

GENERAL MOTORS ACCEPTANCE CORP
Form 8-K
August 04, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

August 2, 2005
(Date of report; date of
earliest event reported)

Commission file number: 1-3754

GENERAL MOTORS ACCEPTANCE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

38-0572512
(I.R.S. Employer
Identification No.)

200 Renaissance Center
P.O. Box 200 Detroit, Michigan
48265-2000
(Address of principal executive offices)
(Zip Code)

(313) 556-5000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

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[] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events

On August 2, 2005, Dominion Bond Rating Service (DBRS) downgraded the long-term debt rating of General Motors Acceptance Corporation and its subsidiaries to BBB (low) from BBB, and the short-term debt rating was downgraded to R-2 (low) from R-2 (middle). The trend remains negative. Their press release follows.

DBRS Downgrades GMAC & Related Subsidiaries
Downgrades to BBB (low), R-2 (low)
Date of Release: August 2, 2005

Dominion Bond Rating Service ("DBRS") has today downgraded the ratings of General Motors Acceptance Corporation ("GMAC") and its subsidiaries to BBB (low) and R-2 (low) for the long-term debt and short-term debt, respectively. The rating trend remains Negative. The ratings are removed from "Under Review with Negative Implications", where they were placed on July 22, 2005.

This rating action is entirely due to DBRS's concurrent downgrade of the ratings of General Motors Corporation ("GM").

The rating action principally reflects the much worse than expected performance at GM's North American operations, an eroding position in its most important North American market, and the lack of solid progress to date to control rising health care costs. GM's much weakened credit profile is no longer compatible with an investment-grade rating. Moreover, the full benefits of GM's most significant product program, the T-900 program, are at least two years away and the ability of GM to restore its credit profile is uncertain because of the intensifying competitive environment in North America. See separate DBRS press release on GM for more details.

GMAC continues to perform well, but earnings declined modestly as weaker Financing operations were only partially offset by stronger Mortgage operations and Insurance operations. Lower Financing results reflect the impact of higher interest rates and rising borrowing costs. GMAC continues to focus on diversifying its funding sources given its reduced access to unsecured debt markets at a reasonable cost. The recently announced US\$55 billion committed whole loan sale agreement (over five years) is a further step towards management's "originate and sell" business model. Structural subordination should not be an issue, so long as the future proceeds are allocated toward the reduction of unsecured debt.

Asset quality, balance sheet leverage, and liquidity remain respectable. GMAC has more than sufficient maturing receivables to meet maturing debt obligations. Overall, GMAC is a source of earnings stability and dividends for GM.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the

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registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GENERAL MOTORS ACCEPTANCE CORPORATION

(Registrant)

Dated: August 4, 2005 /s/ SANJIV KHATTRI

 Sanjiv Khattri
 Executive Vice President,
 Chief Financial Officer and Director

Dated: August 4, 2005 /s/ LINDA K. ZUKAUCKAS

 Linda K. Zukauckas
 Vice President and Corporate Controller

Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Ordinary Shares	02/16/2019		M	3,375 A \$ 0	43,893	D	
Ordinary Shares	02/16/2019		F	1,108 D \$ 32.54	42,785	D	
Ordinary Shares	02/17/2019		M	2,500 A \$ 0	45,285	D	
Ordinary Shares	02/17/2019		F	726 D \$ 32.54	44,559	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Restricted Stock Unit Award	\$ 0	02/16/2019		M	3,375	02/16/2019 ⁽¹⁾ ⁽¹⁾	Ordinary Shares	3,375
Restricted Stock Unit Award	\$ 0	02/17/2019		M	2,500	02/17/2018 ⁽²⁾ ⁽²⁾	Ordinary Shares	2,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Gaffin David Joseph 852 WINTER STREET WALTHAM, MA 02451			SVP, CLO, Alkermes, Inc.	

Signatures

/s/ Jennifer Baptiste, attorney-in-fact for David J Gaffin 02/19/2019

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Shares subject to the restricted stock unit award vest in equal annual installments over a four year period, commencing on 2/16/19.

(2) Shares subject to the restricted stock unit award vest in equal annual installments over a four year period, commencing on 2/17/18.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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