respect to a public company:

Name	2013 Base Salary	2014 Base Salary
Thomas Dundon	$ 1,500,000	$ 2,625,000
Jason Kulas	$ 400,000	$ 890,000
Jason Grubb	$ 350,000	$ 550,000
Eldridge Burns	$ 240,000	$ 260,000

Short-Term Incentive Compensation

Discretionary Bonuses

In certain cases, we award discretionary bonuses to the NEOs to motivate and reward outstanding performance. These awards permit us to apply discretion in determining awards rather than considering specific performance goals that may inadvertently reward inappropriate risk-taking. No discretionary bonuses were granted in fiscal year 2013.

Retention Bonuses

On June 28, 2013, we executed retention bonus letters with certain executives, including each of our NEOs with the exception of Mr. Dundon. Each retention bonus letter provides for a lump sum cash bonus payable within five days following the date of the retention bonus letter, subject to withholding for applicable income and payroll taxes or otherwise as required by law. The retention bonus is subject to claw-back in the event that, prior to February 28, 2015, the executive voluntarily terminates employment with the Company or in the event that, prior to February 28, 2015, the executive s employment is terminated by the Company for cause (as defined in the Management Equity Plan). If such termination occurs prior to February 28, 2014, the executive will be required to repay to the Company the net amount of the retention bonus, and if such termination occurs after February 28, 2014 and prior to February 28, 2015, the executive will be required to repay to the Company 50% of the net amount of the retention bonus. After the retention bonuses were granted, we provided for a tax gross-up with respect to the federal, state and local taxes paid by each of the NEOs in connection with their retention bonuses.

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The amounts paid to each of the following NEOs under the retention bonus letters, and the amounts of the subsequently-issued tax gross-ups, are set forth in the table below:

Named Executive Officer	Value of Retention Bonus ($)		Value of Tax Gross-Up ($)	
Jason Kulas	$	200,000	$	75,930
Jason Grubb	$	175,000	$	65,606
Eldridge Burns	$	120,000	$	44,211
Richard Morrin	$	150,000	$	55,616

SCUSA Executive Incentive Program

We provide annual short-term cash incentive opportunities for the NEOs in the form of the SCUSA Executive Incentive Program (EIP) to reward the NEOs for their efforts towards achievement of corporate performance objectives, as well as to reinforce key cultural behaviors used to achieve short-term and long-term success. The EIP was approved by our board of directors, on the recommendation of our Executive Committee, on May 17, 2011. Each of the NEOs participated in the EIP in fiscal year 2013 and were eligible for a target annual bonus equal to 100% of each such NEO s annual base salary. Messrs. Dundon and Kulas received a 2013 EIP bonus equal to 250% of their respective annual base salaries, Mr. Grubb received a 2013 EIP bonus equal to 186% of his annual base salary, Mr. Burns received a 2013 EIP bonus equal to 108% of his annual base salary and Mr. Morrin received a 2013 EIP bonus equal to 100% of his annual base salary. Our board of directors has approved target annual bonus levels under the EIP for fiscal year 2014 equal to 100% of annual base salary for each of our NEOs.

Achievement under the EIP was determined by reference to the Company s overall projected performance goals from year to year. The budgeted goal for net income for 2013 was $675,047,000 which provided the most exact and quantitative measure of the Company s performance. Other performance goals critical to a strong performance were more qualitative and less easily measured (i.e., driving revenue-producing opportunities, sourcing of new loans and management of expenses). Our Chief Executive Officer, Chief Financial Officer, Chief Human Resources Officer and our board of directors annually review the appropriateness of the performance goals used in the EIP with respect to the degree of difficulty in achieving such goals, and determine whether there is a sufficient balance of degree of difficulty and potential reward for the NEOs. There is no specific weight given to any one performance goal, and the executives and our board of directors have the flexibility to consider a wide variety of performance goals (including performance goals not enumerated above), as they determine appropriate throughout the year in reaching their final conclusion as to achievement under the EIP. In making the EIP bonus determinations for fiscal year 2013, our board of directors reviewed our overall performance, including our projected net income results for fiscal year 2013, which was approximately $685 million. Our board of directors, with recommendations from our Chief Executive Officer (other than with respect to the Chief Executive Officer), then considered aspects of each NEO s overall individual performance during the performance period (including, but not limited to, performance in the execution of Company goals and objectives, commitment to the Company s core values, contributions to retention of workforce, and ability to identify and address cross-departmental concerns) and after considering all of the different factors, determined the actual EIP bonuses on an individual-by-individual basis without giving specific weight to any particular Company-wide or individual goals. In making the EIP bonus determinations for fiscal year 2013, our board of directors reviewed the NEOs individual performance during the performance period and made the following determinations:

Mr. Dundon made significant contributions to the overall performance of the Company, including his critical contributions to the successful roll-out of Chrysler Capital, and exceeded expectations in his role as a driver of technology and financial strategies, and by demonstrating strong leadership.

Mr. Kulas exceeded expectations in his contributions to the Company s technology and financial strategies, and demonstrated strong leadership in connection with the initial public offering process.

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Mr. Grubb exceeded expectations by strategically directing and guiding the Company toward innovative solutions within the Company s operational segments.

Mr. Burns made notable contributions toward identifying and addressing cross-departmental concerns, specifically in connection with the initial public offering process.

Mr. Morrin was critical to the successful roll-out of Chrysler Capital and further met expectations by facilitating the execution of Company goals and objectives and in his commitment to the Company s core values.

The amounts paid under the SCUSA EIP are reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.

Our NEOs have previously been required to defer a portion of their annual bonus. See Santander s Management Board Compensation Policy and Identified Staff Plan.

Medium- and Long-Term Incentive Compensation

Performance Shares Plan

The Performance Shares Plan is sponsored by Santander, and is a means for providing medium- and long-term incentive compensation for selected executives across its global platform. Santander developed the Performance Shares Plan to align the interests of Santander s executives with those of its stockholders by encouraging stock ownership among its executives. The Performance Shares Plan generally consists of a multi-year plan under which Santander may award a participant a number of restricted shares of Santander common stock based on Santander s performance during a specific three-year performance cycle. For fiscal year 2013, each of our NEOs (other than Richard Morrin) was eligible to participate in the Performance Shares Plan; however, no awards were granted to the NEOs under the Performance Shares Plan in fiscal year 2013, though the NEOs had the opportunity to vest in certain awards that were made in previous years as described below. SCUSA no longer participates in the Performance Shares Plan; accordingly, no awards will be granted to the NEOs under the Performance Shares Plan in the future.

Awards under the Performance Shares Plan relate to three-year performance cycles, with the payout of shares occurring no later than July 31st of the year following the end of the applicable cycle. Each of the NEOs (other than Richard Morrin) participated in the cycle covering performance for fiscal years 2010 through 2012 (which cycle had a payout date of no later than July 31, 2013).

The maximum number of shares that each participant is eligible to receive under each cycle was determined at the beginning of the cycle entirely at the discretion of our Executive Committee, based on the participant s position within the Company. A percentage of the maximum number of shares vest in accordance with pre-established Santander total stockholder return (TSR) goals compared to a peer group of the world s largest financial institutions chosen by Santander in its sole discretion on the basis of market capitalization, geographic location, and the nature of the businesses. We did not have any input into the selection of the peer group and are not informed of the specific peer group. Restrictions on shares lapse, and shares are delivered to the NEOs under the Performance Shares Plan, based on Santander s performance over the three-year cycle, provided that the NEO remains continuously employed at Santander or a subsidiary through June 30 of the year following the end of the applicable cycle. In the event that the NEO s employment is terminated prior to June 30 of the year following the end of the applicable cycle, and such termination is due to retirement, involuntary termination, unilateral waiver by the NEO for good cause (as provided under Spanish law), unfair dismissal, forced leave of absence, permanent disability or death, restrictions will lapse as to a prorated portion of the restricted shares, based on the number of days that the NEO was employed during the applicable cycle.

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The TSR goals and the associated possible percentages of restricted shares awarded that the NEOs may have earned under the Performance Shares Plan with respect to the 2010-2012 performance cycles are as follows:

Santander s position in the TSR ranking	Percentage of Award Earned (2009-2011 Performance Cycle)	Percentage of Award Earned (2010-2012 Performance Cycle)
1st to 5th	100.0%	100.0%
6th	82.5%	82.5%
7th	65.0%	65.0%
8th	47.5%	47.5%
9th	30.0%	30.0%
10th or below	0%	0%

The maximum number of shares payable to the NEOs under the Performance Shares Plan in fiscal year 2013, with respect to the 2010-2012 performance cycle, is set forth in the table below:

Named Executive Officer	Number of Shares Delivered
Thomas Dundon	37,080
Jason Kulas	17,745
Jason Grubb	13,150
Eldridge Burns	7,278

For fiscal year 2013, Santander s position in the TSR ranking was 10th or below. Accordingly, no shares were delivered under the Performance Shares Plan during 2013.

SCUSA 2011 Management Equity Plan

We have adopted the Management Equity Plan, which granted stock option awards in view of our potential initial public offering, with the intention of aligning key employees interests with those of the Company. Under the Management Equity Plan, eligible Company employees and directors (including the NEOs) may receive nonqualified stock options to purchase SCUSA common stock with an exercise price of at least the fair market value of SCUSA common stock on the date of grant. The Management Equity Plan also provides for the grant of premium priced stock options, which are granted with a per share exercise price in excess of the fair market value of SCUSA common stock on the date of grant. In addition to participation in the Management Equity Plan, certain members of senior management purchased shares of SCUSA common stock at fair market value.

Grants may be in the form of time-vesting options (with vesting based on continued service with SCUSA), or in the form of performance-vesting options (with vesting based on continued service with SCUSA and the achievement of performance targets relating to SCUSA s return on equity). Vesting of awards under the Management Equity Plan is generally subject to acceleration upon a change in control. See Potential Payments upon Termination or Change in Control below and Equity Compensation Plans Information.

None of our NEOs were, or are expected to be, granted stock options in fiscal year 2013.

SCUSA Omnibus Incentive Plan

We have adopted the Omnibus Incentive Plan, which provides for the grant of nonqualified and incentive stock options, SARs, restricted stock awards, restricted stock units and other awards that may be settled in or based upon the value of our common stock to eligible officers, employees, directors and consultants. The purpose of the Omnibus Incentive Plan is to give us a competitive advantage in attracting, retaining and motivating officers, employees, directors and consultants and to provide a means whereby officers, employees, directors and consultants can acquire and maintain ownership of our common stock or be paid incentive compensation measured by reference to the value of our common stock, strengthening their commitment to us and our affiliates and promoting an identity of interest between our stockholders and the recipient of awards under the Omnibus

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Incentive Plan. Vesting of awards under the Omnibus Incentive Plan is generally subject to acceleration upon a change in control. See Potential Payments upon Termination or Change in Control and Our Equity Incentive Plans, below.

Messrs. Dundon, Kulas and Grubb were granted restricted shares in fiscal year 2013 in order to reward these NEOs for their contributions to the Company in 2013. In order to provide additional retention to Mr. Dundon, given his expansive experience in our business, our board of directors determined that it was in the best interests of the Company to grant Mr. Dundon a restricted share grant that was greater than those received by the other two NEOs. The restricted shares vest ratably over five years, subject to continued employment. If the NEO s employment is terminated for any reason other than death, disability or by the Company without cause, the restricted shares will be forfeited. If the NEO s employment is terminated due to death, disability or by the Company without cause, the restricted shares will vest in full. The restricted shares will also vest in full upon a change in control; provided, that, a change in control will not be deemed to occur as a result of the offering or related transactions (including the Reorganization). These NEOs were granted the following restricted shares in fiscal year 2013:

Named Executive Officer	Restricted Shares
Thomas Dundon	143,589
Jason Kulas	64,615
Jason Grubb	10,769

Santander s Management Board Compensation Policy and Identified Staff Plan

Under Santander s Management Board Compensation Policy and Identified Staff Plan, certain executive officers, including Messrs. Dundon, Kulas and Grubb, had been required to defer a portion of their annual bonuses for the fiscal years 2010 and 2011. The percentage of annual bonus that was required to be deferred was based on each NEO s total bonus earned.

With the exception of certain bonus deferrals made by Mr. Dundon, all amounts deferred under the Santander s Management Board Compensation Policy and Identified Staff Plan are payable in Santander common stock, in three equal installments on each anniversary of the date of the deferral. Mr. Dundon s deferred annual bonus with respect to fiscal year 2011 is payable one half in cash and one half in Santander common stock, in three equal installments on each anniversary of the date of deferral. Receipt of deferred bonus payments is contingent on the NEO remaining employed through the applicable payment date and subject to there being no: (i) deficient financial performance by Santander during that period, (ii) poor conduct by the participant (with respect to 2010 bonus deferrals only), (iii) breach or falsification by the participant in violation of the internal risk rules, (iv) material restatement of the entity s financial statements and (v) significant variation in the economic capital or in the qualitative valuation of risks. Accordingly, amounts with respect to 2010 bonus deferrals are payable one-third in each of 2012, 2013 and 2014, and amounts with respect to 2011 bonus deferrals are payable one-third in each of 2013, 2014 and 2015. Once received, shares of Santander common stock are subject to a one-year holding requirement.

Other Compensation

In addition to the benefits that all of our employees are eligible to receive, the NEOs are eligible for certain other benefits and perquisites. For fiscal year 2013, the additional benefits and perquisites included a car allowance, SCUSA employer matching contributions to SCUSA s qualified defined contribution retirement plan (i.e., 401(k) Plan), and annual premiums for executive disability benefits. These benefits and perquisites are generally consistent with those paid to similarly situated SCUSA executives. Mr. Dundon s perquisites also include parking and toll expenses, financial planning expenses (including tax preparation services, accounting services and financial advisory and planning services), legal and estate planning expenses, medical reimbursements, and personal use of reward points earned on the Company credit card in connection with payment of corporate expenses.

We pay certain expenses incurred by Mr. Dundon in the operation of his private plane when used for SCUSA business within the contiguous 48 states of the United States. Under this practice, payment is based on a set flight time hourly rate, and the amount of our reimbursement is not subject to a maximum cap per fiscal year. During fiscal year 2013, the average flight time hourly rate was approximately $5,400, and accordingly, we paid approximately $496,000 to Meregrass Company, a 135 charter company that manages this operation, under this practice.

Retirement Benefits

Each of the NEOs is eligible to participate in SCUSA s qualified defined contribution retirement plan (i.e., 401(k) Plan) under the same terms as other eligible SCUSA employees. SCUSA provides these benefits in order to foster the development of the NEOs long-term careers with the Company. We do not provide defined benefit pension benefits, or nonqualified or excess retirement benefits to any of our NEOs.

Employment Agreements

We have entered into employment agreements with each of the NEOs, establishing key elements of compensation that differ from our standard plans and programs and that facilitate the creation of covenants, such as those prohibiting post-employment competition or solicitation by the NEOs. We believe that these agreements provide stability to SCUSA and further our overarching compensation objective of attracting and retaining the highest quality executives to manage and lead us. See Employment Agreements with Named Executive Officers.

Tax Considerations

We intend to seek to maximize deductibility for tax purposes (including under Section 162(m) of the Code) of all elements of compensation of the NEOs, from and after the time that our compensation programs become subject to Section 162(m) of the Code (Section 162(m)). Pursuant to the transition provisions under Section 162(m), certain compensation arrangements that were entered into by a corporation before it was publicly held may not be subject to the deductibility limits for a period of approximately three years following the consummation of a public offering. Prior to such time as our compensation programs become subject to Section 162(m), we intend to review our compensation plans in light of applicable tax provisions and revise them as necessary to maximize deductibility. However, the Company and our board of directors will take into consideration a multitude of factors in making executive compensation decisions and may, in certain circumstances, approve compensation arrangements that do not qualify for maximum deductibility.

Compensation in Connection with this Offering

Adoption of SCUSA Omnibus Incentive Plan and Equity Grants

In advance of the offering, we have adopted the Omnibus Incentive Plan, which we expect to continue to use following this offering. We have also granted restricted shares to Messrs. Dundon, Kulas and Grubb in order to reward them for their contributions to the Company in 2013. See SCUSA Omnibus Incentive Plan above and Our Equity Incentive Plans, below.

Accelerated Vesting of Outstanding Equity Awards

Effective as of, and subject to the occurrence of, this offering (and contingent on their continued employment through the offering), our board of directors has approved the acceleration of the vesting of all stock options previously granted under the Management Equity Plan held by Messrs. Dundon, Kulas and Grubb (including the waiver of performance conditions), with the shares underlying such options to be subject to amended transfer restrictions resulting in a portion of the shares received upon exercise of such options being transferable earlier than currently contemplated by the management equity arrangements, and other portions of the shares received upon exercise of such options being transferable later than currently contemplated. In addition, the options that are vested in accordance with the first sentence of this section will be forfeited if the employment of the applicable NEO terminates prior to the date that the options would have vested in the ordinary course under the current management equity arrangements. Our board of directors has also approved the amendment effective as of, and subject to the occurrence of the offering (and contingent on their continued employment through the offering) of the management equity arrangements previously granted under the Management Equity Plan with each of Messrs. Burns and Morrin whereby certain transfer restrictions with respect to shares underlying a portion of their outstanding vested and unvested options will be waived and transfer restrictions with respect to shares underlying other portions of the outstanding options held by Messrs. Burns and Morrin will be extended.

The Management Equity Plan requires that the remaining shares available under the Management Equity Plan be granted in connection with an initial public offering; however, our board of directors has approved the amendment of the Management Equity Plan in connection with, and immediately prior to, this offering to provide that shares available under the Management Equity Plan that remain available at the consummation of the initial public offering will remain available for grant under the Management Equity Plan.

Compensation Following This Offering

We anticipate that our NEOs will continue to be subject to employment agreements that are substantially similar to their existing employment agreements which are described herein. It is also anticipated that our current NEOs will hold substantially similar positions following the offering.

While we are still in the process of determining specific details of the compensation program that will take effect following the offering, it is anticipated that our compensation program following the offering will be based on the same principles and designed to achieve the same objectives as our current compensation program. In addition, in connection with the offering, we intend to adopt a written annual bonus plan, described below, which will be used following this offering.

Equity Grants

Our board of directors has approved a grant of stock options to Messrs. Dundon, Kulas and Grubb pursuant to the Management Equity Plan, which grant will be made and will be effective on the date on which the underwriting agreement in connection with this offering is executed, this registration statement becomes effective and the initial public offering price of our common stock in this offering is determined, and will be made with an exercise price equal to the initial public offering price of our common stock in this offering. Our board of directors approved this grant in order to reward the NEOs for their performance during the initial public offering process and to provide additional retention.

Adoption of Senior Executive Annual Bonus Plan

In connection with this offering, we intend to adopt the following written annual bonus plan, which is expected to have the following material terms.

The Senior Executive Bonus Plan, is intended to provide an incentive for superior work and to motivate covered key executives toward even greater achievement and business results, to tie their goals and interests to those of ours and our stockholders and to enable us to attract and retain highly qualified executives.

The Senior Executive Bonus Plan is a performance-based bonus plan under which our designated key executives, including our executive officers, will be eligible to receive bonus payments with respect to a specified period (for example, our fiscal year). Bonuses generally will be payable under the Senior Executive Bonus Plan upon the attainment of pre-established performance goals. Notwithstanding the foregoing, we may pay bonuses (including, without limitation, discretionary bonuses) to participants under the Senior Executive

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Bonus Plan based upon such other terms and conditions as the board of directors or a committee of the Company s board of directors, which we refer to as the Administrator, may in its discretion determine.

Performance goals under the Senior Executive Bonus Plan may relate to one or more corporate business criteria with respect to us or any of our subsidiaries, including but not limited to: sales; revenues; assets; expenses; earnings before or after deduction for all or any portion of interest, taxes, depreciation, or amortization, whether or not on a continuing operations or an aggregate or per share basis (basic or fully diluted); return on equity, capital or assets; one or more operating ratios such as earnings before interest, taxes and/or depreciation and amortization; borrowing levels, leverage ratios or credit rating; market share; capital expenditures; free cash flow, cash flow, return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital; stock price; earnings per share; shareholder return; sales of particular products or services; customer acquisition or retention; acquisitions and divestitures (in whole or in part); economic value added; strategic business criteria consisting of one or more objectives based on meeting specific market penetration, geographic business expansion goals, facility construction or completion goals, geographic facility relocation or completion goals, cost targets, customer satisfaction, supervision of litigation or information technology; joint ventures and strategic alliances; spin-offs, split-ups and the like; reorganizations; or recapitalizations, restructurings, financings (issuance of debt or equity) or refinancings, any of which may be measured either in absolute terms or as compared to any incremental increase or decrease, or as compared to results of a peer group.

The payment of a bonus to a participant pursuant to the Senior Executive Bonus Plan is generally conditioned on continued employment of such participant through the last day of the performance period; however, the Administrator may make exceptions to this requirement in its sole discretion, including, without limitation, in the case of a participant s termination of employment, retirement, death or disability, or as may be required by an individual employment or similar agreement.

The Senior Executive Bonus Plan is administered by the Administrator. The Administrator will select the participants in the Senior Executive Bonus Plan and the performance goals to be utilized with respect to the participants, establish the bonus formulas for each participant s annual bonus, and certify whether any applicable performance goals have been met with respect to a given performance period. We may amend or terminate the Senior Executive Bonus Plan at any time in our sole discretion. Any amendments to the Senior Executive Bonus Plan will require stockholder approval only to the extent required by applicable law, rule or regulation.

Summary Compensation Table

The following summary compensation table sets forth the total compensation paid or accrued for the years ended December 31, 2012 and December 31, 2013, for each individual who served as our Chief Executive Officer or Chief Financial Officer during fiscal year 2013, and our three other most highly compensated executive officers who were serving as executive officers on December 31, 2013.

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)(5)	Change in Pension Value and Non-qualified Deferred Compensation Earnings ($)	All Other Compensation ($)(6)	Total ($)
Thomas G. Dundon, CEO	2013	1,500,000	136,376(2)	8,040,984(4)		3,750,000		235,820	13,663,180
	2012	1,500,000	613,694	613,484	78,479,071	3,750,000		263,411	85,219,660
Jason A. Kulas, CFO	2013	400,000	275,930(3)	3,618,440(4)		1,000,000		17,544	5,311,914
	2012	400,000	115,000		6,208,846	1,000,000		29,006	7,752,852
Jason W. Grubb, COO	2013	350,000	240,606(3)	603,064(4)		650,000		12,381	1,856,051
	2012	350,000	100,000		5,551,138	650,000		12,381	6,663,519
Eldridge A. Burns Jr., CLO	2013	240,000	164,211(3)			260,000		12,015	676,226

	2012	240,000		2,394,083	325,000	12,413	2,971,496
Richard Morrin, EVP, New Business	2013	255,000	205,615(3)		255,000	19,755	735,370
	2012	255,000	230,000	1,604,828	255,000	28,320	2,373,148

(1) We base the amounts in this column on actual base compensation paid through the end of the applicable fiscal year.

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(2) Reflects a cash amount with respect to 2011 variable compensation that vests and becomes payable annually to Mr. Dundon in each of 2013, 2014 and 2015 pursuant to Santander s Management Board Compensation Policy and Identified Staff Plan. See Santander s Management Board Compensation Policy and Identified Staff Plan and Outstanding Equity Awards at Fiscal 2013 Year End.

(3) Reflects the cash retention amounts (and related tax gross-ups) paid to Messrs. Kulas, Grubb, Burns and Morrin in July 2013. See Retention Bonuses.

(4) The value of the stock awards included in the Summary Compensation Table is based on the aggregate grant date fair value computed in accordance with ASC 718. For assumptions used in determining these values, see Determination of the Fair Value of Stock-based Compensation Grants. See Outstanding Equity Awards at Fiscal 2013 Year End table for additional information regarding the vesting parameters that are applicable to these awards.

(5) Reflects amounts paid to the NEOs under the SCUSA EIP. See SCUSA Executive Incentive Program.

(6) Includes the following amounts paid to or on behalf of the NEOs in fiscal year 2013:

	Car Allowance ($)	SCUSA Contribution to Defined Contribution Plan ($)	Club Memberships ($)	Financial Planning ($)	Estate Planning ($)	Legal Expenses ($)	Executive Disability Benefits ($)(b)	Medical Reimbursements ($)	Paid Parking and Tolls ($)	Total ($)
Thomas G. Dundon(a)	12,246	12,750		177,415	7,054	8,365	13,979(c)	3,501	510	235,820
Jason A. Kulas	9,600	5,538					2,406			17,544
Jason W. Grubb	9,600						2,781			12,381
Eldridge A. Burns, Jr.	9,600						2,505			12,105
Richard Morrin	9,600	7,650					2,505			19,755

(a) The Company permits Mr. Dundon to use reward points earned on the Company credit card in connection with payment of corporate expenses for Mr. Dundon s personal use.
(b) Amount listed represents the annual premiums paid by the Company for NEO executive disability benefits.
(c) Amount listed represents the annual premiums paid by the Company for Mr. Dundon s executive disability benefits, inclusive of an additional rider.

Grants of Plan-Based Awards 2013

Name	Grant Date	Estimated Possible Future Payouts Under Non-Equity Incentive Plan Awards ($)(1)	All Other Stock Awards: Number of Shares of Stock or Units (#)(2)	Grant Date Fair Value of Stock and Option Awards ($)(3)
Thomas G. Dundon	February 2013	1,500,000		
	December 2013		143,589	8,040,984
Jason A. Kulas	February 2013	400,000		
	December 2013		64,615	3,618,440
Jason W. Grubb	February 2013	350,000		

	December 2013		10,769	603,064
Eldridge A. Burns, Jr.	February 2013	240,000		
Richard Morrin	February 2013	255,000		

(1) The amounts set forth in this column reflect the target bonus opportunities for each of our NEOs pursuant to the SCUSA EIP for fiscal year 2013.

(2) The amounts set forth in this column reflect the restricted shares that were granted to certain of our NEOs in 2013 pursuant to the Omnibus Incentive Plan. Restricted shares vest ratably over five years, subject to continued employment.

(3) The value of the stock awards included in this column is based on the aggregate grant date fair value computed in accordance with ASC 718. For assumptions used in determining these values, see

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Determination of the Fair Value of Stock-based Compensation Grants. See Outstanding Equity Awards at Fiscal 2013 Year End table for additional information regarding the vesting parameters that are applicable to these awards.

Outstanding Equity Awards at Fiscal 2013 Year End

	Option Awards					Stock Awards	
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)(1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)(2)	Option Exercise Price ($)(3)	Option Expiration Date	Number of Shares or Units of Stock that have not Vested (#)	Market Value of Shares or Units of Stock that have not Vested ($)
Thomas G. Dundon	1,509,281	727,132	1,536,789	24.54	12/31/2021		
	475,932		713,899	32.24	12/31/2021		
						143,589(4)	8,040,984(7)
						8,356(5)	30,465(8)
						34,569(6)	163,270(8)
Jason A. Kulas	132,112	116,957	81,210	24.54	12/31/2021		
	23,888		35,833	32.24	12/31/2021		
						64,615(4)	3,618,440(7)
						1,938(5)	9,153(8)
						3,295(6)	15,562(8)
Jason W. Grubb	118,117	104,567	72,608	24.54	12/31/2021		
	21,358		32,807	32.24	12/31/2021		
						10,769(4)	603,064(7)
						1,188(5)	5,611(8)
						1,521(6)	7,184(8)
Eldridge A. Burns, Jr.	50,941	45,908	31,314	24.54	12/31/2021		
	9,211		13,817	32.24	12/31/2021		
Richard Morrin	34,148	30,230	20,991	24.54	12/31/2021		
	6,174		9,262	32.24	12/31/2021		

(1) Options with respect to SCUSA common stock were granted under the Management Equity Plan in February 2012. Time-vesting options generally vest and become exercisable over five years in equal installments subject to the participant s continued employment. With respect to the options held by Messrs. Dundon, Kulas and Grubb, our board of directors intends to accelerate the vesting of such options effective as of, and subject to, the occurrence of this offering.

(2) Options with respect to SCUSA common stock were granted under the Management Equity Plan in February 2012. Performance-vesting options generally vest and become exercisable over five years in equal annual installments, based on our achievement of applicable threshold ROE targets, and subject to the participant s continued employment at each measurement date. These ROE targets are an ROE of 27.5% for each of 2012 and 2013 and 18% for each of the years 2014 through 2016. If we do not achieve the applicable threshold ROE target with respect to a measurement date, the portion of the performance-vesting option that would have vested had the ROE target been met will remain outstanding and will vest if, at any point prior to the earlier of the end of the five-year performance period or a change in control (as defined in the Management Equity Plan), we achieve an average ROE target of 25.0%, subject to the participant s

continued employment through such time. With respect to the options held by Messrs. Dundon, Kulas and Grubb, our board of directors has approved the acceleration of the vesting of such options (including the waiver of performance conditions) effective as of, and subject to, the occurrence of the offering (and contingent on their continued employment through this offering).

(3) Exercise prices were retroactively adjusted to reflect dividend protection adjustments. As discussed under the heading Our Equity Incentive Plans, in connection with the Reorganization, the Management Equity Plan will be assumed by the Company and all awards outstanding under the Management Equity Plan at the time of the Reorganization will be adjusted, in accordance with the terms of the Management Equity Plan, and on the same basis as shares of SCUSA Illinois, generally (including with respect to any stock splits or similar adjustments effected in connection with the Reorganization).

(4) Restricted shares granted under the Omnibus Incentive Plan vest ratably over five years, subject to continued employment. Vesting may be accelerated upon death, disability, termination of employment without cause or upon a change in control; provided, that, a change in control will not be deemed to occur as a result of the initial public offering or related transactions (including the Reorganization).

(5) Reflects restricted shares of Santander common stock outstanding in respect of NEO bonus deferrals under Santander s Management Board Compensation Policy and Identified Staff Plan in fiscal year 2010.

(6) Reflects restricted shares of Santander common stock outstanding in respect of NEO bonus deferrals under Santander s Management Board Compensation Policy and Identified Staff Plan in fiscal year 2011.

(7) Valuation based on a per share price of our common stock on December 31, 2013 of $56.00, computed in accordance with ASC 718. For assumptions used in determining these values, see Determination of the Fair Value of Stock-based Compensation Grants. As discussed under the heading Our Equity Incentive Plans, in connection with the Reorganization, the Omnibus Incentive Plan will be assumed by the Company and all awards outstanding under the Omnibus Incentive Plan at the time of the Reorganization will be adjusted, in accordance with the terms of the Omnibus Incentive Plan, and on the same basis as shares of SCUSA Illinois, generally (including with respect to any stock splits or similar adjustments effected in connection with the Reorganization).

(8) Valuation based on a per share closing price of Santander common stock on December 31, 2013 of 6.51 and a rate of exchange of 0.7255 Euros to one U.S. Dollar on such date.

Option Exercises and Stock Vested 2013

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)(3)**
Thomas G. Dundon				
			8,803(1)	69,315
			17,285(2)	136,105
Jason A. Kulas			2,042(1)	16,079
			1,647(2)	12,974
Jason W. Grubb			1,252(1)	9,856
			760(2)	5,987
Eldridge A. Burns, Jr.				
Richard Morrin				

(1) Reflects certain deferred bonus amounts with respect to 2010 bonuses that were paid out in shares of Santander common stock in fiscal year 2013.

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(2) Reflects certain deferred bonus amounts with respect to 2011 bonuses that were paid out in shares of Santander common stock in fiscal year 2013.

(3) Valuation based on per share closing price of Santander common stock on February 15, 2013 of 5.89 and a rate of exchange of 0.748 Euros to one U.S. Dollar on such date.

Our Equity Incentive Plans

Under the Management Equity Plan, eligible Company employees and directors (including the NEOs) may receive nonqualified stock options to purchase SCUSA common stock with an exercise price of at least the fair market value of SCUSA common stock on the date of grant. The Management Equity Plan also provides for the grant of premium priced stock options, which are granted with a per share exercise price in excess of the fair market value of SCUSA common stock on the date of grant. As a condition to receiving nonqualified stock options under the Management Equity Plan, employees and directors must subscribe to purchase a set number of shares of SCUSA common stock at fair market value. In connection with the Reorganization, the Management Equity Plan will be assumed by the Company and all awards outstanding under the Management Equity Plan at the time of the Reorganization will be adjusted, in accordance with the terms of the Management Equity Plan, and on the same basis as shares of SCUSA Illinois, generally.

Grants may be in the form of time-vesting options (with vesting based on continued provision of services to SCUSA), or in the form of performance-vesting options (with vesting based on continued service with SCUSA and the achievement of performance targets relating to SCUSA s return on equity).

Time-vesting options generally vest and become exercisable over five years in equal annual installments subject to the participant s continued employment. Performance-vesting options generally vest and become exercisable over five years in equal annual installments, based on our achievement of applicable threshold return on equity (ROE) targets (determined in accordance with GAAP), and subject to the participant s continued employment at each measurement date. These ROE targets are an ROE of 27.5% for each of 2012 and 2013 and 18.0% for each of the years 2014 through 2016. If we do not achieve the applicable threshold ROE target with respect to a measurement date, the portion of the performance-vesting option that would have vested had the ROE target been met will remain outstanding and will vest if, at any point prior to the earlier of the end of the five-year performance period or a change in control (as defined in the Management Equity Plan), we achieve an average ROE target of 25.0%, subject to the participant s continued employment through such time.

Generally, unless otherwise determined by our board of directors, a participant will forfeit his or her unvested options upon termination of employment, other than in the circumstances set forth below. Upon a participant s termination of employment due to death or disability, (i) the portion of the participant s time-vesting options that would have vested had the participant continued to provide services through the next following anniversary of the grant date will vest and become exercisable upon such termination, and (ii) any of the participant s unvested performance-vesting options will remain outstanding until the next applicable vesting date and will vest with respect to the portion that was scheduled to vest on such vesting date if, and to the extent that, such portion would have vested had the participant continued to be employed until such vesting date. A participant s vested stock options will terminate on the earliest to occur of: (u) the tenth anniversary of the date of grant, (v) one year after the participant s termination of employment by reason of death or disability, (w) immediately upon the participant s involuntary termination for cause (as defined in the Management Equity Plan), (x) 30 days after the participant s voluntary termination without good reason (as defined in the Management Equity Plan), (y) 60 days after the participant s involuntary termination other than for cause, death or disability or by the participant voluntarily for good reason, or (z) at a time set in the discretion of our board of directors, in the event of a change in control.

Upon a change in control, (i) any unvested time-vesting options will automatically vest and become exercisable, (ii) any unvested performance-vesting options will vest to the extent that we achieve an average ROE target of 25.0% with respect to the period commencing on the beginning of the five-year performance period and ending on the change in control.

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The Management Equity Plan provides that issuance of shares underlying awards is contingent on the participant signing and agreeing to be bound to a Management Shareholder Agreement with respect to such shares. Each Management Shareholder Agreement provides for certain repurchase rights and restrictions, including that shares obtained through exercise of stock options may not be transferred until the later of an IPO or December 31, 2016 (the Lapse Date). Upon the participant s termination of employment due to death or disability, the participant is entitled to require that we repurchase all of the participant s shares at their then-fair market value or, in the event of the participant s breach of restrictions on transfer or restrictive covenants in the Management Shareholder Agreement, at the price that the participant originally paid for such shares. Upon the participant s termination of employment for any reason, or the participant s breach of restrictions on transfer or restrictive covenants in the Management Shareholder Agreement, we are entitled to require that the participant sell all of the participant s shares to us at their then-fair market value or, in the event of the participant s termination of employment for cause or without good reason, or the participant s breach of restrictions on transfer or restrictive covenants in the Management Shareholder Agreement, at the price that the participant originally paid for such shares. The transfer restrictions and repurchase rights in the Management Shareholder Agreement terminate on the Lapse Date; however, our board of directors has approved the amendment of option award agreements with respect to options previously granted under the Management Equity Plan and the amendment of the Management Shareholders Agreement effective as of and subject to the occurrence of the offering to remove certain transfer restrictions with respect to shares underlying a portion of such outstanding options and provide for additional transfer restrictions with respect to shares underlying another portion of such outstanding options.

Omnibus Incentive Plan

Introduction

We have adopted the Omnibus Incentive Plan. The Omnibus Incentive Plan provides for the grant of nonqualified and incentive stock options, SARs, restricted stock awards, restricted stock units and other awards that may be settled in or based upon the value of our common stock. Set forth below is a summary of the material features that are in the Omnibus Incentive Plan. This summary is qualified in its entirety by the actual Omnibus Incentive Plan. In connection with the Reorganization, the Omnibus Incentive Plan will be assumed by the Company, and all awards outstanding under the Omnibus Incentive Plan at the time of the Reorganization will be adjusted, in accordance with the terms of the Omnibus Incentive Plan, and on the same basis as shares of SCUSA Illinois, generally.

Purpose

The purpose of the Omnibus Incentive Plan is to give us a competitive advantage in attracting, retaining and motivating officers, employees, directors and consultants and to provide a means whereby officers, employees, directors and/or consultants can acquire and maintain ownership of our common stock or be paid incentive compensation measured by reference to the value of our common stock, thereby strengthening their commitment to our welfare and that of our affiliates and promoting an identity of interest between our stockholders and recipients of awards under the Omnibus Incentive Plan.

Administration

The Omnibus Incentive Plan will be administered by our board of directors or such other committee of our board of directors as our board of directors may from time to time designate, which we refer to as the Committee. Among other things, the Committee has the authority to select individuals to whom awards may be granted, to determine the type of award as well as the number of shares of common stock to be covered by each award, and to determine the terms and conditions of any such awards. Subject to applicable law, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members or persons selected by it.

Eligibility

Current and prospective directors, employees (including executive officers) and/or consultants to us and any of our subsidiaries and affiliates are eligible to participate in the Omnibus Incentive Plan.

Shares Subject to the Omnibus Incentive Plan

The aggregate number of shares of our common stock available for issuance under the Omnibus Incentive Plan is 1,947,362 shares. The maximum number of shares that may be granted pursuant to options intended to be incentive stock options is 1,947,362 shares.

The shares of common stock subject to grant under the Omnibus Incentive Plan are to be made available from authorized but unissued shares, from treasury shares, from shares purchased on the open market or by private purchase, or a combination of any of the foregoing. To the extent that any award is forfeited, or any stock option or stock appreciation right terminates, expires or lapses without being exercised, or any award is settled for cash, the shares of common stock subject to such awards not delivered as a result thereof will again be available for awards under the Omnibus Incentive Plan. If the exercise price of any option and/or the tax withholding obligations relating to any award are satisfied by delivering shares of common stock (by either actual delivery or by attestation), only the number of shares of common stock issued net of the shares of common stock delivered or attested will be deemed delivered for purposes of the limits in the Omnibus Incentive Plan. To the extent any shares of common stock subject to an award are withheld to satisfy the exercise price (in the case of a stock option) and/or the tax withholding obligations relating to such award, such shares of common stock will not generally be deemed to have been delivered for purposes of the limits set forth in the Omnibus Incentive Plan.

The Omnibus Incentive Plan provides that in the event of certain extraordinary corporate transactions or events affecting us, the Committee or our board of directors will make such substitutions or adjustments as it deems appropriate and equitable to (1) the aggregate number and kind of shares or other securities reserved for issuance and delivery under the Omnibus Incentive Plan, (2) the various maximum limitations set forth in the Omnibus Incentive Plan, (3) the number and kind of shares or other securities subject to outstanding awards and (4) the exercise price of outstanding options and stock appreciation rights. In the case of corporate transactions such as a merger or consolidation, such adjustments may include the cancellation of outstanding awards in exchange for cash or other property or the substitution of other property for the shares subject to outstanding awards.

Awards

As indicated above, several types of awards can be made under the Omnibus Incentive Plan. A summary of these awards is set forth below.

Stock Options and Stock Appreciation Rights

Stock options granted under the Omnibus Incentive Plan may either be incentive stock options, which are intended to qualify for favorable treatment to the recipient under U.S. federal tax law, or nonqualified stock options, which do not qualify for this favorable tax treatment. Stock appreciation rights granted under the Omnibus Incentive Plan may either be tandem SARs, which are granted in conjunction with a stock option, or free-standing SARs, which are not granted in tandem with a stock option.

Each grant of stock options or stock appreciation rights under the Omnibus Incentive Plan will be evidenced by an award agreement that specifies the exercise price, the duration of the award, the number of shares to which the award pertains and such additional limitations, terms and conditions as the Committee may determine, including, in the case of stock options, whether the options are intended to be incentive stock options or nonqualified stock options. The Omnibus Incentive Plan provides that the exercise price of stock options and stock appreciation rights will be determined by the Committee, but may not be less than 100% of the fair market value of the stock underlying the stock options or stock appreciation rights on the date of grant. Award holders may pay the exercise price in cash or, if approved by the Committee, in common stock (valued at its fair market value on the date of exercise) or a combination thereof, or by cashless exercise through a broker or by withholding shares otherwise receivable on exercise. The term of stock options and stock appreciation rights will be determined by the Committee, but may not exceed ten years from the date of grant. The Committee will determine the vesting and exercise schedule of stock options and stock appreciation rights, and the extent to which they will be exercisable after the award holder s service with the Company terminates.

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Restricted Stock

Restricted stock may be granted under the Omnibus Incentive Plan with such restrictions as the Committee may designate. The Committee may provide at the time of grant that the vesting of restricted stock will be contingent upon the achievement of applicable performance goals and/or continued service. Except for these restrictions and any others imposed under the Omnibus Incentive Plan or by the Committee, upon the grant of restricted stock under the Omnibus Incentive Plan, the recipient will have rights of a stockholder with respect to the restricted stock, including the right to vote the restricted stock; however, whether and to what extent the recipient will be entitled to receive cash or stock dividends paid, either currently or on a deferred basis, will be set forth in the award agreement.

Restricted Stock Units

The Committee may grant restricted stock units payable in cash or shares of common stock, conditioned upon continued service and/or the attainment of performance goals (as described below) determined by the Committee. We are not required to set aside a fund for the payment of any restricted stock units and the award agreement for restricted stock units will specify whether, to what extent and on what terms and conditions the applicable participant will be entitled to receive dividend equivalents with respect to the restricted stock units.

Stock-Bonus Awards

The Committee may grant unrestricted shares of our common stock, or other awards denominated in our common stock, alone or in tandem with other awards, in such amounts and subject to such terms and conditions as the Committee determines from time to time in its sole discretion as, or in payment of, a bonus, or to provide incentives or recognize special achievements or contributions.

Performance Awards

Under the Omnibus Incentive Plan, the Committee may determine that the grant, vesting or settlement of an award granted under the Omnibus Incentive Plan may be subject to the attainment of one or more performance goals.

The Committee has the authority to establish any performance objectives to be achieved during the applicable performance period when granting performance awards. However, if an award under the Omnibus Incentive Plan is intended to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code, the performance goals will be established with reference to one or more of the following, either on a Company-wide basis, or, as relevant in respect of one or more affiliates, subsidiaries, divisions, departments or operations of the Company: earnings (gross, net, pre-tax, post-tax or per share), net profit after tax, EBITDA, gross profit, cash generation, unit volume, market share, sales, asset quality, earnings per share, operating income, revenues, return on assets, return on operating assets, return on equity, profits, total stockholder return (measured in terms of stock price appreciation and/or dividend growth), cost saving levels, marketing spending efficiency, core non-interest income, change in working capital, return on capital and/or stock price.

Termination of Employment

The impact of a termination of employment on an outstanding award granted under the Omnibus Incentive Plan, if any, will be set forth in the applicable award agreement.

Treatment of Outstanding Equity Awards following a Change in Control

The Omnibus Incentive Plan provides that, unless otherwise set forth in an award agreement, in the event of a change in control (as defined in the Omnibus Incentive Plan), (1) any restricted stock that was forfeitable prior to such change in control will become nonforfeitable, (2) all restricted stock units will be considered earned and

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payable in full and any restrictions thereon will lapse, (3) any unexercised stock option or SAR, whether or not exercisable on the date of such change in control, will become fully exercisable and may be exercised in whole or in part, and (4) the Committee may determine the level of achievement with respect to any performance-based awards through the date of the change in control. The Committee may make additional adjustments and/or settlements of outstanding awards upon a change in control, including cancelling any awards for cash upon at least ten days advance notice to affected participants.

A change in control is generally deemed to occur under the Omnibus Incentive Plan upon:

(1) the acquisition by any individual, entity or group of beneficial ownership (pursuant to the meaning given in Rule 13d-3 under the Exchange Act) of 30% or more of either (a) the outstanding shares of the Company s common stock or (b) the combined voting power of our then outstanding voting securities, with each of clauses (a) and (b) subject to certain customary exceptions;

(2) a majority of the directors who constituted our board of directors at the time the Omnibus Incentive Plan was adopted are replaced by directors whose appointment or election is not endorsed by at least two-thirds of the incumbent directors then on the board of directors;

(3) approval by our stockholders of the Company s complete dissolution or liquidation; or

(4) the consummation of a merger of the Company, the sale or disposition by the Company of all or substantially all of its assets, or any other business combination of the Company with any other corporation, other than any merger or business combination following which (a) the individuals and entities that were the beneficial owners of the outstanding common stock and the voting securities immediately prior to such business combination beneficially own more than 50% of the then-outstanding shares of common stock and combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors of the entity resulting from such business combination in substantially the same proportions as immediately prior to such business combination, (b) no person beneficially owns 30% or more of the then-outstanding shares of common stock of the entity resulting from such business combination or the combined voting power of the then-outstanding voting securities of such entity and (c) at least two-thirds of the members of the board of directors of the parent company (or, if there is no parent company, the surviving company) following the consummation of the transaction were members of the board of directors at the time the execution of the initial agreement providing for the transaction was approved.

However, a change in control will not be deemed to occur as a result of the offering or related transactions (e.g., the Reorganization).

Amendment and Termination

The Omnibus Incentive Plan may be amended, altered, suspended, discontinued or terminated by the Board, but no amendment, alteration, suspension, discontinuation or termination may be made if it would materially impair the rights of a participant (or his or her beneficiary) without the participant s (or beneficiary s) consent, except for any such amendment required to comply with law. The Omnibus Incentive Plan may not be amended, without stockholder approval to the extent such approval is required to comply with applicable law or the listing standards of the applicable exchange.

Federal Income Tax Consequences Relating to Equity Awards Granted pursuant to the Omnibus Incentive Plan

The following discussion summarizes certain federal income tax consequences of the issuance, receipt and exercise of stock options and the granting and vesting of restricted stock, in each case under the Omnibus Incentive Plan. The summary does not purport to cover federal employment tax or other federal tax consequences that may be associated with the Omnibus Incentive Plan, nor does it cover state, local or non-U.S. taxes.

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Incentive Stock Options

In general, a participant realizes no taxable income upon the grant or exercise of an incentive stock option (ISO). However, the exercise of an ISO may result in an alternative minimum tax liability to the participant. With certain exceptions, a disposition of shares purchased under an ISO within two years from the date of grant or within one year after exercise produces ordinary income to the participant (and a deduction for us) equal to the value of the shares at the time of exercise less the exercise price. Any additional gain recognized in the disposition is treated as a capital gain for which we are not entitled to a deduction. If the participant does not dispose of the shares until after the expiration of these one- and two-year holding periods, any gain or loss recognized upon a subsequent sale is treated as a long-term capital gain or loss for which we are not entitled to a deduction.

Nonqualified Options

In general, in the case of a nonqualified stock option (NSO), the participant has no taxable income at the time of grant but realizes income in connection with exercise of the option in an amount equal to the excess (at the time of exercise) of the fair market value of the shares acquired upon exercise over the exercise price. A corresponding deduction is available to us. Any gain or loss recognized upon a subsequent sale or exchange of the shares is treated as capital gain or loss for which we are not entitled to a deduction.

Restricted Stock

Unless a participant makes an election to accelerate recognition of the income to the date of grant as described below, the participant will not recognize income, and the Company will not be allowed a tax deduction, at the time a restricted stock award is granted. When the restrictions lapse, the participant will recognize ordinary income equal to the fair market value of the common stock as of that date, less any amount paid for the stock, and the Company will be allowed a corresponding tax deduction at that time. If the participant files an election under Section 83(b) of the Code within 30 days after the date of grant of the restricted stock, the participant will recognize ordinary income as of the date of grant equal to the fair market value of the common stock as of that date, less any amount the participant paid for the common stock, and we will be allowed a corresponding tax deduction at that time. Any future appreciation in the common stock will be taxable to the participant at capital gains rates. However, if the restricted stock award is later forfeited, the participant will not be able to recover the tax previously paid pursuant to his Section 83(b) election.

Restricted Stock Units

A participant does not recognize income, and the Company will not be allowed a tax deduction, at the time a restricted stock unit is granted. When the restricted stock units vest and are settled for cash or stock, the participant generally will be required to recognize as income an amount equal to the fair market value of the shares on the date of vesting. Any gain or loss recognized upon a subsequent sale or exchange of the stock (if settled in stock) is treated as capital gain or loss for which we are not entitled to a deduction.

Employment Agreements with Named Executive Officers

Employment Agreement with Thomas Dundon

Santander and the Company entered into an employment agreement with Mr. Dundon on December 31, 2011, which amended and restated the obligations of the parties under a prior agreement, dated September 23, 2006, as amended. Mr. Dundon s employment agreement has an initial term of five years and, unless earlier terminated, will automatically extend annually for additional one-year terms following that time, unless any party provides written notice at least 90 days prior to such anniversary date that such party did not agree to renew the employment agreement. The employment agreement provides for an initial base salary of $1,500,000 per year, which will be reviewed annually and is subject to increase at the discretion of our board of directors. In addition to base salary, Mr. Dundon is eligible to receive an annual cash performance bonus with a target of no less than 100% of his then-current base salary and a maximum of up to 250% of his then-current base salary. The employment agreement also provides that, among other things, Mr. Dundon has a right to participate in all equity compensation programs and all other employee benefit plans and programs generally available to SCUSA s senior executives and receive reimbursement of reasonable expenses in accordance with SCUSA s policies and practices.

Subject to Mr. Dundon s execution of a general release and waiver, if Mr. Dundon s employment is terminated by SCUSA for any reason other than cause (but excluding death or disability), or if Mr. Dundon resigns for good reason (as defined below), Mr. Dundon is entitled to:

- an amount equal to two times the sum of his then-current base salary and the target annual cash performance bonus then in effect, payable in a lump sum;

- a lump sum payment equal to his then-current base salary, prorated through the date of termination; and

- continuation of welfare benefits (including life, long-term disability and other fringe benefits) for Mr. Dundon and his dependents, on the same basis as provided to actively employed senior executives of SCUSA, until (i) the third anniversary of Mr. Dundon s termination of employment, or (ii) with respect to benefits under SCUSA s health insurance plan, the 18-month anniversary of Mr. Dundon s termination of employment.

If Mr. Dundon s employment is terminated as a result of his death or inability to perform (generally defined as being disabled under SCUSA s long-term disability plan), he is entitled to (i) a lump sum payment equal to his then-current base salary, prorated through the date of termination, and (ii) in the event of a termination of employment due to inability to perform only, continuation of welfare benefits (including life, long-term disability and other fringe benefits) for Mr. Dundon and his dependents, on the same basis as provided to actively employed senior executives, until the third anniversary of Mr. Dundon s termination of employment, or, with respect to benefits under SCUSA s health insurance plan, the 18-month anniversary of Mr. Dundon s termination of employment.

Pursuant to the terms of his employment agreement, Mr. Dundon is subject to the following restrictive covenants: (i) perpetual confidentiality; (ii) non-solicitation of employees, customers, suppliers or vendors of SCUSA or its affiliates during the term of employment and for a period of two years thereafter (subject to certain exceptions described in this paragraph, the Dundon Restricted Period); (iii) non-competition during the term of employment and for the Dundon Restricted Period; (iv) cooperation in the context of litigation involving SCUSA or its affiliates; and (v) non-disparagement of SCUSA, its affiliates, or their products, services or operations, officers, directors or employees during the term of employment and for the Dundon Restricted Period. The Dundon Restricted Period will be reduced to 18 months in the event Mr. Dundon s employment is terminated by SCUSA for cause. In the event that SCUSA delivers written notice to Mr. Dundon of its desire to not extend the term of the employment agreement, the restrictive covenants will lapse on the last day of the employment term unless, on or before the end of the employment term, SCUSA makes a lump sum payment to Mr. Dundon equal to the sum of his base salary and target bonus in effect on the employment termination date, subject to Mr. Dundon s execution of a general release and waiver. If SCUSA makes such a lump sum payment, the Dundon Restricted Period will extend for one year following Mr. Dundon s termination of employment.

In the event that a payment is made to Mr. Dundon in connection with a change in control such that an excise tax imposed by Code Section 4999 applies, Mr. Dundon is entitled to a gross-up payment in an amount such that after payment of all taxes (including interest and penalties imposed with respect thereto), Mr. Dundon retains an amount as if the excise tax did not apply. However, if the amount otherwise due to Mr. Dundon is not more than 110% of the amount that he could receive without triggering the excise tax, the amount shall be reduced so that the excise tax does not apply.

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Mr. Dundon s employment agreement defines Cause as (i) breach of the agreement or other certain agreements to which Mr. Dundon and the Company are parties in any material respect; (ii) gross negligence or willful, material malfeasance, misconduct or insubordination in connection with the performance of duties; (iii) willful refusal or recurring failure to carry out written directives or instructions of our board of directors that are consistent with the scope and nature of duties and responsibilities; (iv) willful repeated failure to adhere in any material respect to any material written policy or code of conduct of the Company; (v) willful misappropriation of a material business opportunity, including attempting to secure or securing any personal profit in connection with any transaction entered into on behalf of the Company; (vi) willful misappropriation of any of the Company s funds or material property; or (vii) conviction of, or the entering of a guilty plea or plea of no contest with respect to, a felony or the equivalent thereof, any other crime involving fraud or theft or any other crime with respect to which imprisonment is a possible punishment or the indictment (or its procedural equivalent) for a felony involving fraud or theft. Any termination of Mr. Dundon s employment for Cause requires the board of directors to provide prior written notice to Mr. Dundon, a 15-day cure period, and an opportunity for Mr. Dundon to defend himself to the board of directors, other than a termination indicated in (vii), above.

A termination for Good Reason occurs if Mr. Dundon terminates his employment for any of the following reasons: (i) any material failure by the Company to comply with its compensation obligations under the agreement; (ii) any material failure by the Company to require a successor to assume the agreement; (iii) a substantial reduction in the executive s responsibilities or duties except in accordance with the terms of the agreement; (iv) any relocation of the principal place of business of 20 miles or more; (v) materially increasing the travel required in the performance of duties under the agreement for a period of more than three consecutive months; (vi) assignment of duties that are inconsistent with the executive s role; (vii) the reduction in executive s title, except as contemplated by agreements or the articles of incorporation or bylaws; (viii) a material reduction in the executive s responsibilities; or (ix) a resignation for any reason during the 30-day period following the date that is six months after a change in control of the Company. Mr. Dundon must provide SCUSA with written notice prior to any termination for Good Reason, following which SCUSA will have a 30-day period in which to remedy the circumstance.

Mr. Dundon s employment agreement defines Change of Control as the occurrence of either of the following events, other than in connection with an IPO: (i) more than 50% of the equity interests in SCUSA (excluding any equity interests owned by Mr. Dundon) are at any time owned directly or indirectly by a person or entity other than Santander and its affiliates; or (ii) SCUSA sells all or substantially all of the assets owned by it, or ceases to engage in the business of acquiring from automobile dealers retail installment contracts originated in the United States whose obligors have on average, at origination, FICO® scores of less than 660.

The benefits that Mr. Dundon actually received in 2012 under the terms of his employment agreement are reflected in the Summary Compensation Table.

Employment Agreements with Jason A. Kulas, Jason W. Grubb, Eldridge A. Burns, Jr., and Richard Morrin

SCUSA entered into employment agreements with Messrs. Kulas, Grubb and Burns on May 1, 2009, and with Mr. Morrin on August 24, 2011. All of the employment agreements have an initial term of three years and, unless earlier terminated, will automatically extend annually for additional one-year terms following that time, unless any party provides written notice at least three months prior to such anniversary date that such party did not agree to renew the employment agreement. The employment agreements provide for an initial monthly base salary (for Mr. Kulas, $30,943 per month, for Mr. Grubb, $25,750 per month, for Mr. Burns, $15,471 per month and for Mr. Morrin, $21,250 per month), eligibility to receive an annual cash performance bonus, certain deferred bonus payments and participation in equity compensation programs available to SCUSA s senior executives. The employment agreements also provide that, among other things, each of Messrs. Kulas, Grubb, Burns and Morrin have a right to participate in employee benefit plans and programs generally made available by SCUSA and receive reimbursement of reasonable expenses in accordance with SCUSA s policies and practices.

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Subject to their execution of a general release and waiver, if any of Messrs. Kulas, Grubb, Burns or Morrin s employment is terminated by us without cause (but excluding death or disability), or if he resigns because of a reduction in his base salary or target bonus opportunity, each of Messrs. Kulas, Grubb, Burns and Morrin will be entitled to:

- salary continuation for the longer of 12 months or the balance of the employment agreement term;
- full annual cash performance bonus for the calendar year in which the termination of employment occurs;
- certain deferred bonus payments;
- accelerated vesting and settlement of equity-related awards; and
- continuation of medical and dental insurance under COBRA and continuation of life insurance coverage, in each case, for the longer of 12 months or the balance of the employment agreement term.

If any of Messrs. Kulas, Grubb, Burns or Morrin s employment is terminated by us for good reason, he will be entitled to (i) a lump sum payment equal to 12 months of base salary, (ii) full annual cash performance bonus for the calendar year in which the termination of employment occurs, (iii) certain deferred bonus payments and (iv) continuation of medical and dental insurance under COBRA for 12 months.

If any of Messrs. Kulas, Grubb, Burns or Morrin s employment is terminated as a result of disability (generally defined by reference to SCUSA s disability plans), he will be entitled to (i) a payment in lieu of short-term salary continuation benefits (only in the event that they are not eligible for short-term benefits due to lack of service with SCUSA), and (ii) prorated portions of his annual cash performance bonus for the year of termination and, in certain cases, for subsequent years.

If any of Messrs. Kulas, Grubb, Burns or Morrin s employment is terminated as a result of death, their estates will be entitled to (i) 12 months of salary continuation, (ii) full annual cash performance bonus for the calendar year in which the termination of employment occurs, and (iii) continuation of medical and dental insurance for their dependents for the longer of 12 months or the balance of the employment agreement term.

Pursuant to the terms of their employment agreements, each of Messrs. Kulas, Grubb, Burns and Morrin is subject to the following restrictive covenants: (i) perpetual confidentiality; (ii) non-solicitation of employees of SCUSA or its affiliates during the term of employment and for one year thereafter; (iii) non-competition during the term of employment and for any period thereafter that he is receiving severance payments; (iv) cooperation in the context of litigation involving SCUSA or its affiliates during the term of employment and for the pendency of any such litigation or other proceeding; and (v) perpetual non-disparagement of SCUSA, its affiliates, or their officers or directors.

Messrs. Kulas, Grubb, Burns and Morrin s employment agreements each define Cause as (i) dishonesty; (ii) embezzlement, fraud, or other conduct which would constitute a felony, (iii) unauthorized disclosure of confidential information, (iv) failure to obey a material lawful directive that is appropriate to the executive s position and from executive(s) in the executive s reporting line; (v) material breach of the agreement; or (vi) failure (except in the event of disability) or refusal to substantially perform material obligations under the agreement.

Messrs. Kulas, Grubb, Burns and Morrin s employment agreements each define Good Reason as termination of employment by us if, in the reasonable opinion of Mr. Dundon in his capacity as the Chief Executive Officer of SCUSA (for so long as Mr. Dundon is Chief Executive Officer of SCUSA), such NEO has not met the expectations or fulfilled the responsibilities required of his position.

The benefits that each of Messrs. Kulas, Grubb, Burns and Morrin actually received in 2012 under the terms of his employment agreement are reflected in the Summary Compensation Table.

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Potential Payments upon Termination or Change in Control

A Change in Control does not affect the timing or amount of severance payments to the NEOs under their employment agreements. See Employment Agreements with Named Executive Officers. Under the Management Equity Plan, vesting of awards is subject to acceleration upon a Change in Control. Specifically, unless otherwise provided by our board of directors, (i) time-vesting options will automatically vest and become exercisable, and (ii) performance-vesting options will vest to the extent that the Company achieves the applicable average return on equity target starting at the beginning of a pre-established five-year performance period and ending upon the date of the Change in Control. See Medium- and Long-Term Incentive Compensation.

Under the Management Equity Plan, Change in Control is defined as an event upon which (i) any person or group (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, or any successor provision), other than Santander and its affiliates or Sponsor Auto Finance Holdings and its affiliates, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, or any successor provision), directly or indirectly, of more than 20% of the outstanding shares of SCUSA common stock (such person or group, the Change in Control Owner) or (ii) an event upon which Santander and its affiliates become the beneficial owners, directly or indirectly, of fewer shares of SCUSA common stock than the Change in Control Owner.

The table below sets forth the value of the benefits (other than payments that were generally available to Company employees) that would have been due to the NEOs if they had terminated employment on December 31, 2013, under their respective employment agreements. For the purposes of this table, the price per share of our common stock on December 31, 2013 was $ 56.00, based on our determination using contemporaneous valuations and considering all objective and subjective factors we believed to be relevant.

Name	**Cash ($) (1)**	**Equity ($) (3)**	**Perquisites/ Benefits ($)**	**Tax Reimbursement ($) (7)**	**Total ($)**
Thomas G. Dundon					
Termination due to Death	1,500,000	37,434,772			38,934,772
Termination due to Inability to Perform	1,500,000	37,434,772	868,589(4)		39,803,361
Termination for Good Reason	7,500,000		868,589		8,368,589
Termination without Cause	7,500,000	8,040,984	868,589(4)		16,409,573
Termination without Cause or for Good Reason in Connection with a Change in Control	7,500,000	96,226,179	868,589	18,441,447	123,036,215
Change in Control (no termination of employment)		96,226,179		14,042,714	110,268,893
Jason A. Kulas					
Termination due to Death	800,000	5,980,350	18,924(6)		6,799,274
Termination due to Disability	400,000(2)	5,980,350			6,380,350
Termination without Cause, resignation due to reduction in base salary or target bonus opportunity	800,000	10,704,166	76,432(5)		11,580,598
Termination by the Company for Good Reason	800,000		18,924(6)		818,925
Change in Control (no termination of employment)		10,704,166			10,704,166
Jason W. Grubb					
Termination due to Death	700,000	2,714,774	18,924(6)		3,433,699
Termination due to Disability	350,000(2)	2,714,774			3,064,774
Termination without Cause, resignation due to reduction in base salary or target bonus opportunity	700,000	6,956,484	76,432(5)		7,732,916
Termination by the Company for Good Reason	700,000		18,924(6)		718,924
Change in Control (no termination of employment)		6,956,484			6,956,484

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Name	Cash ($) (1)	Equity ($) (3)	Perquisites/ Benefits ($)	Tax Reimbursement ($) (7)	Total ($)
Eldridge A. Burns, Jr.					
Termination due to Death	480,000	910,734	18,924(6)		1,409,659
Termination due to Disability	240,000(2)	910,734			1,150,734
Termination without Cause, resignation due to reduction in base salary or target bonus opportunity	480,000	2,757,696	76,432(5)		3,314,128
Termination by the Company for Good Reason	480,000		18,924(6)		498,924
Change in Control (no termination of employment)		2,757,696			2,757,696
Richard Morrin					
Termination due to Death	510,000	610,494	18,924(6)		1,139,418
Termination due to Disability	255,000(2)	610,494			865,494
Termination without Cause, resignation due to reduction in base salary or target bonus opportunity	510,000	1,831,478	76,265(5)		2,417,743
Termination by the Company for Good Reason	510,000		18,924(6)		528,924
Change in Control (no termination of employment)		1,831,478			1,831,478

(1) Represents cash severance. For severance payment calculation, and time and form of such payments. See Employment Agreements with Named Executive Officers.

(2) Assumes that: (i) NEO first receives compensation under the Company s short-term salary continuation program thirteen weeks prior to December 31, 2013 and begins receiving compensation and benefits under the Company s long-term and individual disability insurance program on December 31, 2013, (ii) target level of annual cash performance bonus is achieved in fiscal year 2013 and no bonus is payable for subsequent years due to the NEO receiving compensation and benefits under the Company s long-term and individual disability insurance program, and (iii) NEO is eligible for the Company s short-term salary continuation benefits. See Employment Agreements with Named Executive Officers.

(3) Represents value of accelerated vesting of stock options with respect to SCUSA common stock as provided under the Management Equity Plan and accelerated vesting of restricted stock as provided under the Omnibus Incentive Plan. Assumes that all applicable performance targets with respect to any performance-vesting stock options are achieved. See SCUSA 2011 Management Equity Plan SCUSA Omnibus Incentive Plan and Equity Compensation Plans Information.

(4) Represents continuation of welfare benefits, perquisites and other fringe benefits as provided pursuant to Mr. Dundon s employment agreement. Assumes no increase in the cost of welfare benefits. For welfare continuation payment calculation, and time and form of such payments. See Employment Agreements with Named Executive Officers.

(5) Represents continuation of medical and dental benefits and life insurance coverage. Assumes no increase in the cost of welfare benefits. For welfare continuation payment calculation, and time and form of such payments. See Employment Agreements with Named Executive Officers.

(6) Represents continuation of medical and dental benefits. Assumes no increase in the cost of welfare benefits. For welfare continuation payment calculation, and time and form of such payments. See Employment Agreements with Named Executive Officers.

(7) In the event that a payment is made to Mr. Dundon in connection with a Change in Control such that an excise tax imposed by Code Section 4999 applies, Mr. Dundon is entitled to a gross-up payment in an amount such that after payment of all taxes (including interest and penalties imposed with respect thereto), Mr. Dundon retains an amount as if the excise tax did not apply. However, if the amount otherwise due to Mr. Dundon is not more than 110% of the amount that he could receive without triggering the excise tax, the amount shall be reduced so that the excise tax does not apply.

Director Compensation in Fiscal Year 2013

Our board members were not compensated for their services on the board in 2013. We have adopted a director compensation policy that provides for the following compensation for independent members of our board of directors:

An annual cash board retainer of $80,000;

An additional annual cash retainer of $20,000 for the chair of the audit committee of our board of directors;

An additional annual cash retainer of $10,000 for being a member of the audit committee;

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An additional annual cash retainer of $10,000 for the chair of any other committee of our board of directors;

An additional annual cash retainer of $10,000 for being a member of any other committee; and

An annual grant of stock options or restricted stock units with a grant date fair value equal to $50,000 that vest ratably over three years.

In addition, in 2014 we have granted stock options to Stephen Ferriss, our independent director, pursuant to the Management Equity Plan that will be granted on and effective as of the date on which the underwriting agreement in connection with this offering is executed, this registration statement becomes effective and the initial public offering price of our common stock in this offering is determined, and that will be granted with an exercise price equal to the initial public offering price of our common stock in this offering.

Equity Compensation Plan Information

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights[1] (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	8,981,861	$ 26.14	3,776,674[2]
Equity compensation plans not approved by security holders			
Total	8,981,861	$ 26.14	3,776,674

(1) Weighted-average exercise price is based solely on outstanding options.
(2) Includes 1,728,389 shares available for issuance under the Omnibus Incentive Plan.

We have granted stock options to certain executives and other employees under the Management Equity Plan. The Management Equity Plan is administered by the board of directors and enables us to make stock awards up to a total of approximately 11 million shares of SCUSA common stock (net of shares cancelled and forfeited), or 8.5% of the equity invested in the company as of December 31, 2011. Stock options for approximately 9.3 million of the shares were granted as of December 31, 2013 with stock options for approximately 0.3 million shares having been forfeited during the period from December 31, 2011 to December 31, 2013. Accordingly, at December 31, 2013, we had approximately 2.0 million shares that were available to grant under the Management Equity Plan. The Management Equity Plan provides that, upon the earlier of (i) an IPO and (ii) December 31, 2016, any shares that remain available for the future grant of options will be granted by our board of directors (or the Compensation Committee, as applicable), in good faith to the then-eligible directors and employees of SCUSA and its subsidiaries; however, our board of directors has approved the amendment of the Management Equity Plan, in connection with, and immediately prior to, this offering, to provide that a portion of the shares available under the Management Equity Plan that remain available at consummation of the initial public offering will remain available for grant under the Management Equity Plan following this offering and a portion of the shares available under the Management Equity Plan will no longer remain available for grant under the Management Equity Plan following this offering.

The stock options granted during 2013 were granted with an exercise price equal to or above the fair market value of our common stock on the date of issuance, estimated based on an independent valuation performed as of December 31, 2012. The stock options expire after ten years and include both time vesting options and performance vesting options. We will issue new shares when options are exercised. As long as an option holder remains employed by us, the time vesting options currently become vested and exercisable in equal annual

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installments of 20% on each of the first five anniversaries of the December 31, 2011 equity transactions; provided, however, that our board of directors has approved the amendment of the stock options previously granted under the Management Equity Plan held by certain NEOs effective as of, and subject to the occurrence of the offering, to immediately vest such stock options, and the amendment of stock options held by certain NEOs and other employees to remove certain transfer restrictions with respect to shares underlying certain options and to extend certain other transfer restrictions with respect to shares underlying certain other options. The performance vesting options have the same time-vesting requirements and additionally require certain annual or cumulative ROE targets to be met. These targets are an ROE of 27.5% for each of 2012 and 2013 and 18.0% for each of the years 2014 through 2016, or an average annual ROE of 25.0% for the five-year vesting period.

No shares obtained through exercise of stock options may be transferred until the Lapse Date. Until the Lapse Date, if an employee leaves the company, we have the right to repurchase any or all of the stock obtained by the employee through option exercise. In connection with this offering, our board of directors has approved the amendment of the transfer restrictions to which certain stock options previously granted under the Management Equity Plan were subject, resulting in a portion of certain of the shares received on exercise of these stock options being transferable earlier than currently contemplated by the Company s equity arrangements, and certain other shares received on exercise of these stock options being transferable later than currently contemplated. If the employee is terminated for cause (as defined in the Management Shareholder Agreement) or voluntarily leaves the company without good reason (as defined in the Management Shareholder Agreement), the repurchase price is the lower of the strike price or fair market value at the date of repurchase. If the employee is terminated without cause or voluntarily leaves the company with good reason, the repurchase price is the fair market value at the date of repurchase.

We have granted restricted shares to certain executives under the Omnibus Incentive Plan. The Omnibus Incentive Plan is administered by the board of directors (or, at the board s election, by a committee thereof) and enables us to make equity-based awards up to a total of approximately 1,947,362 shares of SCUSA common stock. Restricted shares for approximately 218,973 of the shares were granted as of December 31, 2013. Accordingly, at December 31, 2013, we had approximately 1,728,389 shares that were available to grant under the Omnibus Incentive Plan.

The restricted shares granted in 2013 vest in equal annual installments of 20% on each of the first five anniversaries of the date of grant, subject to the participant s continued employment. If a participant s employment is terminated for any reason other than death, disability or by the Company without cause, the restricted shares will be forfeited. If a participant s employment is terminated due to death, disability or by the Company without cause, the restricted shares will vest in full. The restricted shares will also vest in full upon a change in control; provided, that, a change in control will not be deemed to occur as a result of the offering or related transactions (including the Reorganization).

Determination of the Fair Value of Stock-based Compensation Grants

The determination of the fair value of stock-based compensation arrangements is affected by a number of variables, including estimates of the fair value of our common stock, expected stock price volatility, risk-free interest rate and the expected life of the award. We value stock options using the Black-Scholes option-pricing model, which was developed for use in estimating the fair value of traded options that are fully transferable and have no vesting restrictions. Black-Scholes and other option valuation models require the input of highly subjective assumptions, including the expected stock price volatility.

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Beginning in 2012, we granted stock options to certain executives and other employees under the Management Equity Plan. The following summarizes the assumptions used for estimating the fair value of stock options granted under the Management Equity Plan to employees for the periods indicated.

	Nine Months Ended September 30,		Year Ended December 31,		
	2013	2012	2012	2011	2010
Assumption					
Risk-free interest rate	1.08%-1.13%	0.88%-1.28%	1.28%	n/a	n/a
Expected life (in years)	6.5	6.5	6.5	n/a	n/a
Expected volatility	50%-51%	66%-67%	66%	n/a	n/a
Dividend yield	0.38%	1.92%	1.92%	n/a	n/a
Weighted average grant date fair value	$ 17.50-$19.89	$ 14.83-$16.15	$ 14.87-$16.11	n/a	n/a

* We did not issue stock options prior to 2012.

The risk-free interest rate assumption is based on observed interest rates for constant maturity U.S. Treasury securities consistent with the expected life of our employee stock options. The expected life represents the period of time the stock options are expected to be outstanding and is based on the simplified method. Under the simplified method, the expected life of an option is presumed to be the midpoint between the vesting date and the end of the contractual term. We used the simplified method due to the lack of sufficient historical exercise data to provide a reasonable basis upon which to otherwise estimate the expected life of the stock options. Expected volatility is based on historical volatilities for publicly traded stock of comparable companies over the estimated expected life of the stock options. During the nine months ended September 30, 2013, we updated and expanded the list of comparable companies used to estimate expected volatility by including companies in our industry that had recently completed initial public offerings, and replacing some of the companies that had been used in prior periods with others that we believed to be more comparable to us in terms of size, business model or stage of development.

Our estimate of pre-vesting forfeitures, or forfeiture rate, is based on our analysis of historical behavior by stock option holders. The estimated forfeiture rate is applied to the total estimated fair value of the awards, as derived from the Black-Scholes model, to compute the stock-based compensation expense, net of pre-vesting forfeitures, to be recognized in our consolidated statements of operations.

Based upon an assumed initial public offering price of $23.00 per share, the midpoint of the range set forth on the cover of this prospectus, the aggregate intrinsic value of outstanding options to purchase shares of our common stock as of January 8, 2014 was $119.1 million, of which $47.3 million related to vested options and $71.8 million to unvested options.

We value restricted stock based on the estimated fair value of our common stock on the date of grant. In 2013, we granted restricted stock to certain executives under the Omnibus Incentive Plan. The following summarizes the determinations made in estimating the fair value of restricted stock granted under the Omnibus Incentive Plan in 2013.

We are a private company with no active public market for our common stock. Therefore, in response to Section 409A of the Internal Revenue Code of 1986, as amended, related regulations issued by the Internal Revenue Service and accounting standards related to stock-based compensation, we have periodically determined for financial reporting purposes the estimated per share fair value of our common stock at various dates using contemporaneous valuations performed in accordance with the guidance outlined in the American Institute of Certified Public Accountants Practice Aid, Valuation of Privately-Held Company Equity Securities Issued as Compensation, also known as the Practice Aid. We performed these contemporaneous valuations as of December 31, 2011, 2012, and 2013. In conducting the contemporaneous valuations, we considered all objective and subjective factors that we believed to be relevant for each valuation conducted, including management s best

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estimate of our business condition, prospects and operating performance at each valuation date. Within the contemporaneous valuations performed by our management, a range of factors, assumptions and methodologies were used. The significant factors included:

- independent third-party valuations performed contemporaneously or shortly before the grant date, as applicable;
- the fact that we are a privately held finance company and our common stock is illiquid;
- the nature and history of our business;
- our historical financial performance;
- our discounted future cash flows, based on our projected operating results;
- valuations of comparable public companies;
- general economic conditions and the specific outlook for our industry;
- the likelihood of achieving a liquidity event for shares of our common stock, such as an initial public offering, or IPO, or a sale of our company, given prevailing market conditions, or remaining a private company; and
- the state of the IPO market for similarly situated privately held finance companies.

The dates of our contemporaneous valuations have not always coincided with the dates of our stock-based compensation grants. In such instances, management s estimates have been based on the most recent contemporaneous valuation of our shares of common stock and our assessment of additional objective and subjective factors we believed were relevant as of the grant date. The additional factors considered when determining any changes in fair value between the most recent contemporaneous valuation and the grant dates included our operating and financial performance, current business conditions and the market performance of comparable publicly traded companies.

There are significant judgments and estimates inherent in these contemporaneous valuations. These judgments and estimates include assumptions regarding our future operating performance, the time to completing an IPO or other liquidity event, and the determinations of the appropriate valuation methods. If we had made different assumptions, the amount disclosed in our financial statements of stock-based compensation expense to be recorded following an IPO could have been significantly different.

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SECURITY OWNERSHIP OF CERTAIN

BENEFICIAL OWNERS, MANAGEMENT AND SELLING STOCKHOLDERS

The following table sets forth information about the beneficial ownership of our common stock as of December 31, 2013, after giving effect to the Reorganization, and as adjusted to reflect the sale of the shares of common stock by the selling stockholders in this offering, for:

- each person known to us to be the beneficial owner of more than 5% of our common stock;
- each named executive officer;
- each of our directors;
- all of our executive officers and directors as a group; and
- each selling stockholder.

Unless otherwise noted below, the address of each beneficial owner listed on the table is c/o Santander Consumer USA Inc., 8585 North Stemmons Freeway, Suite 1100-N, Dallas, Texas 75247. We have determined beneficial ownership in accordance with the rules of the SEC. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the tables below have sole voting and investment power with respect to all shares of common stock that they beneficially own, subject to applicable community property laws. We have based our calculation of the percentage of beneficial ownership on 346,760,107 shares of common stock outstanding as of December 31, 2013, after giving effect to the Reorganization, and 347,363,230 shares outstanding upon the completion of this offering.

In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of unvested restricted stock because holders of unvested restricted stock under the Omnibus Incentive Plan hold the right to vote such stock, and we deemed outstanding shares of common stock subject to options held by that person that are currently exercisable or exercisable within 60 days of December 31, 2013. We, however, did not deem these shares outstanding for the purpose of computing the percentage ownership of any other person.

	Shares Owned Before the Offering			Number of Shares Subject to	Shares Owned After the Offering (no option exercise)		Shares Owned After the Offering (full option exercise)	
Name of Beneficial Owner	**Number**	**Percentage**	**Number of Shares Offered**	**Underwriters Option**	**Number**	**Percentage**	**Number**	**Percentage**
Beneficial owners of 5% or more of our common stock:								
DDFS LLC (1)	34,598,506	9.98%			34,598,506	9.96%	34,598,506	9.96%
Santander Holdings USA, Inc. (2)	224,890,292	64.85%	12,082,199	1,812,330	212,808,093	61.26%	210,995,763	60.74%
Sponsor Auto Finance Holdings Series LP	86,496,266	24.94%	52,532,072	7,970,278	33,964,195	9.78%	25,993,917	7.48%
Directors and Named Executive Officers:								
Thomas G. Dundon (3)	43,695,457	12.41%	2,077,384	315,186	36,324,502	10.46%	36,009,316	10.37%
Jason Kulas (4)	677,596	*	191,164	5,042	228,385	*	223,343	*
Jason Grubb (5)	430,899	*	141,196		58,989	*	58,989	*
Eldridge A. Burns, Jr. (6)	181,155	*	60,895		20,759	*	20,759	*

Rich Morrin (7)	133,467	*	40,819	25,949	*	25,949	*
Gonzalo de Las Heras							
Juan Carlos Alvarez							
Roman Blanco							
Stephen A. Ferriss							
Matthew Kabaker							
Tagar C. Olson							
Alberto Sanchez							
Juan Andres Yanes							

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Name of Beneficial Owner	Shares Owned Before the Offering Number	Shares Owned Before the Offering Percentage	Number of Shares Offered	Number of Shares Subject to Underwriters Option	Shares Owned After the Offering (no option exercise) Number	Shares Owned After the Offering (no option exercise) Percentage	Shares Owned After the Offering (full option exercise) Number	Shares Owned After the Offering (full option exercise) Percentage
Daniel Zilberman								
All executive officers and directors as a group (21 persons)	45,755,765	12.94%	2,713,742	320,228	36,688,859	10.56	36,368,631	10.47
Other selling stockholders:								
James W. Fugitt (8)	179,424	*	42,288		19,029	*	19,029	*
R. Michele Rodgers (9)	90,336	*	34,191					
Michelle L. Whatley (10)	118,763	*	40,819		11,245	*	11,245	*
Hugo R. Dooner (11)	79,453	*	24,091					
Jennifer Popp (12)	26,442	*	6,692					
Brad Martin (13)	142,771	*	54,203					

* Represents less than 1% beneficial ownership

(1) A Delaware limited liability company solely owned by our Chief Executive Officer, Thomas G. Dundon.

(2) A wholly owned subsidiary of Santander.

(3) Shares owned before the offering includes 34,598,506 shares owned by DDFS LLC, 382,880 shares of restricted stock, 5,293,572 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013 and 3,420,499 shares held indirectly through Sponsor Auto Finance Holdings.

(4) Shares owned before the offering includes 172,296 shares of restricted stock, 415,974 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013 and 54,728 shares held indirectly through Sponsor Auto Finance Holdings. Mr. Kulas intends to exercise 374,377 options prior to this offering pursuant to a net exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

(5) Shares owned before the offering includes 28,716 shares of restricted stock and 371,910 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013. Mr. Grubb intends to exercise 334,719 options prior to this offering pursuant to a net exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

(6) Shares owned before the offering includes 160,396 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013. Mr. Burns intends to exercise 144,357 options prior to this offering pursuant to a net exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

(7) Shares owned before the offering includes 107,519 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013. Mr. Morrin intends to exercise 96,767 options prior to this offering pursuant to a net exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

(8) Shares owned before the offering includes 160,396 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013. Mr. Fugitt intends to exercise 100,248 options prior to this offering pursuant to a net exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

(9) Shares owned before the offering includes 90,336 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013. Ms. Rodgers intends to exercise 81,303 options prior to this offering pursuant to a net exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

(10) Shares owned before the offering includes 107,519 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013. Ms. Whatley intends to exercise 96,767 options prior to this offering pursuant to a net exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

(11) Includes 79,453 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013. Mr. Dooner intends to exercise 57,109 options prior to this offering pursuant to a net

exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

(12) Includes 26,442 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013. Ms. Popp intends to exercise 15,863 options prior to this offering pursuant to a net exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

(13) Includes 142,771 stock options that are currently exercisable or are exercisable within 60 days of December 31, 2013. Mr. Martin intends to exercise 128,494 options prior to this offering pursuant to a net exercise feature of such options assuming an initial public offering price of $23.00 per share, which represents the midpoint of the range set forth on the cover page of this prospectus.

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CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In addition to the director and executive officer compensation arrangements discussed above under Compensation Discussion and Analysis, the following is a summary of material provisions of various transactions we have entered into with our executive officers, directors (including nominees), 5% or greater stockholders and any of their immediate family members or entities affiliated with them since January 1, 2010. We believe the terms and conditions set forth in such agreements are reasonable and customary for transactions of this type.

2011 Investment

On October 20, 2011, SCUSA Illinois and SHUSA entered into an investment agreement with Auto Finance Holdings. Auto Finance Holdings is jointly owned by investment funds affiliated with Warburg Pincus LLC, Kohlberg Kravis Roberts & Co. L.P. and Centerbridge Partners, L.P., as well as DFS Sponsor Investments LLC and our Chief Financial Officer. On October 20, 2011, we also entered into an investment agreement with DDFS.

On December 31, 2011, SCUSA Illinois completed (i) the sale to Auto Finance Holdings of an aggregate number of 32,438,127.19 shares of common stock of SCUSA Illinois for an aggregate purchase price of $1.0 billion and (ii) the sale to DDFS of 5,140,468.58 shares of common stock of SCUSA Illinois for aggregate consideration of $158.2 million, a portion of which was financed under a general line of credit extended by an affiliate of Santander to DDFS. These sales are collectively referred to as the Equity Transaction. In addition, on December 31, 2011, we completed the sale to certain members of our management of 67,373.99 shares of common stock of SCUSA Illinois for an aggregate consideration of approximately $2.1 million. Members of management purchasing shares of common stock of SCUSA Illinois were Jason A. Kulas, Jason W. Grubb, Eldridge A. Burns, Jr. and Richard Morrin, each of whom is a named executive officer; James W. Fugitt and Michelle L. Whatley, each of whom is an executive officer, Matthew Fitzgerald, our Executive Vice President, Sales and Marketing, and Steve Zemaitis, our Executive Vice President, Originations.

Concurrently with the sale of shares of our common stock to certain of our officers described above, the officers entered into Management Shareholder Agreements with us. The Management Shareholder Agreements granted these officers piggyback registration rights pursuant to which they may require us to include their shares in this offering and in any offering hereafter that involves, in whole or in part, a secondary offering of our shares, provided that Auto Finance Holdings is selling shares in such offering. The Management Shareholder Agreements also provide that these officers may not sell or otherwise dispose of shares acquired in the Equity Transaction until December 31, 2016 and for customary periods before and after an underwritten offering of shares of our common stock.

Shareholders Agreement

In connection with this offering, we will enter into the Shareholders Agreement, which will replace the existing shareholders agreement with each of our Principal Stockholders and Mr. Dundon. The Shareholders Agreement will provide our Principal Stockholders, among other things, certain rights related to director nominations, approvals over certain actions taken by us and registration rights.

Board Composition

The Shareholders Agreement will provide that SHUSA will have the right to nominate the following number of directors at each applicable threshold for its share ownership: (i) greater than or equal to 50% of our then-outstanding shares of common stock, seven of our directors, (ii) greater than or equal to 35% and less than 50% of our then-outstanding shares of common stock, six of our directors, (iii) greater than or equal to 25% and less than 35% of our then-outstanding shares of common stock, five of our directors, (iv) greater than or equal to 15% and less than 25% of our then-outstanding shares of common stock, three of our directors (increased to four of our directors prior to a Sponsor/DDFS Termination Event (as defined below) and increased to five of our directors prior to a Sponsor/DDFS Termination Event if Mr. Dundon is no longer our Chief Executive Officer), (v) greater than or equal to 10% and less than 15% of our then-outstanding shares of common stock, two of our directors (increased to four of our directors prior to a Sponsor/DDFS Termination Event and increased to five of our directors prior to a Sponsor/DDFS Termination Event if Mr. Dundon is no longer our Chief Executive Officer) and (vi) greater than or equal to 5% and less than 10% of our then-outstanding shares of common stock, one of our directors.

The Shareholders Agreement will also provide that DDFS and Auto Finance Holdings will collectively have the right to nominate five of our directors prior to a Sponsor/DDFS Termination Event. A Sponsor/DDFS Termination Event occurs when either: (x) if DDFS owns at least 8.5% of our then-outstanding shares of common stock (excluding shares acquired by DDFS or Mr. Dundon pursuant to any equity-based compensation plan), the total number of shares of our common stock owned collectively by DDFS and Auto Finance Holdings divided by the total number of shares of our common stock outstanding immediately following the completion of the Reorganization is less than 21.0%, or (y) if DDFS owns less than 8.5% of our then-outstanding shares of common stock (excluding shares acquired by DDFS or Mr. Dundon pursuant to any equity-based compensation plan), the total number of shares of our common stock owned by Auto Finance Holdings divided by the total number of shares of our common stock outstanding immediately following the completion of the Reorganization is less than 12.5%. Prior to a Sponsor/DDFS Termination Event and for so long as Mr. Dundon is our Chief Executive Officer, Mr. Dundon will be one of DDFS s and Auto Finance Holdings s collective nominees. Following a Sponsor/DDFS Termination Event, Mr. Dundon will have the right to serve as a director for so long as (x) Mr. Dundon is our Chief Executive Officer or (y) Mr. Dundon owns at least 5% of our then-outstanding shares of common stock (excluding shares acquired by DDFS or Mr. Dundon pursuant to any equity-based compensation plan) and has continued to comply with certain provisions of his employment agreement with the Company. Following a Sponsor/DDFS Termination Event, Auto Finance Holdings will have the right to nominate the following number of directors at each applicable threshold for its share ownership: (i) greater than or equal to 10% of our then-outstanding shares of common stock, two of our directors and (ii) greater than or equal to 5% and less than 10% of our then-outstanding shares of common stock, one of our directors.

The Shareholders Agreement will also provide that the obligation to nominate directors that are independent as defined under the rules of the NYSE and Rule 10A-3 of the Exchange Act will be allocated proportionately between SHUSA, on the one hand, and DDFS and Auto Finance Holdings, on the other hand, prior to a Sponsor/DDFS Termination Event, and between SHUSA and Auto Finance Holdings following a Sponsor/DDFS Termination Event, in each case after taking into account any independent directors that are nominated in accordance with our amended and restated bylaws and not by our Principal Stockholders. Therefore, following the completion of the offering, two of SHUSA s nominees and one of DDFS s and Auto Finance Holdings s collective nominees will be independent as defined under the rules of the NYSE and Rule 10A-3 of the Exchange Act, subject to any permitted phase-in periods.

As a result of the foregoing, the entirety of our board of directors immediately following the completion of the offering will be nominated by our Principal Stockholders pursuant to the Shareholders Agreement. However, upon a Sponsor/DDFS Termination Event or a reduction of SHUSA s share ownership below the above described thresholds, certain of our directors will no longer be nominated by our Principal Stockholders and will be nominated in accordance with our amended and restated bylaws. Based on the number of shares offered by our Principal Stockholders as set forth under Security Ownership of Certain Beneficial Owners, Management and Selling Stockholders, a Sponsor/DDFS Termination Event is expected to occur upon the completion of this offering.

The Shareholders Agreement will provide that SCUSA will take all action within its power to cause the individuals nominated by the Principal Stockholders pursuant to the provisions of the Shareholders Agreement described above to be included in the slate of nominees recommended by the board of directors to our stockholders for election as directors at each annual meeting of our stockholders and to cause the election of each such nominee, including soliciting proxies in favor of the election of such nominees. Each Principal Stockholder will commit under the terms of the Shareholders Agreement to vote all shares of our common stock owned by such Principal Stockholder to cause the election or re-election of the individuals nominated by all Principal Stockholders pursuant to the provisions of the Shareholders Agreement described above. In addition, the applicable Principal Stockholder(s) will have the right to designate a replacement to fill a vacancy on our board of directors created by the departure of a director that was nominated by the Principal Stockholder(s), and we will be required to take all action within our power to cause such vacancy to be filled by such designated replacement (including by promptly appointing such designee to the board of directors).

Approval Rights

The Shareholders Agreement will also provide that, until a Sponsor/DDFS Termination Event has occurred, the following actions by us will require the approval of each of SHUSA, DDFS, and Auto Finance Holdings, in their capacity as stockholders of SCUSA:

- the commencement of an insolvency or similar proceeding relating to the Company or certain of our material subsidiaries;
- any non-pro rata reduction to the share capital of the Company or certain of our material subsidiaries, except as required by law;
- certain amendments to our organizational documents or the organizational documents of certain of our material subsidiaries;
- any appointment of an individual to the board of directors of the Company or certain of our material subsidiaries contrary to the rights described under Board Composition above;
- any merger, amalgamation, consolidation or similar transaction involving, or the sale of substantially all of the assets of, the Company or certain of our material subsidiaries; and
- any change in the principal line of business of the Company or certain of our material subsidiaries.

The Shareholders Agreement will also provide that, until a Sponsor/DDFS Termination Event has occurred, the following actions by us will require the approval of a majority of the directors nominated by SHUSA and a majority of the directors nominated collectively by DDFS and Auto Finance Holdings:

- the entry into, or amendment or termination of, material contracts or other agreements;
- the sale, conveyance, transfer or other disposition of material property or assets of the Company or any of our subsidiaries;
- the institution or settlement by the Company or any of our subsidiaries of any material litigation or arbitration;
- the declaration or payment of dividends or other distributions in respect of the capital stock of the Company;
- except as required by changes in law or GAAP, any change to the material accounting policies of the Company;

except as required by changes in law or changes which are consistent with changes to the tax policies or positions of affiliates of Santander in the United States, any change to the material tax policies or positions of the Company;

any change in the compensation of members of the board of directors of the Company in their capacity as directors;

the making by the Company or any of our subsidiaries of any material investment in, or the acquisition of, any material assets or entity (other than investments in wholly owned subsidiaries), or the entry into any material joint ventures, partnerships or similar arrangements;

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- the incurrence by the Company or any of our subsidiaries of any material indebtedness or the assumption of any material obligations (fixed or contingent);
- the approval of the annual budget of the Company;
- any transactions with affiliates (including our Principal Stockholders) subject to certain exceptions;
- any issuance or repurchase of equity or equity linked securities by the Company (other than pursuant to equity-based compensation plans approved by the stockholders);
- the hiring or removal of certain of our executive officers;
- any changes in the compensation of our executive officers;
- any adoption, modification or termination of any equity-based incentive plans;
- any amendment to the Company s liquidity policy;
- certain amendments to the organizational documents of the Company; and
- any consent by the Company or any of our subsidiaries to the transfer by Santander or any of its affiliates of any portion of their respective commitments under certain of the Santander Credit Facilities.

Upon a Sponsor/DDFS Termination Event, the foregoing approval rights will terminate and no longer be applicable to actions taken by the Company or any of our subsidiaries. However, the Shareholders Agreement will also provide that, following a Sponsor/DDFS Termination Event, the following actions by us will require the approval of a majority of the directors nominated by SHUSA for so long as SHUSA s share ownership is greater than 20% of our then-outstanding shares of common stock:

- except as required by changes in law or GAAP, any change to the material accounting policies of the Company;
- except as required by changes in law or changes which are consistent with changes to the tax policies or positions of affiliates of Santander in the United States, any change to the material tax policies or positions of the Company; and
- any change in the principal line of business of the Company or certain of our material subsidiaries.

Registration Rights

The Shareholders Agreement will also contain registration rights provisions with respect to our common stock. Specifically, each of Auto Finance Holdings and SHUSA will have demand registration rights that will be exercisable 180 days after the consummation of this offering. The demand registration rights require us to register the shares of our common stock owned by Auto Finance Holdings or SHUSA with the SEC for sale by it to the public. We may postpone the filing of such a registration statement or suspend the effectiveness of any registration statement for a blackout period not in excess of 60 days if we are planning to prepare and file a registration statement for a primary offering or there is a pending or contemplated material acquisition or other material transaction or reorganization and our Chief Executive Officer or Chief Financial Officer reasonably concludes that such postponement or suspension would be in the Company s best interest, provided that we may not postpone the filing of a registration statement or suspend the effectiveness of a registration statement more than once during any 12-month period. The Shareholders Agreement will provide that we will be responsible for and must pay all fees and expenses incident to any registration described above.

In addition, in the event that we are registering additional shares of common stock for sale to the public following this offering, whether on our own behalf, through a demand registration (as described above) or otherwise (other than any registration relating to any employee benefit or similar plan, any dividend reinvestment plan or any acquisition by us pursuant to a registration statement filed in connection with an exchange offer), we

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are required to give notice of our intention to effect such a registration to each of our Principal Stockholders. Each of our Principal Stockholders will have piggyback registration rights pursuant to which they may require us to include their shares of our common stock in any such registration, subject to certain customary limitations and other customary registration rights provisions.

Other

The Shareholders Agreement will provide that neither we nor SHUSA is permitted to take any action that would cause Auto Finance Holdings or DDFS to be required to register as a bank holding company.

The Shareholders Agreement will also provide that the Principal Stockholders will have preemptive rights to purchase their respective proportionate shares of any issuance by the Company of equity securities, securities convertible into or exercisable for equity securities or securities that include an equity component, subject to certain exceptions.

Other Arrangements

Guarantees

Santander has provided guarantees on the covenants, agreements, and our obligations under the governing documents of our warehouse facilities and privately issued amortizing notes. These guarantees are limited to our obligations as servicer.

Currently Outstanding Borrowing Arrangements

Santander, through its New York Branch, has extended various credit facilities (the Santander Credit Facilities) to us for an aggregate amount of $4.5 billion.

- Santander Consumer Funding 3 LLC (a subsidiary of SCUSA) has a committed facility of $1,750 million established in December 2011. As of December 31, 2011, the balance of the line was $1,748 million. Santander Consumer Funding 3 LLC paid $37.3 in interest on this line of credit during 2011. The highest outstanding balance of the line in 2012 was $1,750 million. As of December 31, 2012, the balance of the line was $1,385 million. In 2012, Santander Consumer Funding 3 LLC paid $13.9 million in interest on this line of credit. The current maturity of the facility is December 31, 2015.

- Santander Consumer Funding 5 LLC (a subsidiary of SCUSA) has a committed facility of $1,750 million established in December 2011. As of December 31, 2011, the balance of the line was $300 million. Santander Consumer Funding 5 LLC paid no interest on this line of credit during 2011. The highest outstanding balance of the line in 2012 was $425 million. As of December 31, 2012, the balance of the line was zero. In 2012, Santander Consumer Funding 5 LLC paid $0.5 million in interest on this line of credit. The current maturity of the facility is December 31, 2017.

- Santander Consumer Captive Auto Funding LLC (a subsidiary of SCUSA) has a committed facility of $500 million established on May 31, 2013. The current maturity of the facility is December 31, 2015.

- Santander Consumer Captive Auto Funding 5 LLC (a subsidiary of SCUSA) has a committed facility of $500 million established on May 31, 2013. The current maturity of the facility is December 31, 2017.

Any secured drawings outstanding under the Santander Credit Facilities at the time of the facilities maturity will amortize to match the maturities and expected cash flows of the corresponding collateral. The current maturity of each facility is listed above. Santander has the option to allow us to renew these facilities. These facilities currently permit unsecured borrowing but generally are collateralized.

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Previously Outstanding Borrowing Arrangements

Santander Consumer Receivables 2 LLC (a subsidiary of SCUSA) had a line of credit with Santander s New York branch. The credit limit in 2010 and until December 30, 2011 was $3.65 billion. The highest outstanding balance of the line in 2010 was $2,930 million. The balance of the line was $2,552 million as of December 31, 2010. In 2010, Santander Consumer Receivables 2 LLC paid $32.6 million in interest on this line of credit. The highest outstanding balance of the line in 2011 was $3,638 million. In 2011, Santander Consumer Receivables 2 LLC paid $37.3 million in interest on this line of credit. On December 30, 2011, this facility was replaced by the facilities extended to Santander Consumer Funding 3 LLC and Santander Consumer Funding 5 LLC and the outstanding balances were refinanced by those facilities.

We had a $150 million revolving line of credit with Santander Benelux. The highest balance on the line during each of 2010 and 2011 was $150 million. The outstanding balance of the line as of December 31, 2010 was $150 million. In 2010 and 2011, we paid Santander Benelux $1.7 million and $3.2 million respectively, in interest on this line of credit. The line was terminated by mutual consent of Santander Benelux and us on December 30, 2011.

We had $100 million and $150 million revolving lines of credit with Santander Benelux, SA, NV (Santander Benelux), a wholly owned subsidiary of Santander. In 2010 and 2011, we paid Santander Benelux $4.1 million and $5.2 million in interest on these lines of credit. The lines were terminated by mutual consent of Santander Benelux and us on December 30, 2011.

In 2010, we had a $200 million unsecured loan from Santander s New York branch. The outstanding balance as of January 1, 2010 was $28 million. In 2010, we paid $2.7 million in interest on this loan. This loan was paid off in 2010.

In 2010, we had a $500 million line of credit with Santander s New York branch. The outstanding balance as of January 1, 2010 was $500 million. In 2010, we paid $6.8 million in interest on this line of credit. This line of credit was paid off in 2010.

In 2010, we had a $1.7 billion warehouse line of credit with Abbey National Bank, now Santander UK plc, a wholly owned subsidiary of Santander. As of January 1, 2010, the outstanding balance on the line was $1,683 million. In 2010, we paid $14.8 million in interest on this line of credit. This line of credit was paid off in 2010.

In 2010, we had a $700 million warehouse line of credit with SBNA. The maximum amount outstanding in 2010 was $375.5 million. We paid $0.5 million in interest on this line of credit in 2010. This line of credit was paid off in 2010.

In 2010, we had a $1,800 million line of credit with Santander s New York Branch. The outstanding balance as of December 31, 2010 was $1,596 million. We paid $18.8 million of interest on this line of credit in 2010. On December 30, 2011, the line was terminated and replaced with a $1.0 billion line of credit maturing on December 31, 2014. We did not borrow on the new line of credit. On May 31, 2013, the new line of credit was terminated and replaced with the facilities extended to Santander Consumer Captive Auto Funding LLC and Santander Consumer Captive Auto Funding 5 LLC.

Servicing Arrangements

We are under contract with SBNA to service the bank s retail vehicle loan portfolio, which had a balance of $251 million as of December 31, 2012. For the years 2012, 2011 and 2010, SBNA paid $11.8 million, $19.9 million, and $29.1 million, respectively, to us with respect to this agreement.

We are under contract with SBNA to service the bank s RV loan portfolio, which had a balance of $1.4 billion as of December 31, 2012. In 2012 and 2011, SBNA paid $14.2 million and $16.4 million, respectively, to us with respect to this agreement.

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We are under contract with SBNA to service the bank s portfolio of Chrysler dealer loans either purchased from us or originated under a flow agreement with us. These services began in August 2013 and SBNA had not paid any servicing fees to us as of September 30, 2013. SBNA paid us a $9 million referral fee in June 2013 in connection with the flow agreement.

Other Agreements

Produban Servicios Informaticos Generales, S.L., a Santander affiliate, is under contract with us to provide a videoconferencing system. Expenses incurred, which are included as a component of data processing, communications and other expenses, totaled $148,000, $160,000, and $161,000 for the years ended December 31, 2012, 2011 and 2010, respectively.

We have entered into interest rate swaps and caps with Santander and its affiliates with a notional value of approximately $9.2 billion as of September 30, 2013.

We have established a $500 million letter of credit facility with Santander s New York Branch. As of December 31, 2010 the facility commitment was reduced from $1 billion to the current $500 million. For 2010, the highest balance outstanding under this facility was $506.1 million and the balance as of December 31, 2010 was $198.5 million. In 2010, we paid $3.8 million in interest and fees on letters of credit issued under this facility. For 2011, the highest balance outstanding under this facility was $351.9 million and the balance as of December 31, 2011 was $285.9 million. In 2011, we paid $2.2 million in interest and fees on letters of credit issued under this facility. For 2012, the highest balance outstanding under this facility was $269.8 million and the balance as of December 31, 2012 was zero. In 2012, the Company paid $1.0 million in fees on letters of credit issued under this facility. We have not used the letter of credit facility during 2013 YTD.

On December 21, 2012, we entered into a Master Services Agreement with a company in which we have a cost method investment and hold a warrant to increase our ownership if certain vesting conditions are satisfied. The Master Services Agreement enables us to review credit applications of retail store customers. We began reviewing applications under terms of this Agreement on October 24, 2013 and have originated approximately $139,000 in loans under the Agreement as of December 31, 2013.

We pay certain expenses incurred by Mr. Dundon in the operation of his private plane when used for SCUSA business within the contiguous 48 states of the United States. Under this practice, payment is based on a set flight time hourly rate, and the amount of our reimbursement is not subject to a maximum cap per fiscal year. During fiscal year 2013, the average flight time hourly rate was approximately $5,400, and accordingly, we paid approximately $496,000 to Meregrass Company, a 135 charter company that manages this operation, under this practice.

Two of the funds that invested in Auto Finance Holdings, CCP II Auto Holdings LLC and KKR 2006 Auto Holding I LLC, also were the equity investors in two LLCs that were formed in 2011 and were consolidated in our financial statements due to our being the primary beneficiary of the entities. On August 30, 2013, the funds abandoned their interests in the entities, resulting in our having full ownership of the entities, which continue to be consolidated in our financial statements. Each fund s investment in each LLC was $5,000. At the time the LLCs were formed, we entered into indemnification agreements with each of the funds whereby we reimbursed the funds, on a grossed-up basis, for all taxes they incurred related to their investments in the LLCs. Payments under these indemnification agreements have totaled $28,080,000, all of which was paid during the year ended December 31, 2012. In July 2013, we recovered $9,092,925 of this amount as a result of a tax refund to one of the funds. In November 2013, we recovered an additional $9,172,726. We currently have a receivable of $8,602,921, representing the remaining amount of the indemnification payments that we expect to recover as the funds receive additional tax refunds. Additionally, one of the funds served as the managing member of the VIEs until the abandonment. The VIEs each paid a management fee of

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$25,000 to the managing member in each of the years ended December 31, 2012 and 2011, and reimbursed expenses incurred by the managing member on behalf of the VIEs totaling $156,237 and zero for the years ended December 31, 2012 and 2011, respectively.

On October 21, 2013, we entered into a lease for approximately 373,000 square feet at a property intended to serve as our corporate headquarters, and in which property Mr. Dundon, Mr. Sanchez and Mr. Kulas each have a minority equity investment. Future minimum lease payments for the 12-year term of the lease total approximately $83.6 million.

Approval of Related-Party Transactions

Transactions by us with related parties are subject to a formal written policy, as well as regulatory requirements and restrictions. In connection with this offering, we intend to revise our written policy to ensure compliance with all applicable requirements of the SEC and the NYSE concerning related-party transactions.

Under the new policy, our directors and director nominees, executive officers and holders of more than 5% of our common stock, including their immediate family members, will not be permitted to enter into a related party transaction with us, as described below, without the consent of our Audit Committee. Any request for us to enter into a transaction in which the amount involved exceeds $120,000 and any such party has a direct or indirect material interest, subject to certain exceptions will be required to be presented to our Audit Committee for review, consideration and approval. Management will be required to report to our Audit Committee any such related party transaction and such related party transaction will be reviewed and approved or disapproved by the disinterested members of our Audit Committee.

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DESCRIPTION OF CAPITAL STOCK

The following descriptions include summaries of the material terms of our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective upon the completion of this offering. Reference is made to the more detailed provisions of the amended and restated certificate of incorporation and amended and restated bylaws, forms of which will be filed with the SEC as exhibits to the registration statement of which this prospectus is a part, and applicable law. Because this is only a summary, it may not contain all the information that is important to you.

General

Upon the completion of this offering, our amended and restated certificate of incorporation will authorize us to issue 1.1 billion shares of common stock, $0.01 par value per share, and 100 million shares of preferred stock, $0.01 par value per share. Immediately following the completion of this offering, we will have 347,363,230 shares of common stock outstanding. There will be no shares of preferred stock outstanding immediately following this offering.

Common Stock

Voting Rights

Holders of common stock will be entitled to one vote per share on all matters to be voted upon by the stockholders. The holders of common stock will not have cumulative voting rights in the election of directors.

Dividend Rights

Holders of common stock will be entitled to ratably receive dividends if, as and when declared from time to time by our board of directors at its own discretion out of funds legally available for that purpose, after payment of dividends required to be paid on outstanding preferred stock, if any. Under Delaware law, we can only pay dividends either out of surplus or out of the current or the immediately preceding year s net profits. Surplus is defined as the excess, if any, at any given time, of the total assets of a corporation over its total liabilities and statutory capital. The value of a corporation s assets can be measured in a number of ways and may not necessarily equal their book value.

Liquidation Rights

Upon liquidation, dissolution or winding up, the holders of common stock will be entitled to receive ratably the assets available for distribution to the stockholders after payment of all liabilities and accrued but unpaid dividends and liquidation preferences on any outstanding preferred stock.

Other Matters

The common stock will have no preemptive or conversion rights pursuant to the terms of our amended and restated certificate of incorporation and amended and restated bylaws. There will be no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of our common stock will be fully paid and non-assessable, and the shares of our common stock offered in this offering, upon payment and delivery in accordance with the underwriting agreement, will be fully paid and non-assessable.

Preferred Stock

Pursuant to our amended and restated certificate of incorporation, shares of preferred stock will be issuable from time to time, in one or more series, with the designations of the series, the voting rights of the shares of the series (if any), the powers, preferences and relative, participation, optional or other special rights (if any), and any qualifications, limitations or restrictions thereof as our board of directors from time to time may adopt by resolution (and without further stockholder approval), subject to certain limitations. Each series will consist of that number of shares as will be stated and expressed in the certificate of designations providing for the issuance of the stock of the series.

Composition of Board of Directors

In accordance with our amended and restated certificate of incorporation and amended and restated bylaws, the number of directors comprising our board of directors will be fixed in our amended and restated bylaws and may only be increased or decreased from time to time by an amendment to our amended and restated bylaws. We intend to avail ourselves of the controlled company exception under NYSE rules, which exempt us from certain requirements, including the requirements that we have a majority of independent directors on our board of directors and that we have compensation and nominating and corporate governance committees composed entirely of independent directors. We will, however, remain subject to the requirement that we have an audit committee composed entirely of independent members.

Upon the completion of this offering, we expect to have eleven directors and one vacant director position. Our amended and restated certificate of incorporation and amended and restated bylaws will provide that our board of directors will be elected annually at an annual or special meeting of stockholders, with such election decided by plurality vote, each year, except as provided in the Shareholders Agreement. Each director is to hold office until his successor is duly elected and qualified or until his earlier death, resignation or removal. At any meeting of our board of directors, except as otherwise required by law or in connection with certain matters subject to our Principal Stockholders approval rights, a majority of the total number of directors then in office will constitute a quorum for all purposes.

In addition, the Shareholders Agreement will provide our Principal Stockholders with the right to designate all of the nominees to our board of directors immediately following the completion of the offering. See Certain Relationships and Related Party Transactions Shareholders Agreement.

Certain Anti-Takeover Provisions of Delaware Law and our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws

Certain provisions of Delaware law and certain provisions that will be included in our amended and restated certificate of incorporation and amended and restated bylaws summarized below may be deemed to have an anti-takeover effect and may delay, deter or prevent a tender offer or takeover attempt that a stockholder might consider to be in its best interests, including attempts that might result in a premium being paid over the market price for the shares held by stockholders.

Preferred Stock

Our amended and restated certificate of incorporation will contain provisions that permit our board of directors to issue, without any further vote or action by the stockholders (subject to the approval rights described under Certain Relationships and Related Party Transactions Shareholders Agreement), shares of preferred stock in one or more series and, with respect to each such series, to fix the number of shares constituting the series and the designation of the series, the voting rights (if any) of the shares of the series, and the powers, preferences and relative, participation, optional and other special rights, if any, and any qualifications, limitations or restrictions, of the shares of such series.

Vacancies

Vacancies on our board of directors may be filled only by election at an annual meeting or at a special meeting of stockholders called for that purpose, subject to the rights of the Principal Stockholders to designate replacements to fill vacancies created by the departure of directors designated by the Principal Stockholders. See Certain Relationships and Related Party Transactions Shareholders Agreement.

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No Cumulative Voting

Our amended and restated certificate of incorporation will provide that stockholders do not have the right to cumulative votes in the election of directors.

Special Meetings of Stockholders

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that, except as otherwise required by law, special meetings of the stockholders may be called only by any officer at the request of a majority of our board of directors, by the chairman of the board of directors or by our Chief Executive Officer. In addition, for so long as SHUSA, DDFS and Auto Finance Holdings and their respective affiliates beneficially own more than 50% of our voting stock, special meeting of stockholders may also be called at the request of the holders of 50% of our voting stock. At such time as SHUSA, DDFS and Auto Finance Holdings and their respective affiliates beneficially own less than or equal to 50% of our voting stock, stockholders will no longer be permitted to call a special meeting or to require the board of directors to call a special meeting.

Advance Notice Procedures for Director Nominations

Our amended and restated bylaws will provide that stockholders (except stockholders with nomination rights under the Shareholders Agreement) seeking to nominate candidates for election as directors at an annual or special meeting of stockholders must provide timely notice thereof in writing. To be timely, a stockholder s notice generally will have to be delivered to and received at our principal executive offices before notice of the meeting is issued by the secretary of the Company, with such notice being served not less than 10 nor more than 60 days before the meeting. Although the amended and restated bylaws will not give the board of directors the power to approve or disapprove stockholder nominations of candidates to be elected at an annual meeting, the amended and restated bylaws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed or may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of the Company.

Action by Written Consent

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that any action to be taken by the stockholders must be effected at a duly called annual or special meeting of stockholders and may not be effected by written consent. However, for so long as SHUSA, DDFS and Auto Finance Holdings and their respective affiliates beneficially own more than 50% of our voting stock, any action of the stockholders that may be effected at an annual or special meeting of stockholders may also be effected by the written consent of stockholders having at least the minimum number of votes required to take such action at a meeting of stockholders. At such time as SHUSA, DDFS and Auto Finance Holdings and their respective affiliates beneficially own less than or equal to 50% of our voting stock, stockholders will no longer be permitted to act by written consent.

Amendment of Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws; Supermajority Provisions

The DGCL generally provides that the affirmative vote of a majority of the outstanding shares of stock entitled to vote is required to amend a corporation s certificate of incorporation or bylaws, unless the certificate of incorporation requires a greater percentage. Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that prior to a Sponsor/DDFS Termination Event, the following provisions in our amended and restated certificate of incorporation or amended and restated bylaws, as applicable, may be repealed, altered, amended or rescinded only by the affirmative vote of a majority of the combined voting power of the then outstanding shares of all classes and series of the Company then held by

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SHUSA and a majority of the combined voting power of the then outstanding shares of all classes and series of the Company then held by Auto Finance Holdings and DDFS, collectively:

- the provisions regarding notice of stockholder and board of directors meetings;
- the provision setting the number of directors on the board of directors;
- the provisions regarding the election of directors, nominations for directors and the appointment of the chairman and vice chairman of the board of directors;
- the provision regarding the frequency and place of meetings of the board of directors;
- the provisions regarding the requirements for a quorum and voting at meetings of stockholders and the board of directors;
- the provision regarding the establishment of committees of the board of directors;
- the provisions regarding competition and corporate opportunities;
- the provisions regarding filling vacancies on the board of directors and newly created directorships;
- the provisions regarding indemnification;
- the provisions regarding the removal of directors;
- the provisions regarding business combinations with interested stockholders;
- the provisions regarding advance notice procedures for director nominations and other stockholder business; and
- the provision regarding amendment to the above listed provisions.

Except as described above, our amended and restated bylaws may also be amended by our board of directors without a stockholder vote in any manner not inconsistent with Delaware law or our amended and restated certificate of incorporation.

In addition, the Shareholders Agreement provides that prior to a Sponsor/DDFS Termination Event, our Principal Stockholders will have approval rights over the following amendments to our amended and restated certificate of incorporation and amended and restated bylaws:

any amendment that would change the name of the Company;

any amendment that would change the jurisdiction of incorporation of the Company;

any amendment that would change the purpose or purposes for which the Company is organized;

any amendment that would change the size of the Company s board of directors;

any amendment that would change the authorized capital stock of the Company, including the creation or issuance of any new class or series of capital stock either (i) having separate class or disproportionate voting rights or (ii) ranking senior to the common stock as to dividends or upon liquidation;

any amendment that would change the rights of any holders of common stock in a manner adverse to such holders; and

any amendment that would change the approval rights of our Principal Stockholders with respect to the foregoing amendments to our amended and restated certificate of incorporation and certain other corporate actions described in Certain Relationships and Related Party Transactions Shareholders Agreement Approval Rights .

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See Certain Relationships and Related Party Transactions Shareholders Agreement.

Business Combinations with Interested Stockholders

We currently intend to elect in our amended and restated certificate of incorporation not to be subject to Section 203 of the DGCL, which generally prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with a person or group owning 15% or more of the corporation s voting stock, for a period of three years following the date on which the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in accordance with Section 203. Accordingly, we are not subject to the anti-takeover effects of Section 203. However, our amended and restated certificate of incorporation will contain provisions that have the same effect as Section 203, except that they provide that each of SHUSA and its successors and affiliates and certain of its direct transferees and Auto Finance Holdings and its successors and affiliates and certain of its direct transferees will not be deemed to be interested stockholders, and accordingly will not be subject to such restrictions, as long as it and its affiliates own at least 10% of our outstanding shares of common stock.

Limitation on Liability and Indemnification of Directors and Officers

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors fiduciary duties. Our amended and restated certificate of incorporation includes a provision that eliminates the personal liability of directors for monetary damages for breach of fiduciary duty as a director, except:

- for breach of duty of loyalty;
- for acts or omissions not in good faith or involving intentional misconduct or knowing violation of law;
- under Section 174 of the DGCL (unlawful dividends); or
- for transactions from which the director derived an improper personal benefit.

Our amended and restated certificate of incorporation and amended and restated bylaws provide that we must indemnify our directors and officers to the fullest extent authorized by the DGCL. We are expressly authorized to, and do, carry directors and officers insurance providing coverage for our directors, officers and certain employees for some liabilities. We believe that these indemnification provisions and insurance are useful to attract and retain qualified directors and executive directors.

The limitation on liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

Renunciation of Certain Corporate Opportunities

Our amended and restated certificate of incorporation will provide that none of our Principal Stockholders or any of their affiliates (other than any member of our board of directors who is also an officer of the Company) will be obligated to present any particular investment or business opportunity to the Company even if such opportunity is of a character that could be pursued by the Company, and may pursue for their own account or recommend to any other person any such investment opportunity.

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Listing

We have applied to have our common stock approved for listing on the NYSE under the symbol SC. Listing will be subject to our fulfilling all of the listing requirements of the NYSE, including the corporate governance standards applicable to controlled companies.

Transfer Agent and Registrar

Computershare Trust Company, N.A. is the transfer agent and registrar for the common stock.

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SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no established public market for our common stock, and we cannot predict the effect, if any, that sales of shares or availability of any shares for sale will have on the market price of our common stock prevailing from time to time. Issuances or sales of substantial amounts of common stock (including shares issued on the exercise of options, warrants or convertible securities, if any) or the perception that such issuances or sales could occur, could adversely affect the market price of our common stock and our ability to raise additional capital through a future sale of securities.

Upon completion of this offering and the Reorganization, we will have 347,363,230 shares of common stock issued and outstanding. All of the 65,217,391 shares of our common stock sold in this offering will be freely tradable without restriction or further registration under the Securities Act, unless such shares are purchased by affiliates as that term is defined in Rule 144 under the Securities Act or are subject to a lock-up agreement (described below). Upon completion of this offering, approximately 81.22% of our outstanding common stock will be held by affiliates as that term is defined in Rule 144 or be subject to a lock-up agreement (assuming no shares are sold in this offering to a holder that is subject to a lock-up agreement). The shares held by affiliates will be restricted securities as that phrase is defined in Rule 144. Subject to certain contractual restrictions, including the lock-up agreements, holders of restricted shares will be entitled to sell those shares in the public market if they qualify for an exemption from registration under Rule 144 or any other applicable exemption under the Securities Act. Subject to the lock-up agreements and the provisions of Rules 144 and 701 under the Securities Act, additional shares will be available for sale as set forth below.

Registration Statement on Form S-8

In addition to the issued and outstanding shares of our common stock, we intend to file a registration statement on Form S-8 to register an aggregate of approximately 29,800,986 shares of common stock reserved for issuance under our incentive programs. That registration statement will become effective upon filing and shares of common stock covered by such registration statement are eligible for sale in the public market immediately after the effective date of such registration statement (unless held by affiliates), subject to the lock-up agreements.

Lock-Up Agreements

See Underwriting for a description of lock-up agreements entered into with the underwriters in connection with this offering. Upon the completion of this offering, SHUSA will agree with Auto Finance Holdings to not sell or otherwise dispose of any shares of our common stock owned by SHUSA (other than to certain permitted transferees) for a period of twelve months following the completion of this offering.

Management Shareholder Agreements that we have entered into with certain of our officers and employees also provide that these officers and employees may not sell or otherwise dispose of our common stock for customary periods before and after an underwritten offering of shares of our common stock. See Certain Relationships and Related Party Transactions 2011 Investment. In addition, the Management Shareholder Agreements provide for certain repurchase rights and restrictions, including that shares acquired in the Equity Transaction may not be transferred until December 31, 2016 and that certain shares acquired through the exercise of stock options may not be transferred for certain periods.

Registration Rights

Following the completion of this offering, pursuant to the Shareholders Agreement, our Principal Stockholders will have rights, subject to certain conditions, to require us to include their shares in registration statements that we may file for ourselves or other existing stockholders, and the Principal Stockholders will have demand registration rights. In addition, pursuant to the Management Shareholder Agreements, we have granted certain of our officers and employees piggyback registration rights pursuant to which they may require us to include their shares in future offerings that involve, in whole or in part, a secondary offering of our shares, provided that Auto Finance Holdings is selling shares in such offering. See Certain Relationships and Related Party Transactions Shareholders Agreement Registration Rights and Certain Relationships and Related Party Transactions 2011 Investment. Registration of these shares under the Securities Act will result in these shares becoming freely tradable without restriction under the Securities Act upon effectiveness of the registration statement.

Rule 144

In general, under Rule 144 under the Securities Act, a person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months (including any period of consecutive ownership of preceding non-affiliated holders), will be entitled to sell those shares, subject only to the availability of current public information about us. A non-affiliated person who has beneficially owned restricted securities within the meaning of Rule 144 for at least one year will be entitled to sell those shares without regard to the provisions of Rule 144.

A person (or persons whose shares are aggregated) who is deemed to be an affiliate of ours and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months would be entitled to sell within any three-month period a number of shares that does not exceed the greater of 1% of the then-outstanding shares of our common stock or the average weekly trading volume of our common stock during the four calendar weeks preceding such sale. Such sales are also subject to certain manner of sales provisions, notice requirements and the availability of current public information about us.

Rule 701

In general, under Rule 701 under the Securities Act, an employee, consultant or advisor who purchases shares of our common stock from us in connection with a compensatory stock or option plan or other written agreement is eligible to resell those shares 90 days after the effective date of the registration statement of which this prospectus forms a part in reliance on Rule 144, but without compliance with some of the restrictions, including the holding period restriction, contained in Rule 144.

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MATERIAL U.S. TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following is a discussion of the material U.S. federal income tax considerations with respect to the ownership and disposition of shares of common stock applicable to non-U.S. holders who acquire such shares in this offering and hold such shares as a capital asset within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Code) (generally, property held for investment). For purposes of this discussion, a non-U.S. holder means a beneficial owner of our common stock (other than an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes) that is not, for U.S. federal income tax purposes, any of the following:

- a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in the United States or under the laws of the United States, any state thereof or the District of Columbia, or any other corporation treated as such;
- an estate, the income of which is includable in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons, as defined under the Code, have the authority to control all substantial decisions of the trust or (ii) such trust has made a valid election to be treated as a U.S. person for U.S. federal income tax purposes.

This discussion is based on current provisions of the Code, Treasury regulations promulgated thereunder, judicial opinions, published positions of the Internal Revenue Service and other applicable authorities, all of which are subject to change (possibly with retroactive effect). This discussion does not address all aspects of U.S. federal income taxation that may be important to a particular non-U.S. holder in light of that non-U.S. holder s individual circumstances, nor does it address any aspects of the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010, any U.S. federal estate and gift taxes, any U.S. alternative minimum taxes or any state, local or non-U.S. taxes. This discussion may not apply, in whole or in part, to particular non-U.S. holders in light of their individual circumstances or to holders subject to special treatment under the U.S. federal income tax laws (such as insurance companies, tax-exempt organizations, financial institutions, brokers or dealers in securities, controlled foreign corporations, passive foreign investment companies, non-U.S. holders that hold our common stock as part of a straddle, hedge, conversion transaction or other integrated investment and certain U.S. expatriates).

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our common stock, the tax treatment of a partner therein will generally depend on the status of the partner and the activities of the partnership. Partners of a partnership holding our common stock should consult their tax advisor as to the particular U.S. federal income tax consequences applicable to them.

THIS SUMMARY IS FOR GENERAL INFORMATION ONLY AND IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES FOR NON-U.S. HOLDERS RELATING TO THE OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK. PROSPECTIVE HOLDERS OF OUR COMMON STOCK SHOULD CONSULT WITH THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM (INCLUDING THE APPLICATION AND EFFECT OF ANY STATE, LOCAL, FOREIGN INCOME AND OTHER TAX LAWS) OF THE OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK.

Dividends

In general, the gross amount of any distribution we make to a non-U.S. holder with respect to its shares of common stock will be subject to U.S. withholding tax at a rate of 30% to the extent the distribution constitutes a dividend for U.S. federal income tax purposes, unless the non-U.S. holder is eligible for a reduced rate of

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withholding tax under an applicable tax treaty and the non-U.S. holder provides proper certification of its eligibility for such reduced rate. A distribution will constitute a dividend for U.S. federal income tax purposes to the extent of our current or accumulated earnings and profits as determined for U.S. federal income tax purposes. To the extent any distribution does not constitute a dividend, it will be treated first as reducing the adjusted basis in the non-U.S. holder s shares of common stock and then, to the extent it exceeds the adjusted basis in the non-U.S. holder s shares of common stock, as gain from the sale or exchange of such stock. Any such gain will be subject to the treatment described below under Gain on Sale or Other Disposition of Common Stock.

Dividends we pay to a non-U.S. holder that are effectively connected with its conduct of a trade or business within the United States (and, if required by an applicable tax treaty, are attributable to a U.S. permanent establishment of such non-U.S. holder) will not be subject to U.S. withholding tax, as described above, if the non-U.S. holder complies with applicable certification and disclosure requirements. Instead, such dividends generally will be subject to U.S. federal income tax on a net income basis, at regular U.S. federal income tax rates. Dividends received by a foreign corporation that are effectively connected with its conduct of trade or business within the United States may be subject to an additional branch profits tax at a rate of 30% (or such lower rate as may be specified by an applicable tax treaty).

Gain on Sale or Other Disposition of Common Stock

In general, a non-U.S. holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other disposition of the non-U.S. holder s shares of common stock unless:

- the gain is effectively connected with a trade or business carried on by the non-U.S. holder within the United States (and, if required by an applicable tax treaty, is attributable to a U.S. permanent establishment of such non-U.S. holder);

- the non-U.S. holder is an individual and is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met; or

- we are or have been a U.S. real property holding corporation for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding such disposition or such non-U.S. holder s holding period of our common stock, and the non-U.S. holder has held, at any time during said period, more than 5% of the class of our stock being sold.

Gain that is effectively connected with the conduct of a trade or business in the United States (or so treated) generally will be subject to U.S. federal income tax on a net income tax basis, at regular U.S. federal income tax rates. If the non-U.S. holder is a foreign corporation, the branch profits tax described above also may apply to such effectively connected gain. An individual non-U.S. holder who is subject to U.S. federal income tax because the non-U.S. holder was present in the United States for 183 days or more during the year of sale or other disposition of our common stock will be subject to a flat 30% tax on the gain derived from such sale or other disposition, which may be offset by U.S. source capital losses. We believe that we are not and we do not anticipate becoming a U.S. real property holding corporation for U.S. federal income tax purposes.

Withholdable Payments to Foreign Financial Entities and Other Foreign Entities

Under the Foreign Account Tax Compliance Act and related administrative guidance (FATCA), a United States federal withholding tax of 30% generally will be imposed on certain payments made after December 31, 2013 to a foreign financial institution (as defined under FATCA) unless (i) such institution enters into an agreement with the U.S. tax authorities to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners), and certain other requirements are met; or (ii) complies with the terms of an applicable intergovernmental agreement to implement FATCA (IGA), which IGA has waived the requirement to enter into the type of agreement specified in (i), and registers its status as compliant with such IGA with the U.S.

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government. Under FATCA, a U.S. federal withholding tax of 30% generally also will be imposed on certain payments made after December 31, 2013 to a non-financial foreign entity unless such entity provides the withholding agent with a certification identifying its direct and indirect U.S. owners. These withholding taxes would be imposed on dividends paid with respect to our common stock after December 31, 2013, and on gross proceeds from sales or other dispositions of our common stock after December 31, 2016, in each case, to foreign financial institutions or non-financial entities (including in their capacity as agents or custodians for beneficial owners of our common stock) that fail to satisfy the above requirements. Under certain circumstances, a non-U.S. holder might be eligible for refunds or credits of such taxes. Prospective non-U.S. holders should consult with their tax advisors regarding the possible implications of FATCA on their investment in our common stock.

Backup Withholding, Information Reporting and Other Reporting Requirements

We must report annually to the Internal Revenue Service and to each non-U.S. holder the amount of dividends paid to, and the tax withheld with respect to, each non-U.S. holder. These reporting requirements apply regardless of whether withholding was reduced or eliminated by an applicable tax treaty. Copies of this information reporting may also be made available under the provisions of a specific tax treaty or agreement with the tax authorities in the country in which the non-U.S. holder resides or is established.

A non-U.S. holder will generally be subject to backup withholding for dividends on our common stock paid to such holder unless such holder certifies under penalties of perjury that, among other things, it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a U.S. person) or otherwise establishes an exemption.

Information reporting and backup withholding generally are not required with respect to the amount of any proceeds from the sale or other disposition of our common stock by a non-U.S. holder outside the United States through a foreign office of a foreign broker that does not have certain specified connections to the United States. However, if a non-U.S. holder sells or otherwise disposes of its shares of common stock through a U.S. broker or the U.S. offices of a foreign broker, the broker will generally be required to report the amount of proceeds paid to the non-U.S. holder to the Internal Revenue Service and also backup withhold on that amount unless such non-U.S. holder provides appropriate certification to the broker of its status as a non-U.S. person (and the payor does not have actual knowledge or reason to know that such holder is a U.S. person) or otherwise establishes an exemption. Information reporting will also apply if a non-U.S. holder sells its shares of common stock through a foreign broker deriving more than a specified percentage of its income from U.S. sources or having certain other connections to the United States, unless such broker has documentary evidence in its records that such non-U.S. holder is a non-U.S. person (and the payor does not have actual knowledge or reason to know that such holder is a U.S. person) and certain other conditions are met, or such non-U.S. holder otherwise establishes an exemption.

Backup withholding is not an additional income tax. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder generally can be credited against the non-U.S. holder s U.S. federal income tax liability, if any, or refunded, provided that the required information is furnished to the Internal Revenue Service in a timely manner. Non-U.S. holders should consult their tax advisors regarding the application of the information reporting and backup withholding rules to them.

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UNDERWRITING

Citigroup Global Markets Inc. and J.P. Morgan Securities LLC are acting as global coordinators and joint book-running managers of the offering and as representatives of the underwriters named below. Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus, each underwriter named below has severally agreed to purchase, and the selling stockholders have agreed to sell to that underwriter, the number of shares set forth opposite the underwriter s name.

Underwriter	Number of Shares
Citigroup Global Markets Inc.	
J.P. Morgan Securities LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Deutsche Bank Securities Inc.	
Santander Investment Securities Inc.	
Barclays Capital Inc.	
Goldman, Sachs & Co.	
Morgan Stanley & Co. LLC	
RBC Capital Markets, LLC	
BMO Capital Markets Corp.	
Credit Suisse Securities (USA) LLC	
UBS Securities LLC	
Wells Fargo Securities, LLC	
KKR Capital Markets LLC	
Sandler O Neill & Partners, L.P.	
Stephens Inc.	
LOYAL3 Securities, Inc.	
Total	

The underwriting agreement provides that the obligations of the underwriters to purchase the shares included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all the shares (other than those covered by the over-allotment option described below) if they purchase any of the shares.

Shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount from the initial public offering price not to exceed $ per share. If all the shares are not sold at the initial offering price, the underwriters may change the offering price and the other selling terms. The representatives have advised us and the selling stockholders that the underwriters do not intend to make sales to discretionary accounts.

If the underwriters sell more shares than the total number set forth in the table above, the selling stockholders have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to 9,782,608 additional shares at the public offering price less the underwriting discount. To the extent the option is exercised, each underwriter must purchase a number of additional shares approximately proportionate to that underwriter s initial purchase commitment. Any shares issued or sold under the option will be issued and sold on the same terms and conditions as the other shares that are the subject of this offering.

We, our Principal Stockholders, our directors and certain of our officers have agreed, subject to certain exceptions, that, for a period of 180 days from the date of this prospectus, we and they will not, without the prior written consent of Citigroup Global Markets Inc. and J.P. Morgan Securities LLC, dispose of or hedge any shares

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or any securities convertible into or exchangeable for our common stock. Citigroup Global Markets Inc. and J.P. Morgan Securities LLC in their sole discretion may release any of the securities subject to these lock-up agreements at any time, which, in the case of officers and directors, shall be with notice. Notwithstanding the foregoing, if (i) during the last 17 days of the 180-day restricted period, we issue an earnings release or material news or a material event relating to our company occurs; or (ii) prior to the expiration of the 180-day restricted period, we announce that we will release earnings results during the 16-day period beginning on the last day of the 180-day restricted period, the restrictions described above shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

Prior to this offering, there has been no public market for our shares. Consequently, the initial public offering price for the shares was determined by negotiations among us, the selling stockholders and the representatives. Among the factors considered in determining the initial public offering price were our results of operations, our current financial condition, our future prospects, our markets, the economic conditions in and future prospects for the industry in which we compete, our management, and currently prevailing general conditions in the equity securities markets, including current market valuations of publicly traded companies considered comparable to our company. We cannot assure you, however, that the price at which the shares will sell in the public market after this offering will not be lower than the initial public offering price or that an active trading market in our shares will develop and continue after this offering.

We have applied to have our shares listed on the NYSE under the symbol SC.

The following table shows the underwriting discounts and commissions that the selling stockholders are to pay to the underwriters in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters over-allotment option to purchase additional shares.

	Paid by Selling Stockholders	
	No Exercise	**Full Exercise**
Per share	$	$
Total	$	$

We estimate that the total expenses of this offering, which will be payable by us, will be $5,928,340.

In connection with the offering, the underwriters may purchase and sell shares in the open market. Purchases and sales in the open market may include short sales, purchases to cover short positions, which may include purchases pursuant to the over-allotment option, and stabilizing purchases.

Short sales involve secondary market sales by the underwriters of a greater number of shares than they are required to purchase in the offering.

Covered short sales are sales of shares in an amount up to the number of shares represented by the underwriters over-allotment option.

Naked short sales are sales of shares in an amount in excess of the number of shares represented by the underwriters over-allotment option.

Covering transactions involve purchases of shares either pursuant to the underwriters over-allotment option or in the open market in order to cover short positions.

To close a naked short position, the underwriters must purchase shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

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To close a covered short position, the underwriters must purchase shares in the open market or must exercise the over-allotment option. In determining the source of shares to close the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option.

Stabilizing transactions involve bids to purchase shares so long as the stabilizing bids do not exceed a specified maximum. Purchases to cover short positions and stabilizing purchases, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of the shares. They may also cause the price of the shares to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The underwriters may conduct these transactions on the NYSE, in the over-the-counter market or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

The underwriters are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The underwriters and their respective affiliates have in the past performed commercial banking, investment banking and advisory services for us from time to time for which they have received customary fees and reimbursement of expenses and may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses. In addition, we have in place a forward flow agreement with Bank of America, as discussed in Management s Discussion and Analysis of Financial Condition and Results of Operations. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. In addition, affiliates of some of the underwriters are lenders, and in some cases agents or managers for the lenders, under our credit facilities, and affiliates of some of the underwriters receive customary fees and reimbursement of expenses as underwriters for our securitizations. Certain of the underwriters or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. A typical such hedging strategy would include these underwriters or their affiliates hedging such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

At our request, the underwriters have reserved up to 3% of the shares for sale at the initial public offering price to persons who are directors, officers or employees, or who are otherwise associated with us through a directed share program. The number of shares available for sale to the general public will be reduced by the number of directed shares purchased by participants in the program. Except for certain of our officers, directors and employees who have entered into lock-up agreements as contemplated in the immediately preceding paragraph, each person buying shares through the directed share program has agreed that, for a period of 180 days from the date of this prospectus, he or she will not, without the prior written consent of Citigroup and J.P. Morgan, dispose of or hedge any shares or any securities convertible into or exchangeable for our common stock with respect to shares purchased in the program, subject to customary exceptions. For certain officers, directors and employees purchasing shares through the directed share program, the lock-up agreements contemplated in the immediately preceding paragraph shall govern with respect to their purchases. Citigroup and J.P. Morgan in their sole discretion may release any of the securities subject to these lock-up agreements at any time, which, in the case of officers and directors, shall be with notice. Any directed shares not purchased will be offered by the underwriters to the general public on the same basis as all other shares offered. We have agreed to indemnify the underwriters against certain liabilities and expenses, including liabilities under the Securities Act, in connection with the sales of the directed shares.

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

At our request, the underwriters have reserved up to 2% of the shares of common stock offered by this prospectus to be offered through the LOYAL3 platform at the initial public offering price. Purchases through the LOYAL3 platform will be in dollar amounts and may include fractional shares. The LOYAL3 platform is designed to facilitate participation of individual purchasers in initial public offerings in amounts of between $100 and $10,000. Any purchase of our common shares in this offering through the LOYAL3 platform will be at the same initial public offering price, and at the same time, as any other purchases in this offering, including purchases by institutions and other large investors. Individual investors in the United States who are interested in purchasing common shares in this offering through the LOYAL3 platform may go to LOYAL3 s website for information about how to become a customer of LOYAL3, which is required to purchase common shares through the LOYAL3 platform. The LOYAL3 platform is available fee-free to investors, and is administered by LOYAL3 Securities, Inc., which is a U.S.-registered broker-dealer unaffiliated with our company. Sales of our common stock by investors using the LOYAL3 platform will be completed through a batch or combined order process typically only once per day. The LOYAL3 platform and information on the LOYAL3 website do not form a part of this prospectus.

Conflict of Interest

Because Santander Investment Securities Inc. and KKR Capital Markets LLC, underwriters for this offering, are under common control with us and certain of the selling stockholders and because affiliates of each of these underwriters will receive at least 5% of the proceeds of this offering, a conflict of interest under Financial Industry Regulatory Authority (FINRA) Rule 5121 is deemed to exist. Accordingly, this offering will be conducted in accordance with this rule, which requires, among other things, that a qualified independent underwriter has participated in the preparation of, and has exercised the usual standards of due diligence with respect to this prospectus and the registration statement of which this prospectus is a part. Citigroup Global Markets Inc. has agreed to act as a qualified independent underwriter. In its role as a qualified independent underwriter, Citigroup Global Capital Markets Inc. has participated in due diligence and the preparation of this prospectus and the registration statement of which this prospectus is a part. Citigroup Global Capital Markets Inc. will not receive any additional fees for serving as a qualified independent underwriter in connection with this offering. We have agreed to indemnify Citigroup Global Markets Inc. against liabilities incurred in connection with acting as a qualified independent underwriter, including liabilities under the Securities Act. Pursuant to FINRA Rule 5121, neither Santander Investment Securities Inc. nor KKR Capital Markets LLC will confirm sales to any account over which it exercises discretionary authority without the specific prior written approval of the account holder.

Notice to Prospective Investors in the European Economic Area

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state), with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the relevant implementation date), an offer of shares described in this prospectus may not be made to the public in that relevant member state other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;

- to fewer than 100 or, if the relevant member state has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the

Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by us for any such offer; or

in any other circumstances falling within Article 3(2) of the Prospectus Directive;
provided that no such offer of shares shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For purposes of this provision, the expression an offer of securities to the public in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe for the shares, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant member state) and includes any relevant implementing measure in the relevant member state. The expression 2010 PD Amending Directive means Directive 2010/73/EU.

The sellers of the shares have not authorized, and do not authorize the making of, any offer of shares through any financial intermediary on their behalf, other than offers made by the underwriters with a view to the final placement of the shares as contemplated in this prospectus. Accordingly, no purchaser of the shares, other than the underwriters, is authorized to make any further offer of the shares on behalf of the sellers or the underwriters.

Notice to Prospective Investors in the United Kingdom

This prospectus is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (each such person being referred to as a relevant person). This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

Notice to Prospective Investors in Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 (Cth) of

Australia (Corporations Act)) in relation to the common stock has been or will be lodged with the Australian Securities & Investments Commission (ASIC). This document has not been lodged with

ASIC and is only directed to certain categories of exempt persons. Accordingly, this document will only be distributed to persons in Australia that are:

(i) sophisticated investors under section 708(8)(a) or (b) of the Corporations Act;

(ii) sophisticated investors under section 708(8)(c) or (d) of the Corporations Act and that have provided an accountant s certificate to the underwriters which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made;

(iii) associated with the Company under section 708(12) of the Corporations Act; or

(iv) professional investors within the meaning of section 708(11)(a) or (b) of the Corporations Act, and to the extent that such an investor is unable to confirm or warrant that it is an exempt sophisticated investor, associated person or professional investor under the

Corporations Act, any offer made to such investor under this document is void and incapable of acceptance.

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No purchaser of the shares may offer any of the common stock for resale in Australia within 12 months of that common stock being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (DFSA). This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in France

Neither this prospectus nor any other offering material relating to the shares described in this prospectus has been submitted to the clearance procedures of the *Autorité des Marchés Financiers* or of the competent authority of another member state of the European Economic Area and notified to the *Autorité des Marchés Financiers*. The shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this prospectus nor any other offering material relating to the shares has been or will be:

- released, issued, distributed or caused to be released, issued or distributed to the public in France; or

- used in connection with any offer for subscription or sale of the shares to the public in France.

Such offers, sales and distributions will be made in France only:

- to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d investisseurs*), in each case investing for their own account, all as defined in, and in accordance with articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*;

- to investment services providers authorized to engage in portfolio management on behalf of third parties; or

- in a transaction that, in accordance with article L.411-2-II-1°-or-2°-or 3° of the French Code *monétaire et financier* and article 211-2 of the General Regulations (*Règlement Général*) of the *Autorité des Marchés Financiers*, does not constitute a public offer (*appel public à l épargne*).

The shares may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French *Code monétaire et financier*.

Notice to Prospective Investors in Hong Kong

The shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or

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elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Prospective Investors in Japan

The shares offered in this prospectus have not been and will not be registered under the Financial Instruments and Exchange Law of Japan. The shares have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan (including any corporation or other entity organized under the laws of Japan), except (i) pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law and (ii) in compliance with any other applicable requirements of Japanese law.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor;

shares, debentures and units of shares and debentures of that corporation or the beneficiaries rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than $200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;

where no consideration is or will be given for the transfer; or

where the transfer is by operation of law.

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LEGAL MATTERS

The validity of the common stock and other certain legal matters will be passed upon for us by Wachtell, Lipton, Rosen & Katz, New York, New York. Certain legal matters relating to this offering will be passed upon for the underwriters by Cleary Gottlieb Steen & Hamilton, LLP, New York, New York, and Cravath, Swaine & Moore LLP, New York, New York, Simpson Thacher & Bartlett LLP, New York, New York, and Wachtell, Lipton, Rosen & Katz, New York, New York on behalf of the selling stockholders.

EXPERTS

The consolidated financial statements of the Company, as of December 31, 2012 and 2011, and for each of the three years in the period ended December 31, 2012, included in this Prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is included herein. Such consolidated financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

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WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1, of which this prospectus is a part, under the Securities Act with respect to the common stock offered hereby. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. For further information with respect to us and our common stock, reference is made to the registration statement and the exhibits and any schedules filed therewith. Statements contained in this prospectus as to the content of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. A copy of the registration statement, including the exhibits and schedules thereto, may be read and copied at the SEC s Public Reference Room at 100 F Street, N.E., Washington, DC 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet website that contains reports, proxy and information statements and other information about issuers, like us, that file electronically with the SEC. The address of that website is *www.sec.gov*.

As a result of this offering, we will become subject to the full informational requirements of the Exchange Act. We will fulfill our obligations with respect to such requirements by filing periodic reports and other information with the SEC. We intend to furnish our stockholders with annual reports containing consolidated financial statements certified by an independent registered public accounting firm.

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65,217,391 Shares

Santander Consumer USA Holdings Inc.

Common Stock

Prospectus

Global Coordinators and Joint Book-Running Managers

Citigroup **J.P. Morgan**

Joint Book-Running Managers

BofA Merrill Lynch **Deutsche Bank Securities** **Santander**

Barclays **Goldman, Sachs & Co.** **Morgan Stanley** **RBC Capital Markets**

BMO Capital Markets **Credit Suisse** **UBS Investment Bank** **Wells Fargo Securities**

Co-Managers

KKR **Sandler O Neill + Partners, L.P.** **Stephens Inc.** **LOYAL3 Securities**

, 2014

Until , 2014 (25 days after the date of this prospectus), all dealers that buy, sell or trade shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

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INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by us in connection with the sale of the common stock being registered. All amounts, except the SEC registration fee and the FINRA filing fee, are estimates.

SEC registration fee	$ 231,840
FINRA filing fee listing fees and expenses	225,500
Stock exchange listing fee	25,000
Transfer agent and registrar fees and expenses	15,000
Printing fees and expenses	450,000
Legal fees and expenses	3,600,000
Accounting fees and expenses	1,381,000
Miscellaneous	
Total	$ 5,928,340

Item 14. Indemnification of Directors and Officers.

Section 102(b)(7) of the Delaware General Corporation Law (the DGCL) permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (1) for any breach of the director s duty of loyalty to the corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the DGCL (regarding, among other things, the payment of unlawful dividends or unlawful stock purchases or redemptions) or (4) for any transaction from which the director derived an improper personal benefit. Our amended and restated certificate of incorporation provides for such limitation of liability.

Section 145(a) of the DGCL empowers a corporation to indemnify any director, officer, employee or agent, or former director, officer, employee or agent, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of such person s service as a director, officer, employee or agent of the corporation, or such person s service, at the corporation s request, as a director, officer, employee or agent of another corporation or enterprise, against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding; provided that such director or officer acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation; and, with respect to any criminal action or proceeding, provided that such director or officer had no reasonable cause to believe his conduct was unlawful.

Section 145(b) of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another enterprise, against expenses (including attorneys fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit; provided that such director or officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification may be made in respect of any claim, issue or matter as to which such director or officer shall have been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such director or officer is fairly and reasonably entitled to indemnity for such expenses that the court shall deem proper.

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Notwithstanding the preceding sentence, except as otherwise provided in the by-laws, we shall be required to indemnify any such person in connection with a proceeding (or part thereof) commenced by such person only if the commencement of such proceeding (or part thereof) by any such person was authorized by the Board of Directors.

In addition, our amended and restated certificate of incorporation provides that we must indemnify our directors and officers to the fullest extent authorized by law. We are also expressly required to advance certain expenses to our directors and officers and carry directors and officers insurance providing indemnification for our directors and officers for some liabilities. We believe that these indemnification provisions and the directors and officers insurance are useful to attract and retain qualified directors and executive officers.

The proposed form of Underwriting Agreement filed as Exhibit 1.1 to this Registration Statement provides for indemnification of directors and officers of the Registrant by the underwriters against certain liabilities.

Item 15. Recent Sales of Unregistered Securities.

In the three years preceding the filing of this registration statement, Santander Consumer USA Inc., an Illinois corporation (SCUSA Illinois) has issued the following securities:

On October 20, 2011, SCUSA Illinois, and Santander Holdings USA, Inc. entered into an investment agreement with Sponsor Auto Finance Holdings Series LP (Auto Finance Holdings). Auto Finance Holdings is jointly owned by investment funds affiliated with Warburg Pincus LLC, Kohlberg Kravis Roberts & Co. L.P. and Centerbridge Partners L.P., as well as DFS Sponsor Investments LLC, an entity affiliated with Thomas G. Dundon, the Chief Executive Officer of the Company, and another executive officer of SCUSA Illinois. On October 20, 2011, SCUSA Illinois also entered into an investment agreement with DDFS LLC (DDFS), an entity owned by Mr. Dundon.

On December 31, 2011, SCUSA Illinois completed the sale to Auto Finance Holdings of an aggregate number of 32,438,127.19 shares of common stock of SCUSA Illinois for an aggregate purchase price of $1.0 billion. On December 31, 2011, SCUSA Illinois also completed the sale to DDFS of 5,140,468.58 additional shares of common stock for aggregate consideration of $158.2 million. In addition, on December 31, 2011, SCUSA Illinois completed the sale to certain members of its management of 67,373.99 shares of common stock for an aggregate consideration of approximately $2.1 million.

The issuances of the securities described in the preceding paragraphs were made in reliance upon the exemption from registration under Section 4(2) of the Securities Act, including the safe harbors established in Rules 144A and Regulation D, for transactions by an issuer not involving a public offering. SCUSA Illinois did not offer or sell the securities by any form of general solicitation or general advertising. SCUSA Illinois informed the purchasers that the securities had not been registered under the Securities Act and were subject to restrictions on transfer and made offers only to purchasers whom we believed had the knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the securities.

SCUSA Illinois granted certain of our employees and directors options to purchase an aggregate of 9,294,854 shares of our common stock under its 2011 Management Equity Plan. These grants were exempt from the registration requirements of the Securities Act pursuant to Rule 701 promulgated thereunder inasmuch as they were offered and sold under written compensatory benefit plans and otherwise in compliance with the provisions of Rule 701.

Item 16. Exhibits and Financial Statements Schedules.

(a) Exhibits: The list of exhibits is set forth under Exhibit Index at the end of this registration statement and is incorporated herein by reference.

(b) Financial Statement Schedules: None.

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Item 17. Undertakings.

* (f) The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

* (h) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act, and will be governed by the final adjudication of such issue.

* (i) The undersigned registrant hereby undertakes that:

  (1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by us pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

  (2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

* Paragraph references correspond to those of Regulation S-K, Item 512.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused its registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Dallas, Texas on January 8, 2014.

Santander Consumer USA Holdings Inc.
(Registrant)

By: /s/ Thomas G. Dundon
Name: Thomas G. Dundon
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Thomas G. Dundon	Director and Chief Executive Officer	January 8, 2014
Thomas G. Dundon	(Principal Executive Officer)	
/s/ Jason Kulas	President and Chief Financial Officer	January 8, 2014
Jason Kulas	(Principal Financial and Accounting Officer)	
*	Director	January 8, 2014
Gonzalo de Las Heras		
*	Director	January 8, 2014
Juan Carlos Alvarez		
*	Director	January 8, 2014
Roman Blanco		
*	Director	January 8, 2014
Stephen A. Ferriss		
*	Director	January 8, 2014
Matthew Kabaker		
*	Director	January 8, 2014
Tagar Olson		
*	Director	January 8, 2014

Alberto Sánchez

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Signature	Title	Date
*	Director	January 8, 2014
Juan Andres Yanes		
*	Director	January 8, 2014
Daniel Zilberman		

*By: /s/ Thomas G. Dundon
Attorney-in-Fact

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Exhibit Index

Exhibit Number	Description
1.1	Form of Underwriting Agreement*
3.1	Form of Amended and Restated Certificate of Incorporation*
3.2	Form of Amended and Restated By-Laws*
4.1	Specimen common stock certificate^
4.2	Form of Amended and Restated Shareholders Agreement, by and among Santander Consumer USA Holdings Inc., Santander Holdings USA, Inc., DDFS LLC, Thomas G. Dundon, Sponsor Auto Finance Holdings Series LP and Banco Santander, S.A.*
4.3	Shareholders Agreement, dated as of December 31, 2011, between Santander Consumer USA Inc. and Eldridge Burns#^
4.4	Shareholders Agreement, dated as of December 31, 2011, between Santander Consumer USA Inc. and Matt Fitzgerald#^
4.5	Shareholders Agreement, dated as of December 31, 2011, between Santander Consumer USA Inc. and James Fugitt#^
4.6	Shareholders Agreement, dated as of December 31, 2011, between Santander Consumer USA Inc. and Jason Grubb#^
4.7	Shareholders Agreement, dated as of December 31, 2011, between Santander Consumer USA Inc. and Rich Morrin#^
4.8	Shareholders Agreement, dated as of December 31, 2011, between Santander Consumer USA Inc. and Michelle Whatley#^
4.9	Shareholders Agreement, dated as of December 31, 2011, between Santander Consumer USA Inc. and Steve Zemaitis#^
4.10	Shareholders Agreement, dated as of December 31, 2011, between Santander Consumer USA Inc. and Jason Kulas#^
4.11	Form of Shareholders Agreement between Santander Consumer USA Inc. and Management Equity Plan Participant#^
4.12	Santander Consumer USA Holdings Inc. has certain debt obligations outstanding. None of the instruments evidencing such debt authorizes an amount of securities in excess of 10% of the total assets of Santander Holdings USA, Inc. and its subsidiaries on a consolidated basis. Santander Consumer USA Holdings Inc. agrees to furnish copies to the SEC on request.
4.13	Form of Amendment No. 1 to Shareholders Agreement, dated as of December 31, 2011, between Santander Consumer USA Inc. and Management Equity Plan Participant#
5.1	Opinion of Wachtell, Lipton, Rosen & Katz
10.1	Investment Agreement, by and between Santander Consumer USA Inc. and Dundon DFS LLC, dated as of October 20, 2011 (incorporated by reference to Exhibit 10.3 of Santander Holdings USA, Inc. s Annual Report on Form 10-K filed March 16, 2012)
10.2	Investment Agreement, by and among Santander Consumer USA Inc., Santander Holdings USA, Inc. and Sponsor Auto Finance Holdings Series LP, dated as of October 20, 2011 (incorporated by reference to Exhibit 10.2 of Santander Holdings USA, Inc. s Annual Report on Form 10-K filed March 16, 2012)

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Exhibit Number	Description
10.3	Confidential Employment Agreement, dated May 1, 2009, by and between Santander Consumer USA Inc. and Eldridge A. Burns#^
10.4	Confidential Employment Agreement, dated May 1, 2009, by and between Santander Consumer USA Inc. and Jason W. Grubb#^
10.5	Confidential Employment Agreement, dated May 1, 2009, between Santander Consumer USA Inc. and Jason A. Kulas#^
10.6	Confidential Employment Agreement, dated August 24, 2011, between Santander Consumer USA Inc. and Richard Morrin#^
10.7	Amended and Restated Employment Agreement, executed as of December 31, 2011, by and among Santander Consumer USA Inc., Banco Santander, S.A. and Thomas G. Dundon#^
10.8	Santander Consumer USA Inc. 2011 Management Equity Plan#^
10.9	Form of Option Award Agreement under the Santander Consumer USA Inc. 2011 Management Equity Plan#^
10.10	Master Private Label Financing Agreement, dated as of February 6, 2013, by and between Santander Consumer USA Inc. and Chrysler Group LLC
10.11	Santander Consumer USA Inc. Omnibus Incentive Plan#
10.12	Form of Restricted Stock Award Agreement (for Management) under the Santander Consumer USA Inc. Omnibus Incentive Plan#
10.13	Amendment No. 1 to Santander Consumer USA Inc. 2011 Management Equity Plan#
10.14	Form of Amendment No. 1 to Form of Option Award Agreement under the Santander Consumer USA Inc. 2011 Management Equity Plan with each of Thomas G. Dundon, Jason A. Kulas, and Jason W. Grubb.#
10.15	Form of Amendment No. 1 to Form of Option Award Agreement under the Santander Consumer USA Inc. 2011 Management Equity Plan (Optionees other than Thomas G. Dundon, Jason A. Kulas and Jason W. Grubb).#
21.1	Subsidiaries of Santander Consumer USA Holdings Inc.^
23.1	Consent of Deloitte & Touche LLP
23.2	Consent of Wachtell, Lipton, Rosen & Katz (included in Exhibit 5.1)
24.1	Power of Attorney (included in signature page)^
24.2	Power of Attorney^

* To be filed by amendment.
\# Indicates management contract or compensatory plan or arrangement.
Confidential treatment has been granted to portions of this exhibit by the Securities and Exchange Commission.
^ Previously filed.