



August 2, 2010

817-302-7000

By Email: rule-comments@sec.gov

Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

Re: Proposed Rules for Asset-Backed Securities
(Release Nos. 33-9117; 34-61858; File No. S7-08-10)

Dear Ms. Murphy:

On behalf of AmeriCredit Corp. ("AmeriCredit"),¹ we are responding to your request for comment regarding the proposed change to Regulation AB. Our comments will focus on five key areas: (1) Securities Act Registration - Shelf Eligibility – Proposed Risk Retention, (2) Securities Act Registration – Proposed Rule 424(h), (3) Proposed Asset-Level Disclosure, (4) Proposed Waterfall Computer Program and (5) Proposed Definition of "Asset-Backed Security." AmeriCredit, a subprime automobile lender, provides financing for consumers with less-than-perfect credit, helping them meet their daily transportation needs to get to work, take their children to school, etc. These consumers may not qualify for a loan from traditional financing sources (e.g. banks) due to their blemished credit history (credit bureau scores typically below 620). This population of consumers is sizeable, representing approximately 40% of the United States population.

AmeriCredit is not a bank and does not use depository funds to make new automobile loans. Instead, AmeriCredit's primary source of permanent funding is the asset-backed securities market. Since 1994, AmeriCredit has issued 70 securitizations totaling more than \$57 billion in bonds. Our track record is untarnished, with all securitization investors receiving timely interest and ultimate principal.

The recent economic downturn was very challenging for companies such as AmeriCredit that fund through the securitization markets. Throughout 2008 and into mid-2009, we were increasingly unable to access the securitization markets and fund our business. As a consequence, and in order to preserve liquidity, we steadily reduced our loan origination volumes – down by 90% from our peak volume in December 2007 to our volume trough in

¹ On July 21, 2010, General Motors Holdings LLC ("GM"), a wholly owned subsidiary of General Motors Company, Goalie Texas Holdco LLC and AmeriCredit entered into a definitive agreement whereby Goalie Texas Holdco LLC, a wholly owned subsidiary of GM, will merge with AmeriCredit in an all-cash transaction. Following the merger, AmeriCredit, as the surviving corporation, will be a wholly owned subsidiary of GM. The transaction is expected to close by the end of the fourth quarter of 2010, pending certain closing conditions, including the approval of AmeriCredit shareholders.

June 2009 – and undertook significant and painful headcount reductions. Notably, AmeriCredit *did not* receive any governmental assistance or “bailout” in order to make it through the crisis, nor did we find it necessary to raise capital or completely shut down and liquidate our business. We merely needed a normal (or quasi-normal) functioning securitization market in order to stay in business and start growing automobile loan origination volumes again, which we did beginning in the second half of 2009. The viability of AmeriCredit is inextricably intertwined with an effective and efficient securitization market, and we are extremely protective of our access to that market and focused on transparency, transaction performance and investor relationships. We don’t have, nor do we want or expect, a government safety net.

AmeriCredit is a member of the American Securitization Forum (“ASF”), which has submitted a comment letter to the Securities and Exchange Commission (the “Commission”), and is also a participant with other automobile finance companies submitting the Vehicle ABS Sponsors comment letter. We endorse the positions in both of these comment letters that relate to issuers generally and auto finance issuers more specifically. The details that follow in this letter emphasize specific concerns of AmeriCredit.

I. SECURITIES ACT REGISTRATION - SHELF ELIGIBILITY – PROPOSED RISK RETENTION

AmeriCredit’s Securitization Program – a Model for Subprime Automobile Securitizations

We agree with the Commission that issuers and originators should have “skin in the game.” In fact, as originator, servicer, sponsor and residual interest holder (first-loss holder),² our interests are exactly aligned with investors. In our securitization program, we typically issue bonds from triple-A down to triple-B. The amount of credit enhancement provided by our reserve account and overcollateralization is designed to absorb a multiple of expected losses on the securitized pool of automobile loans. Only after a pre-determined targeted credit enhancement amount is met will the residual interest holder (AmeriCredit) begin to receive any cash distributions from the securitization (which does not occur until several months after the securitization has closed). Furthermore, a substantial portion of the capital in our transactions does not come back to us until investors are fully paid.

AmeriCredit is (i) originator of the underlying automobile loans, (ii) servicer, (iii) securitization sponsor and (iv) residual interest holder. Because we underwrite and service all of the automobile loans we securitize, and we retain a large ongoing economic risk in our securitization transactions, AmeriCredit is fully incentivized to ensure quality originations and servicing, as well as structure securitization transactions that protect investors – in our view, exact alignment with investors’ interests. The following illustrates the performance of

² AmeriCredit Financial Services, Inc., a wholly owned subsidiary of AmeriCredit, is the originator, servicer and sponsor. AFS SenSub Corp., a special purpose entity and wholly owned subsidiary of AmeriCredit Financial Services, Inc., is the sponsor and residual interest holder in our securitizations.

AmeriCredit's securitizations and the significant ownership that AmeriCredit has with respect to its securitizations:

- Since our first transaction in 1994, no investors in our 70 securitizations have lost money due to the credit performance of the underlying pool or the lack or depletion of credit enhancement, and all payments of interest and principal have been made as agreed in a timely manner.
- AmeriCredit originates all of the automobile loans in its portfolio with the intent to hold them on its balance sheet. All of our securitizations are structured as "on balance sheet" financing transactions, not transactions structured to achieve capital relief or other balance sheet management objectives.
- The automobile loans we originate are not sold to "aggregators" who later securitize them, nor are any of the automobile loans we securitize purchased from "aggregators." AmeriCredit underwrites each automobile loan one at a time. Whether we securitize an automobile loan or not, AmeriCredit, as servicer, continues to maintain contact with each of our consumer customers for the life of the loan.
- AmeriCredit does not retain the higher quality automobile loans and only include the lower quality loans in securitizations – we include all of eligible automobile loans in our securitization pools. Also, the offering and transaction documents for AmeriCredit's securitizations mandate that no selection procedures adverse to investors are to be utilized in the selection of the automobile loans for our securitizations.
- AmeriCredit retains a significant first-loss position in its securitization transactions in an amount that meets or exceeds the proposed 5% risk retention requirement. Currently, our risk retention is comprised of a reserve fund equal to 2% of the original securitized pool (which fund does not decline or amortize as the pool amortizes), and target overcollateralization equal to or greater than 15% of the securitized pool, depending upon the structure of the transaction and the amount of "excess spread" in the transaction (e.g., the difference between the interest rate on the underlying pool of loans and the interest rate on the securitization bonds).

We believe that, under circumstances where the originator is the servicer, sponsor and residual interest holder, the optimal retention scheme for automobile loan securitization should focus on that portion of the capital structure that absorbs the first loss. As discussed above, AmeriCredit originates and services all of its automobile loans, securitizes all of its eligible automobile loans and retains substantial skin in the game. As holder of the residual interest or first-loss position and as recipient of "bottom of the waterfall" payments, the only way AmeriCredit makes money on its securitizations is when the securitization pools perform. This clearly incentivizes AmeriCredit to conduct intensive loan underwriting and undertake "best in class" servicing of its automobile loans which, in turn, protects investors from losses.

In sum, the current model for subprime automobile loan securitization, ideally represented by AmeriCredit's successful and longstanding securitization program, provides proper alignment of interests between sponsors and investors. Furthermore, the risk retention proposed by the Commission for Form SF-3 eligibility – requiring a vertical slice of all tranches issued - creates a financial burden that will negatively impact the amount and cost of credit available to consumers, without an offsetting benefit to securitization investors.

Current Automobile Securitization Structures Protect Investors

Automobile securitization issuance since 2000 is approximately \$750 billion – and, to our knowledge, timely interest and ultimate principal repayment has occurred in every single automobile securitization transaction over this time period. Further, in none of these automobile securitizations has the securitization sponsor created or retained a vertical slice (some issuers may have retained one or more tranches of bonds or held some of the bonds of a particular tranche due to slack market demand, but a purposeful vertical slice has never been a structural element of automobile securitizations). This illustrates that current securitization structures providing for a "horizontal slice" have protected investors and aligned the interests of investors and issuers.

In contrast to other financing industries (e.g., subprime mortgage), subprime automobile securitization structures withstood the test of time, in large part, because the automobile loan finance industry has never experienced irrational growth buoyed by speculation (consumer borrowers don't "speculate" on automobile values), unsound underwriting standards (there is no such thing as "no-doc" automobile loans) or exotic product development (adjustable-rate or interest-only automobile loans don't exist). Automobile financing products are simple interest and fully amortizing loans, borrowers are underwritten based on their ability and willingness to repay the loan in full and the collateral is known to depreciate. The securitizations that financed these "plain vanilla" automobile loans did not implode or contribute to the recent economic downturn. The auto ABS market was an innocent bystander of the credit performance of other asset classes, primarily mortgage and mortgage related, which sent secondary markets and ABS pricing into a tailspin.

The securitization markets became frozen in late 2008 which, in turn, staunched the flow of credit to consumer borrowers. The Term Asset-Backed Securities Loan Facility ("TALF") program introduced by the Federal Reserve Bank of New York and the U.S. Treasury in early 2009 helped reopen the securitization markets and resume the flow of consumer credit. Subsequently, the securitization markets have rebounded, but have yet to fully recover to their pre-cycle levels. The requirement of a 5% vertical risk retention – proposed as a "one size fits all" without providing for alternatives for different assets classes or risk profiles – will be harmful to the ongoing recovery of the securitization markets, again harming consumer access to credit. This is a classic "two steps back" after TALF helped the markets and consumers take "one step forward."

In short, the Commission's risk retention proposal, at least as applied to automobile securitizers generally, and to AmeriCredit specifically, fails to balance the harm to consumers that will occur from more costly and less available automobile credit, against a (nonexistent) risk of harm to securitization investors that is not borne out by the history of automobile securitizations.

Proposed Risk Retention Harms Consumers

The current proposed risk retention will negatively impact the cost and availability of consumer credit. If implemented, AmeriCredit and other automobile lenders will likely reduce automobile loan originations and/or pass along the increased securitization costs to customers. In turn, consumers may be faced with fewer available financing opportunities and/or higher monthly payments associated with their automobile loans. A reduction in the availability and affordability of credit will likely prevent a large number of Americans from purchasing automobiles.

AmeriCredit would need to increase pricing by approximately 165 basis points (e.g., an increase in APR from 15% to 16.5%) to offset the impact of holding a 5% vertical slice on top of the substantial horizontal slice we already hold – this APR increase would cause a monthly payment to increase by approximately \$17, or \$1,179 over our average loan term of 69 months. Given that our subprime consumers, as a general matter, are already financially stressed, increasing borrowing costs on new automobile loans is particularly detrimental. Moreover, an increase in required monthly payments will likely cause more credit-challenged consumers to fail to qualify for a loan in the first place.

In the event that AmeriCredit is unable to recoup its increased securitization funding costs through higher rates to consumers, or is unable to commit sufficient capital to support holding a 5% vertical slice in addition to the horizontal slice we already hold, our origination levels could be negatively impacted by up to 20% per year (a \$400 million reduction in loan originations over the next year). We believe that similar percentage reductions may be considered by other large automobile lenders. This will have a chilling effect on purchases of automobiles by U.S. consumers, ultimately hurting automobile manufacturers, automobile dealers and the U.S. economy.

We are aware that the proposed risk retention is only required if issuers plan to utilize a shelf registration statement on the proposed Form SF-3. The alternative - using proposed Form SF-1 - would also have a chilling effect on consumer lending. Since securitization is our primary source of permanent financing, timely, efficient and effective access to the securitization market is the key determinant to the volume of automobile loans we originate. Disrupting or delaying our ability to access the market regularly (we securitize up to six times per year) would require us to reduce automobile loan volume and/or utilize, to the extent available, more expensive interim warehouse financing, which will likewise have a negative impact on consumers access to and cost of credit.

AmeriCredit's Risk Retention Proposal

For the reasons set forth above, the revisions to Regulation AB should provide that, in circumstances where the originator is the servicer, sponsor and residual interest holder, a meaningful horizontal slice (first-loss position) is a sufficient method (in fact, it is a superior method) to meet the requirements for risk retention for purposes of Form SF-3 shelf eligibility. If desired, the Commission could require additional disclosure in the offering documents regarding the manner in which a retained horizontal interest is calculated so that investors can assess the nature and sufficiency of the retained interest.

II. SECURITIES ACT REGISTRATION – PROPOSED RULE 424(h)

The Five-Business Day Waiting Period is Too Long and Unnecessary

AmeriCredit believes that a mandatory waiting period of five business days under proposed Rule 424(h) is too long and unnecessarily exposes well established securitizers, like AmeriCredit, to market and execution risk for securitization transactions, without providing a meaningful benefit to securitization investors.

A five-day waiting period is more consistent with the time delays associated with an initial public offering of equity. But securitization offerings, particularly those by well-known and well-seasoned issuers, are not comparable to equity IPOs. IPOs are generally undertaken by smaller and/or younger companies with limited investor familiarity. By contrast, the bonds issued by AmeriCredit in a securitization are issued by a well-known, well-seasoned issuer and, of course, are fully secured by the underlying assets. Proposed Rule 424(h) leads to the perverse result that WKSI-eligible AmeriCredit can issue equity or unsecured debt – relatively risky forms of capital – without any required waiting period, but can only raise secured debt – generally considered to be relatively less risky due to the collateral underlying the security – only after enduring a prescribed waiting period.

AmeriCredit is a well known, well-seasoned issuer in the securitization market having executed 70 securitizations -- our securitization structures have remained largely unchanged since our initial securitization transaction in 1994. In addition, AmeriCredit's structures are simple when compared to other asset classes (e.g., mortgage loans, collateralized debt obligations, etc.). Our securitizations have fairly standard tranches and relative tranche sizing, similar transaction participants (AmeriCredit and related special purpose entities, trustees, rating agencies, etc.), similar collateral pools (homogeneous automobile loans), and standardized transaction documentation. Furthermore, unlike an unknown company that is planning an initial public offering, securitization investors are familiar with the way AmeriCredit runs its business including underwriting and servicing criteria; investors are also very familiar with the static pool information detailing AmeriCredit's historical securitization performance.

We also believe that a mandatory five-business day waiting period after material changes to the preliminary prospectus is too long. In certain instances, no waiting period should be required such as when “upsizing” a transaction due to strong investor demand. In other instances, a modest waiting period not to exceed one day may be appropriate. Therefore, AmeriCredit agrees with the ASF and Vehicle ABS Sponsors comment letters to the Commission that only material changes that significantly affect the asset pool, the cashflows or the transaction structure should be subject to a mandatory one-business day waiting period.

AmeriCredit’s Proposal for Waiting Periods

For the foregoing reasons, the revisions to Regulation AB should provide investors with (i) a more appropriate waiting period not to exceed two business days to analyze the preliminary prospectus prior to the first sale of securities and, (ii) one business day for a material change to the preliminary prospectus. AmeriCredit believes that this approach would strike the right balance between the needs of investors and the interests of issuers, and would best serve the efficient and effective functioning of the securitization markets.

III. PROPOSED ASSET-LEVEL DISCLOSURE

We are strong proponents of transparency and an industry leader in the breadth and depth of information we disclose on our web site and through investor outreach. We were a first mover in expanding the amount of stratified information included in offering documents (e.g., LTV disclosure, vehicle manufacturer and vehicle segment).

Asset-level information is not necessarily appropriate for all types of asset-backed securities. On average, an automobile securitization can contain 100,000 individual accounts, and requiring asset-level information would result in a voluminous amount of data that (i) is enormously burdensome and expensive for issuers to produce, provide and update, thereby increasing the cost of doing business (which issuers will seek to recoup in the form of higher interest rates borne by consumers), and (ii) will not be, we believe, meaningfully useful for typical investors.

The Commission’s proposed revisions to Regulation AB require an excruciatingly granular level of data – loan level detail that is largely unwarranted for the tens of thousands of homogeneous accounts that go into a typical automobile securitization. Some securitization investors, particularly those that participate in automobile transactions, may express a desire for loan level detail without considering the volume of that data, the expense or burden to issuers of providing it, or whether it will really add significant value to the analysis of an automobile securitization. Notwithstanding our bias towards transparency, we are uncertain that this level of detail is meaningful for most investors. We believe that AmeriCredit currently provides an appropriate level of data, stratified in a meaningful and useful manner, for investors to make decisions about investing in our securitizations. The unavailability of asset level disclosures has not harmed – nor would such disclosures have meaningfully helped

– investors in AmeriCredit’s securitization program over the years. However, requiring AmeriCredit to provide the level of granularity proposed by the Commission would have been extremely expensive and burdensome to AmeriCredit (and, ultimately, to consumers in the form of increased loan pricing).

Furthermore, disclosure of specific asset-level information would give competitors insight into areas where AmeriCredit is focusing on credit mix, pricing execution, credit loss management and productivity and would impair AmeriCredit’s ability to leverage these actions for competitive advantage. Over approximately 20 years, AmeriCredit has meticulously gathered data to build our own proprietary credit scoring model. Obtaining this data has been done at significant cost, and we should not be disadvantaged by giving our competitors or start-ups free access to data that has taken years to gather. For this reason, the proposed revisions to Regulation AB should allow a form of grouped loan data as outlined in the Vehicle ABS Sponsors comment letter, for pools that include a large number of homogeneous assets

Consistent with the ASF and Vehicle ABS Sponsors’ comment letters with respect to automobile asset level disclosure, we concur that additional time is needed to build a consensus – between issuers and investors – on the appropriate level of disclosure. While we support the Commission’s objectives of increasing transparency and providing investors with material information, these objectives must balance the concerns that issuers have with respect to the proprietary nature of their data and credit scoring systems, the burden and expense of providing granular information, and the true needs – not just the wishes of some – securitization investors. While no effort similar to Project RESTART has been sought or needed to standardize the information presented to investors in automobile loan ABS prior to the proposed changes to Regulation AB, AmeriCredit will actively participate in further discussions to develop best practices regarding disclosure to investors in automobile securitizations.

IV. PROPOSED WATERFALL COMPUTER PROGRAM

The proposed waterfall computer program in Python source code has many fatal flaws – complexity, strict liability, cost, predictability and other unknown issues. AmeriCredit and other issuers should not be forced to predict and therefore program every possible slight iteration of all waterfall payments including termination payments involving a swap counterparty. Imposing strict liability for errors and omissions on issuers relating to this type of model is overbroad. AmeriCredit runs a business that purchases and services automobile loans, not a software development business. We echo the sentiment from other commentators including ASF with respect to the issuers’ perspectives and the Vehicle ABS Sponsors that the proposed waterfall computer program needs further review and refinement before issuers are made to generate their own waterfall models for public consumption.

V. PROPOSED DEFINITION OF “ASSET-BACKED SECURITY”

Prefunding

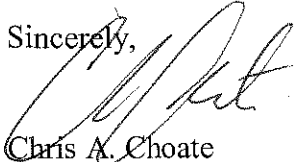
AmeriCredit believes that the amount of prefunding should remain at 50% percent of the offering proceeds. Throughout AmeriCredit’s history, we have, from time to time, utilized in our securitizations a prefunding structure of up to 50% in an effort to take advantage of favorable market conditions and fixed cost savings. Furthermore, AmeriCredit has historically used the funds on deposit in the prefunding account to purchase subsequent automobile loans within one year from the closing date of such securitization, which is more cost effective than financing the subsequent automobile loans on our warehouse credit facilities. As stated above, when AmeriCredit utilizes securitizations rather than more expensive warehouse credit facilities or other financing alternatives, AmeriCredit is able to pass along these cost savings to consumers via lower interest rates. In addition, AmeriCredit’s securitizations that included a prefunding feature have performed in line with our securitizations that did not include a prefunding feature. The collateral added in pre-funding deliveries was consistent with the initial collateral pool characteristics. An exhibit was filed as part of the transactions’ Form 10-D filings showing updated pool characteristics including the additional receivables delivered during the prefund period. Simply put, prefunding structures in automobile securitizations were not among the many culprits involved in the most recent financial crisis. Reducing the prefunding limit to 10%, as proposed, would reduce our flexibility and cost efficiencies when executing a securitization.

AmeriCredit’s Prefunding Proposal


AmeriCredit would propose that ABS disclosure involving prefunding structures would be required to include certain representation and warranties that there has been no material variation in the overall composition or characteristics (such as underwriting, origination or pool selection criteria) of the initial automobile loans and the pool of automobile loans as a whole after giving effect to the transfer of the subsequent automobile loans. We believe that this additional requirement would allow AmeriCredit to continue to benefit from the flexibility and cost effectiveness afforded by prefunding while protecting the interests of investors.

We appreciate the opportunity to comment on your proposed changes to Regulation AB. If the Commission or the staff desires, we would be happy to discuss further any of our comments and proposals in this letter.

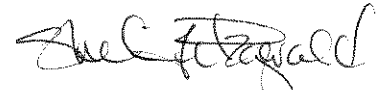
Sincerely,



Chris A. Choate
Executive Vice President,
Chief Financial Officer and
Treasurer



Susan B. Sheffield
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Sheli Fitzgerald
Vice President,
Structured Finance