



SIMPLE INTEREST AND LATE CHARGES

→ WHAT IS SIMPLE INTEREST?

Understanding simple interest is important to your financial well-being. GM Financial retail agreements are calculated using simple interest, an interest accrual method. Interest accrues on a daily basis on the unpaid balance. The interest charge is always based on the principal balance, so interest on interest is not charged.

→ HOW PAYMENTS ARE APPLIED

As you make the required installment payments each month, the payments will be applied first to any interest that has accrued on the unpaid principal balance, then to the principal amount due for the month being paid, and finally to other fees, as applicable.

When the account is past due, more of the payments are applied to interest and less to principal.

It is important for you to understand that your payment pattern can affect the amount you owe at the end of the contract. If you consistently make your payments early, the final installment payment may be less than the amount reflected on the contract.

However, if your payments are consistently late, additional interest and late charges may result in a final installment payment greater than the amount reflected on the contract. To avoid a larger than expected final installment, we encourage you to make timely payments in accordance with the payment schedule reflected on your contract.

→ WHEN WILL LATE CHARGES BE ASSESSED ON MY ACCOUNT?

Your payment is considered late if not received by your payment due date. A late charge may assessed dependent upon the laws of the state where your contract originated.

For more information, please contact GM Financial at 1-800-284-2271.



CONTACT US:

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Hours of Operation
Mon-Fri, 7 a.m. - 6 p.m. CT
Sat, 9 a.m. - 1 p.m. CT
Sunday Closed