Meeting between Federal Reserve Board Staff and Representatives of GE Capital
December 17, 2010

Participants: Federal Reserve Board: Scott G. Alvarez, Kieran J. Fallon, Mark E. van der Weide, J. Nellie Liang and Michael Gibson
GE Capital: David Nason, Vice President, Regulatory Management & Compliance; Stephen Albrecht, Managing Director, Regulatory Affairs

Summary: Representatives of GE Capital met with representatives of the Federal Reserve Board on December 10, 2010, to discuss certain issues concerning (i) section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”), commonly referred to as the “Volcker Rule”; and (ii) the designation of nonbank financial companies by the Financial Stability Oversight Council (“FSOC”) under Title I of the Dodd-Frank Act.

With respect to the Volcker Rule, the representatives of GE Capital expressed concern regarding the potential breadth of the definition of the terms “hedge fund” and “private equity fund” in the Volcker Rule. The representatives of GE Capital, for example, expressed concern that, in light of the potential scope of this definition, the Volcker Rule could have unintended consequences for certain wholly-owned financing and cash management subsidiaries, joint ventures, and pension plans of banking entities, as well as the ability of the commercial affiliates of a banking entity to make investments in the normal course of the affiliates’ nonfinancial businesses.

The representatives of GE Capital also discussed with Board staff the current regulatory framework for GE Capital (which is a savings and loan holding company), its interactions with other Federal banking agencies, developments concerning GE Capital’s governance and risk management frameworks, and the structure and nature of GE Capital’s lending business and funding sources.