

Ally Financial Inc.
Form 424B2
December 19, 2016

Please note that this filing supercedes the previous 424b2 filed with the SEC (Accession Number 0001144204-16-140247).

Filed under Rule 424(b)(2), Registration Statement No. 333-206284

Preliminary Pricing Supplement No. 127 - Dated Monday, December 19, 2016 (To: Prospectus dated August 10, 2015)

| CUSIP Number | Principal Amount | Selling Price | Gross Concession | Net Proceeds | Type | Coupon Rate | Coupon Frequency | Maturity Date | 1st Coupon Date | 1st Coupon Amount | Survivor's Option | RA |
|--------------|------------------|---------------|------------------|--------------|-------|-------------|------------------|---------------|-----------------|-------------------|-------------------|----------------|
| 02006DLP4 | 100.00 | 100.00 % (1) | 1.125 % | | Fixed | 3.400 % | Monthly | 12/15/2019 | 1/15/2017 | \$1.42 | Yes | Se Un No |

Redemption Information: Callable at 100% on 12/15/2017 and Monthly thereafter with 30 Calendar Days Notice.

(1) Investment advisers, either registered under the Investment Advisers Act of 1940 or exempt therefrom, purchasing Notes for the account of their advisory clients may be offered Notes at a 0.4500 % discount to the public offering price.

02006DLQ2 100.00 % (2) 1.700 % Fixed 4.100 % Monthly 12/15/2021 1/15/2017 \$1.71 Yes Senior Unsecured Notes

Redemption Information: Callable at 100% on 12/15/2017 and Monthly thereafter with 30 Calendar Days Notice.

(2) Investment advisers, either registered under the Investment Advisers Act of 1940 or exempt therefrom, purchasing Notes for the account of their advisory clients may be offered Notes at a 0.7500 % discount to the public offering price.

Ally Financial Inc. Offering Date: Monday, December 19, 2016 through Tuesday, December 27, 2016

Trade Date: Tuesday, December 27, 2016 @ 12:00 PM ET

Settle Date: Friday, December 30, 2016

Minimum Denomination/Increments: \$1,000.00/\$1,000.00

Ally Financial Inc.

Initial trades settle flat and clear SDFS: DTC Book Entry only

DTC Number 0235 via RBC Dain Rauscher Inc

**Ally Financial
Term Notes,
Series A**

**Prospectus
dated August
10, 2015**

Agents: Incapital LLC, Citigroup, RBC Capital Markets, Morgan Stanley, J.P. Morgan

If the maturity date or an interest payment date for any note is not a business day (as term is defined in prospectus), principal, premium, if any, and interest for that note is paid on the next business day, and no interest will accrue from, and after, the maturity date or interest payment date.