GE Capital

2015 Resolution Plan

Public Section

Forward Looking Statements
This document contains "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance and financial condition, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," or "target."

Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about GE's announced plan to reduce the size of its financial services businesses, including expected cash and non-cash charges associated with this plan; expected income; earnings per share; revenues; organic growth; margins; cost structure; restructuring charges; cash flows; return on capital; capital expenditures, capital allocation, or capital structure; dividends; and the split between Industrial and GE Capital earnings.

For GE, particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include:

- obtaining (or the timing of obtaining) any required regulatory reviews or approvals or any other consents or approvals associated with our announced plan to reduce the size of our financial services businesses;

- our ability to complete incremental asset sales as part of that plan in a timely manner (or at all) and at the prices we have assumed;

- changes in law, economic and financial conditions, including interest and exchange rate volatility, commodity and equity prices and the value of financial assets, including the impact of these conditions on our ability to sell or the value of incremental assets to be sold as part of our announced plan to reduce the size of our financial services businesses as well as other aspects of that plan;

- the impact of conditions in the financial and credit markets on the availability and cost of GE Capital's funding, and GE Capital's exposure to counterparties;

- the impact of conditions in the housing market and unemployment rates on the level of commercial and consumer credit defaults;

- pending and future mortgage loan repurchase claims and other litigation claims in connection with WMC, which may affect our estimates of liability, including possible loss estimates;

- our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so;

- the adequacy of our cash flows and earnings and other conditions which may affect our ability to pay our quarterly dividend at the planned level or to repurchase shares at planned levels;

- GE Capital's ability to pay dividends to GE at the planned level, which may be affected by GE Capital's cash flows and earnings, financial services regulation and oversight, and other factors;

- our ability to convert pre-order commitments/wins into orders;

- the price we realize on orders since commitments/wins are stated at list prices;

- customer actions or developments such as early aircraft retirements or reduced energy demand and other factors that may affect the level of demand and financial performance of the major industries and customers we serve;

- the effectiveness of our risk management framework;
- the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of financial services regulation and litigation;
- our capital allocation plans, as such plans may change including with respect to the timing and size of share repurchases, acquisitions, joint ventures, dispositions, and other strategic actions;
- our success in completing, including obtaining regulatory approvals for, announced transactions, such as the Appliances disposition and our announced plan and transactions to reduce the size of our financial services business;
- our success in integrating acquired businesses and operating joint ventures;
- our ability to realize anticipated earnings and savings from announced transactions, acquired businesses, and joint ventures;
- the impact of potential information technology or data security breaches; and
- the other factors that are described in "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2014.

These or other uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.

This document includes certain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.

The resolution plan is based on a hypothetical scenario. This scenario and the related assumptions do not necessarily reflect an event or events to which GE Capital or Restructured GECC[1] is or may become subject. The resolution plan is not binding on a bankruptcy court or other resolution authority. The strategy described in the resolution plan is dynamic and may differ from the strategy employed in an actual resolution based on the facts and circumstances existing at that time, including decisions and actions of regulators and other parties.

[1] As defined in section A below.

Table of Contents

A. Introduction

GE Capital[2] is a nonbank systemically important financial institution (nonbank SIFI) subject to Federal Reserve Board (FRB) supervision under the Dodd-Frank Wall Street Reform and Consumer Protection Act (DFA). In 2013, the U.S. Financial Stability Oversight Council (FSOC) designated GECC as a nonbank SIFI under the DFA.[3] As a result of this designation, strict prudential regulatory standards and supervision apply to GE Capital. On July 20, 2015, the FRB published a final order applying enhanced prudential standards to GECC as a nonbank SIFI. The final order provides for application of these enhanced prudential standards in two phases: the first phase requirements are effective January 1, 2016, and the second phase requirements are effective January 1, 2018.[4]

GE Capital is much stronger and safer than it was at the time of the 2008 financial crisis. Over the past several years, GE Capital has significantly reduced the size of its balance sheet and its use of short-term wholesale funding. During the same period, it has significantly increased its levels of cash, highly liquid instruments, and other sources of liquidity; significantly increased its capital to absorb unexpected losses; and invested heavily in improving its risk management capabilities.

On April 10, 2015, GECC's parent company, General Electric Company (GE),[5] announced its plan (the GE Capital Exit Plan or Exit Plan) to reduce the size of its financial services businesses through the sale of most of the assets of GE Capital over the following 24 months, and to focus on continued investment and growth in GE's industrial businesses. Elements of this Exit Plan involve a merger of GECC into GE to assure compliance with debt covenants as GE Capital exits non-vertical assets, the creation of a new intermediate holding company to hold GE Capital's businesses after the merger, the separation of GE Capital's international and U.S. operations, and a substantial reduction in the Company's short-term wholesale funding. Under the GE Capital Exit Plan, GE will retain certain GE Capital businesses, principally its vertical financing businesses – GE Capital Aviation Services (GECAS), Energy Financial Services (EFS), and GE Industrial Finance – that directly relate to GE's core industrial domain and a limited number of other operations, including runoff insurance activities. The intended structure and composition of the Company after completion of the GE Capital Exit Plan described above and in more detail in sections B and C is hereinafter referred to as Restructured GECC.

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[2] For purposes of this Resolution Plan's public section, the consolidated group of legal entities that was owned by and reported financial results on a consolidated basis with General Electric Capital Corporation is referred to as "GE Capital" or the "Company," while the single parent legal entity of the group is referred to as "GECC." The consolidated group of legal entities, following changes to the Company's entity structure on or before December 3, 2015, that are owned by and will report financial results on a consolidated basis with GE Capital Global Holdings, LLC is also referred to as "GE Capital" or the "Company," while the single parent legal entity of the group is referred to as "IHC." The consolidated group of legal entities that exists after consummation of the restructuring plan described in this public section of the Resolution Plan is referred to as "Restructured GECC." Individual entities within the Restructured GECC group are defined elsewhere in this document.

[3] As a result of changes to the Company's entity structure consummated on or before December 3, 2015, IHC has succeeded to and is subject to the Council's determination regarding GECC pursuant to section 113 of the DFA, including that IHC shall be subject to supervision by the FRB and enhanced prudential standards.

[4] See Federal Reserve, Application of Enhanced Prudential Standards and Reporting Requirements to General Electric Capital Corporation, 80 Fed. Reg. 44111 (Jul. 24, 2015).

[5] All of IHC's outstanding common stock is wholly-owned by GE.

GE provides implicit and explicit support to GE Capital through commitments, capital contributions and operating support. As part of the GE Capital Exit Plan, on April 10, 2015, GE and GECC entered into an amendment to their existing financial support agreement. Under this amendment (the Amendment), GE provided a full and unconditional guarantee (the Guarantee) of the payment of principal and interest on all tradable senior and subordinated outstanding long-term debt securities and all commercial paper (CP) issued or guaranteed by GECC identified in the Amendment. The Guarantee replaced the requirement that GE make certain income maintenance payments to GECC in certain circumstances. GECC's U.S. public indentures were concurrently amended to provide for the Guarantee.

GE has discussed the GE Capital Exit Plan, aspects of which are subject to regulatory review and approval, with its regulators and staff of the FSOC. GE will work closely with these bodies to take the actions necessary over time to terminate the FSOC's designation of IHC (as successor to GECC) as a nonbank SIFI.[6]

On September 9, 2011, the FRB and Federal Deposit Insurance Company (FDIC, and, together with the FRB, the Agencies) released the final rule (the Final Rule) implementing the requirement that certain large bank holding companies and nonbank SIFIs, including IHC, submit an annual resolution plan to the Agencies under Section 165(d) of Title I of DFA. GE Capital submitted its first resolution plan to the FRB and FDIC on June 30, 2014, and feedback was provided on July 28, 2015. It is the Company's view that it is consistent with regulatory expectations and the Agencies' feedback that GE Capital's second resolution plan (the Resolution Plan or Plan) assumes that the GE Capital Exit Plan and other transactions announced prior to and independent of the Exit Plan have been successfully completed prior to the commencement of the Company's resolution.

The Resolution Plan provides a detailed course of action for the orderly resolution of Restructured GECC under a hypothetical scenario. It does not rely on the provision of extraordinary support to GE Capital by the U.S. or any other government and would not result in any loss to the FDIC's Deposit Insurance Fund. The Company believes that GE is a source of strength for GE Capital and will be a source of strength for Restructured GECC, and that GE's support significantly reduces the likelihood GE Capital or Restructured GECC would ever need to initiate a controlled liquidation. However, this Resolution Plan does not contemplate any support from GE to Restructured GECC other than support under pre-existing contracts, including under the Guarantee. The Resolution Plan demonstrates that Restructured GECC, once in resolution, could be resolved in a rapid and orderly manner without posing risk to the U.S. financial system and other local financial systems in which Restructured GECC will operate.

GE Capital believes that the resolution planning process is a critical supervisory tool and building block in the development of orderly resolution plans for systemically important financial institutions.

[6] If the designation of IHC is rescinded prior to January 1, 2018, the second phase of the enhanced prudential standards issued July 20, 2015 would not apply to IHC. In the event that IHC is unable to complete or implement the divestiture plan as expected or if the FSOC does not rescind IHC's designation, the effective date of January 1, 2018, for the second phase requirements provides IHC with sufficient time to prepare for compliance with the requirements of the final order.

GE Capital also supports the goal that all financial institutions, regardless of size or complexity, should be able to be resolved without cost to the taxpayers.

The Final Rule requires that a summary of the resolution plan be made publicly available. This document is intended to satisfy that requirement.

B. The GE Capital Exit Plan, other Divestitures, and Enhancements to Resolvability

The GE Capital Exit Plan and other transactions announced prior to and independent of the Exit Plan are designed to substantially reduce the size and complexity of GE Capital through the sale of most of its businesses and assets. The assets being disposed of include Real Estate, most of Commercial Lending and Leasing (CLL), and all Consumer platforms (including all U.S. and non-U.S. banking businesses). Following consummation of the Exit Plan and other previously announced transactions, Restructured GECC will primarily engage in three business lines – GE Capital Aviation Services (GECAS), Energy Financial Services (EFS), and GE Industrial Finance. GE Capital has already made significant progress in completing the Exit Plan and has completed all other previously announced transactions, as described more fully herein.

After accounting for the completion of the Exit Plan and other divestitures announced prior to and independent of the GE Capital Exit Plan, including the split-off of Synchrony Financial, Restructured GECC will have substantially reduced its size, complexity, and systemic importance. Pro forma operating and financial metrics of Restructured GECC, for purposes of this Resolution Plan, include:[7]

- Total consolidated assets of approximately $144 billion, including $22 billion in cash as well as $33 billion in investment securities related to runoff insurance activities, approximately 71% lower than $500 billion as of December 31, 2014;
- Total short-term funding of $5 billion,[8] consisting entirely of CP guaranteed by GE; this constitutes a 93% reduction from the Company's total short-term funding of $69 billion as of December 31, 2014 (which included CP, GE Interest Plus liabilities, and other short-term obligations);
- No ownership or control of any deposit-taking bank in the United States or in any other country;
- Total long-term debt of approximately $73 billion, approximately 61% lower than long-term debt as of December 31, 2014; substantially all of such debt has been expressly guaranteed, or assumed, by GE;[9]
- Termination of all consumer financing businesses, including a reduction in the number of U.S. consumer lending accounts from approximately 57 million to zero;

[7] Restructured GECC's pro forma financial position is derived from GE Capital's financial position as of December 31, 2014. The pro forma position has been developed for purposes of the 2015 Resolution Plan and is not intended to be, and should not be interpreted as, forecasts of GE Capital's future size and composition after the completion of the GE Capital Exit Plan and other previously announced transactions. See section D for detail on the financial profile of GE Capital and Restructured GECC.

[8] This amount excludes pro forma securitization debt of Restructured GECC and the pro forma current portion of long-term borrowings of Restructured GECC. Neither form of funding presents the risk of "running" in the event of material financial distress.

[9] The remainder of this debt includes pro forma direct debt of business lines of Restructured GECC. This debt will be collateralized or over-collateralized, by cash flows or assets, and payments with respect to the debt are funded by the relevant subsidiary in the ordinary course of operations. The entities owing such debt do not commence insolvency proceedings and will continue to service such debt throughout resolution.

- No significant middle-market lending activities, compared to approximately $67 billion of financing receivables in the Americas and $43 billion outside the Americas as of December 31, 2014; and

- Limited use of securitization of financial assets as a source of funding, thereby reducing non-recourse asset-backed securities and collateral borrowings by 85%, from $30 billion as of December 31, 2014 to less than $5 billion.

The GE Capital Exit Plan entails (i) a significant reorganization of GE Capital's U.S. and non-U.S. operations, of which many components were completed in the second half of 2015; (ii) dispositions representing $216 billion of assets;[10] and (iii) a smaller, more stable funding profile that substantially reduces wholesale funding while maintaining an elevated liquidity position, preserving stability in the capital markets and honoring bondholder covenants. In addition to the Exit Plan, GE Capital has completed $94 billion of reductions in assets from the split-off of Synchrony Financial and the sale of other businesses and assets.

Entity Reorganization

As part of the GE Capital Exit Plan, GE realigned and reorganized GE Capital's businesses. GE Capital now consists (and Restructured GECC will consist) of a parent intermediate holding company, GE Capital Global Holdings, LLC (the Intermediate Holding Company or IHC)[11] that is owned directly by GE. IHC owns two subsidiaries – a U.S. holding company that owns its U.S. assets and conducts its U.S. operations, GE Capital US Holdings, Inc. (the Domestic Holding Company or DHC), and a U.K. holding company that owns its non-U.S. assets and conducts its non-U.S. operations, GE Capital International Holdings Ltd. (the European Holding Company or EHC).[12] A step of the reorganization involved a merger of GECC with and into GE (the Merger) to assure compliance with debt covenants as GE Capital exits the assets planned for disposition. Upon the Merger, the obligations of GECC under its then outstanding debt obligations were assumed by GE[13] and GE serves as guarantor with respect to other long-term notes and CP.[14] All of the reorganizational steps described above were completed on or before December 3, 2015.

[10] Assets and/or liabilities of dispositions are presented on the basis of the assets and/or liabilities of the relevant businesses as originally reported at December 31, 2014 throughout the public section of this Resolution Plan for consistency and comparability.

[11] The IHC is the "covered company" for purposes of the Agencies' Final Rule.

[12] Certain non-U.S.-domiciled entities representing a very small percentage – approximately 3% – of GE Capital's total assets as at December 3, 2015, will be owned by DHC. The majority of these non-U.S. assets in DHC are to be disposed pursuant to the GE Capital Exit Plan.

[13] Internal agreements exist between DHC and GE (the DHC Assumption Agreements) whereby DHC is obligated to make payments to GE in an amount necessary to service the formerly GECC debt for which GE is now directly liable. An internal agreement also exists between IHC and GE (the IHC Assumption Agreement) whereby IHC is obligated to make payments to GE in an amount necessary to service certain formerly GECC subordinated debt for which GE is now directly liable.

[14] As a result of the Merger and GE's assumption of GECC's then outstanding debt obligations, the Amendment terminated according to its terms. By operation of law, GE assumed all debt obligations guaranteed by GECC prior to the Merger.

Divestitures

The Exit Plan will result in the reduction of $216 billion of total assets through divestitures, in addition to $94 billion of reductions to total assets from the separation from Synchrony Financial and other previously announced transactions, resulting in total dispositions of $310 billion of assets. As of December 18, 2015, GE Capital has closed approximately $188 billion of the $310 billion of total planned dispositions and has exited U.S. consumer lending and leveraged lending globally and substantially all U.S. commercial real estate. GE Capital's completed dispositions include the following:

- Sale of approximately $33.0 billion of commercial real estate assets, including the majority of GE Capital's real estate debt and equity portfolio, to funds managed by The Blackstone Group (which, in turn, sold a portion of this portfolio to Wells Fargo & Company), Shinsei Bank, and other buyers;

- Sale of approximately $13.1 billion of assets related to its U.K. home lending business to multiple buyers;

- Sale of approximately $12.1 billion of assets related to its U.S. Sponsor Finance business and a bank loan portfolio to the Canada Pension Plan Investment Board;

- Sale of approximately $10.2 billion of assets related to global fleet services businesses to Element Financial Corporation and Arval, a fully owned subsidiary of BNP Paribas;

- Sale of approximately $8.7 billion of assets related to its Healthcare Financial Services U.S. lending business to Capital One Financial;

- Sale of approximately $8.2 billion of assets related to its Transportation Finance business in the U.S. and Canada to Bank of Montreal Financial Group;

- Sale of approximately $7.5 billion of consumer lending assets in Australia and New Zealand to a consortium of investors that includes private equity firms Värde Partners and Kohlberg Kravis Roberts as well as Deutsche Bank (for which an agreement was signed in 1Q 2015, prior to the announcement of the Exit Plan);

- Sale of approximately $3.4 billion of assets related to Budapest Bank to Hungary's government (for which an agreement was signed in 4Q 2014, prior to the announcement of the Exit Plan);

- Sale of approximately $2.7 billion of assets related to its European Sponsor Finance business to Sumitomo Mitsui Banking Corporation;

- Sale of approximately $2.1 billion of its corporate aircraft financing portfolio to Global Jet Capital; and

- Sale of approximately $4.8 billion of various other assets to multiple buyers (of which $1.2 billion was announced prior to the announcement of the Exit Plan).

On August 5, 2014, GE completed the initial public offering of its North American Retail Finance business, Synchrony Financial, as a first step in a planned, staged exit from that business. On November 17, 2015, GE completed the previously announced split-off of GECC's approximately 84.6% owned subsidiary, Synchrony Financial. Completion of the share exchange reduced the Company's assets by approximately $83 billion, in addition to a $41 billion reduction in deposits and $14 billion reduction in securitization debt for GE Capital.[15]

In addition to the completed dispositions of $188 billion of assets as of December 18, 2015, GE Capital has signed sale agreements for a further $64 billion of assets, including the following:

- Sale of approximately $33.8 billion of assets related to its global Commercial Distribution Finance, North American Vendor Finance and Corporate Finance businesses to Wells Fargo & Company;

- Sale of approximately $5.5 billion of assets related to its commercial lending and leasing business in Japan to Sumitomo Mitsui Finance and Leasing (SMFL), a member of Sumitomo Mitsui Financial Group.

- Sale of approximately $3.4 billion of railcar assets to First Union Rail, a Wells Fargo company;

- Sale of approximately $2.2 billion of commercial lending and leasing portfolios in Australia and New Zealand to Sankaty Advisors, the global credit affiliate of Bain Capital, advised and partially financed by Deutsche Bank;

- Sale of approximately $1.9 billion of assets related to its equipment lending and leasing business in Mexico to Linzor Capital Partners;

- Sale of substantially all the assets of its Mubadala joint venture to MidCap Finco. Ltd., which is managed by Apollo Capital Management, representing approximately $1.3 billion of remaining asset reduction for GE Capital;

- Sale of approximately $2.9 billion of various other assets;

- Exclusive discussions regarding the sale[16] of its Equipment Finance and Receivable Finance businesses in France and Germany to Banque Fédérative du Crédit Mutuel, representing approximately $12.8 billion of assets; and

- Sale of GE Capital Bank's U.S. online deposit platform along with all deposits of GE Capital Bank, including online savings accounts, online CDs and brokered CDs, to Goldman Sachs, representing $16 billion of deposits.[17]

[15] The reductions in deposits and securitization debt are computed as of September 30, 2015.

[16] GE Capital has signed a memorandum of understanding regarding this sale. The proposed transaction will be submitted to the relevant works councils for their information and consultation.

[17] GE expects to wind down the remaining operations of GE Capital Bank following closing of the transaction, subject to regulatory approval.

In total, as of December 18, 2015, approximately $252 billion of the $310 billion, or approximately 81%, of total planned dispositions have been closed or signed. Of the remaining assets and platforms to be divested, approximately $58 billion, or 100%, of these assets are actively being marketed, have bids, or have bankers retained as of December 18, 2015.

Funding Profile

GE Capital had $350 billion in total funding at December 31, 2014. The GE Capital Exit Plan and other actions will result in a reduction of approximately $260 billion of funding over five years, or approximately 75%, of which a reduction of approximately $230 billion will occur in the first three years of the Exit Plan. This is partially facilitated by a debt exchange of $36 billion of certain outstanding debt for new notes with maturities of six months, five years, ten years or twenty years that provides EHC with an efficient and simplified capital structure. In addition, the exchange aligns the liabilities of EHC to its assets from a maturity profile and liquidity standpoint, taking into consideration asset sales, and where appropriate, shortening the maturity profile of targeted liabilities. In addition, as compared with GE Capital prior to completion of the Exit Plan, the amount of short-term debt that will fund the operations of Restructured GECC will be substantially reduced; for example, there will be no bank deposit funding and no funding from the previous GE Interest Plus program. In fact, the only short-term funding for Restructured GECC will be approximately $5 billion in CP, down from $101 billion in 4Q 2007 and $25 billion at December 31, 2014. The Exit Plan also includes GE's direct assumption or express guarantee of all existing long-term notes and CP that will fund the operations of GE Capital and Restructured GECC.[18]

As of December 31, 2015, GE Capital has made substantial progress in altering its funding program to reflect the changes described above. In particular, the Company has reduced its CP to $5 billion as highlighted above. In addition, the Company has reduced deposit funding by approximately 60% from $63 billion as of December 31, 2014; significantly reduced its use of securitization funding with the separation from Synchrony and divestitures of other U.S. business lines; completed the $36 billion debt exchange;[19] and completed the assumption and/or guarantee by GE of approximately $184 billion of GE Capital's debt.

The GE Capital Exit Plan and other Divestitures Significantly Enhance the Resolvability of the Firm

While GE Capital's 2014 resolution plan demonstrated the orderly resolvability of GE Capital, Restructured GECC will be in an even better position to achieve a rapid and orderly resolution following the completion of the GE Capital Exit Plan and other previously announced divestitures.

With completion of the corporate reorganization described above, the Company's structure is much simpler and features a non-operating holding company (IHC) that is wholly owned by GE and that wholly owns DHC and EHC. The structure also reduces the number and complexity of operational

[18] Certain subsidiaries of EHC will hold debt of external third parties (the External Funding Companies or the Foreign Issuers), and a subsidiary of DHC will issue CP to external third parties (CP Issuer, and together with the External Funding Companies, the Debt Issuers). GE guaranteed and will continue to guarantee the external debt and all CP held and issued by these Debt Issuers (pursuant to the Guarantee).

[19] The new notes have been fully, irrevocably and unconditionally guaranteed by GE.

interconnections (e.g., services) that will exist among Restructured GECC affiliates as well as the risks to preserving those interconnections in resolution. Moreover, the U.K. Prudential Regulation Authority (PRA) is the consolidated supervisor of EHC.[20] The implementation of the reorganization itself also demonstrates the Company's capabilities to carry out the transactions that could be contemplated in a resolution scenario and to adopt risk controls that mitigate risks from such transactions. Between April and December 2015, GE Capital has effected divestitures and corporate reorganizations impacting thousands of legal entities and requiring dozens of regulatory approvals; transactions such as the exchange of $36 billion of debt, repatriation of excess foreign cash, movement of substantial amounts of intercompany financing and cash; and transition of hundreds of service level agreements and thousands of employees among internal entities.

The divestitures that are part of the GE Capital Exit Plan, together with divestitures announced prior to and independent of the GE Capital Exit Plan and completed in 2015, will contribute to the reduction of GE Capital's total assets by approximately 71%.[21] With $144 billion in assets, including $22 billion in cash as well as $33 billion in investment securities related to runoff insurance activities,[22] Restructured GECC will be considerably smaller and less complex than GE Capital when GECC was designated as a nonbank SIFI in 2013. Restructured GECC will no longer own any deposit-taking banks,[23] thereby substantially reducing the risk of "ring fencing" or "liquidity trapping" by prudential regulatory authorities and effectively insulating the Deposit Insurance Fund from any consequences of its material financial distress. Moreover, Restructured GECC's resolution will not result in disruptions to any consumers because Restructured GECC will engage in no consumer financing businesses. Restructured GECC's asset composition will also be meaningfully different from bank SIFIs. Importantly, Restructured GECC will no longer have assets or operations in two broad asset classes where bank SIFIs have large concentrations – consumer lending and real estate lending (both residential and commercial). Furthermore, in commercial lending and leasing asset classes, Restructured GECC's activities will focus on customers in sectors aligned to GE's core industrial domain (e.g., aviation, energy, and healthcare) and thus will only partially overlap with the commercial customers that bank SIFIs serve across a much broader range of industries. Finally, Restructured GECC's financing products and solutions will focus heavily on operating leases, equity investments, factoring, and collateral-based lending (and, typically, collateral manufactured by GE's industrial businesses or directly linked to such products). In contrast, bank SIFIs' financial products include relatively large leveraged lending concentrations and significant unsecured loan commitment concentrations to large corporates – both areas in which Restructured GECC will not have operations.

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[20] The Plan assumes that the PRA no longer supervises EHC following the Company's completion of the divestiture of GE Capital's U.K. bank as contemplated in the Exit Plan.

[21] Other components of the reduction in total assets include a reduction in cash and equivalents and charges related to goodwill allocations, as discussed further in section D.

[22] Based on GE Capital's financial position as of December 31, 2014, as described in section D.

[23] Following the completion of the Synchrony Financial share exchange, GE and GECC were deregistered as savings and loan holding companies.

Restructured GECC's funding profile will be less complex and less susceptible to financial distress. The much reduced use of short-term funding – to only $5 billion in CP outstanding – greatly reduces the susceptibility to runs; GE's guarantee of that CP reduces that risk even further. In addition, by separating Restructured GECC's pro forma operations into U.S. and non-U.S. operations owned by DHC and EHC, respectively, and by ensuring that non-U.S. funding is used to fund non-U.S. operations and U.S. funding is used to fund U.S. operations, GE Capital has helped to isolate risk within the enterprise into one of these two silos, such that funding disruptions occurring outside the U.S. would be far less likely to affect U.S. operations, and vice versa. Furthermore, Restructured GECC will have access to substantial amounts of liquidity that will allow it to engage in a controlled liquidation of its businesses and assets without engaging in "fire sales" of assets. Finally, because none of the obligors of Restructured GECC's external debt will commence insolvency proceedings, and because of GE's assumption or guarantee of all long-term notes and CP used to fund Restructured GECC's operations, the resolution will not result in either the stay of any payments to, or any losses sustained by, the holders of such external debt.

Regardless of the magnitude of the stress it faces, Restructured GECC will be much less likely to experience and more able to weather financial distress and will become much more easily resolvable as a result of the breadth of the enhancements afforded by divestitures announced prior to announcement of the Exit Plan, including the split-off of Synchrony Financial, and the implementation of the GE Capital Exit Plan itself.

The Company has Completed and Continues to Implement Other Key Enhancements to Resolvability

Since the submission of its 2014 resolution plan, GE Capital has continued several initiatives to improve its capabilities to help achieve its strategic objectives, withstand periods of severe stress, and facilitate an orderly resolution. These initiatives are all independent of, and in addition to, the GE Capital Exit Plan and other previously announced divestitures, demonstrating that the Company is committed to enhancing its resiliency and improving its resolvability notwithstanding the Exit Plan.

- *Operational capabilities*: The Company has continued to make numerous improvements and has implemented certain key capabilities since it submitted its 2014 resolution plan to better ensure its operational continuity in the event of its material financial distress or resolution. Such capabilities now include: (i) an ability to identify the owner, lessor, or licensor of services, facilities, and personnel; (ii) a complete inventory of the internal services in place at 4Q 2014, including information regarding the legal entities providing and receiving each service and a protocol to refresh such information periodically; (iii) enhanced and standardized affiliate agreements that contain terms providing for the continuation of internal services in resolution; (iv) a central system of record for internal and external services agreements executed by GE Capital's legal entities; (v) a more robust capability to find long- and short-term replacements for critical assets, including supplier contingency plans that document specific alternatives for critical services and business continuity plans for some critical services covered by a supplier contingency plan; (vi) a mapping of the Company's high-risk systems and applications to the servers that host them in particular geographic locations in order to better understand the interconnectivity of its technology assets in a resolution scenario; and (vii) implementation of a flexible and dynamic framework to identify the operational assets critical to effectuation of the Company's resolution in various scenarios.

- *Structural simplification*: The Company continues to make progress in simplifying its legal entity and funding structure and will continue to do so as it transforms its business and funding models in concert with the GE Capital Exit Plan. Since it submitted its 2014 resolution plan, the Company has eliminated approximately 12% of its consolidated legal entities; since commencing an enterprise-wide initiative to reduce its legal entities in 2Q 2011, the Company has eliminated approximately 45% of its legal entities.[24] Ongoing enhancements to GE Capital's legal entity structure include further reductions of legal entities, the separation of most entities and entity chains that featured shared ownership between GE Capital and GE, a more direct alignment of Restructured GECC's legal entity structures with its business lines or jurisdictions of its operations, and the simplification of internal funding structures, including several key simplifying changes to the funding structures in Australia, Canada, and Japan.

- *Legal entity governance*: The Company completed a project to assemble and maintain all of the corporate governance documents for the material entities of its 2014 resolution plan in a central repository in order to access such documents easily in the event of resolution. The Company has also established the capability to produce financial statements on a monthly basis.

[24] U.S. GAAP consolidated legal entities, computed as of October 31, 2015.

C. Core Business Lines and Material Entities of Restructured GECC

Restructured GECC will consist primarily of vertical financing businesses – GE Capital Aviation Services (GECAS), Energy Financial Services (EFS) and GE Industrial Finance – that directly relate to GE's core industrial domain and a very limited number of other operations. For resolution planning purposes, the Final Rule defines core business lines (CBLs) as "those business lines of the covered company, including associated operations, services, functions and support, that, in the view of the covered company, upon failure would result in a material loss of revenue, profit, or franchise value."[25] To develop its Resolution Plan, GE Capital analyzed Restructured GECC's business activities (after consummation of the GE Capital Exit Plan and other previously announced divestitures) and identified three CBLs of Restructured GECC – GECAS, EFS, and Headquarters Components.

GECAS is a commercial aircraft financing and leasing business. It offers a wide range of aircraft types and financing options, including operating leases and secured debt financing, and also provides productivity solutions including spare engine leasing, airport and airline consulting services, and spare parts financing and management. At December 31, 2014, GECAS owned 1,443 commercial aircraft, of which all but three were on lease, and held $27.4 billion (list price) of multiple-year orders for various Boeing, Airbus and other aircraft, including 56 aircraft ($3.6 billion list price) scheduled for delivery in 2015, all under agreement to commence operations with commercial airline customers. On January 30, 2015, GECAS acquired Milestone Aviation Group, a helicopter leasing business, for approximately $1.8 billion.

EFS invests in long-lived, capital intensive energy projects and companies by providing structured equity, debt, leasing, partnership financing, project finance, and broad-based commercial finance. EFS has over $15 billion in energy investments, collateralized by operating assets in the global energy and water industries and often financed for 20 to 30 year terms; about 12% of its assets are held outside of the U.S.

The third core business line, Headquarters Components, consists of the following primary activities:

- GE Industrial Finance, a new organization, announced on October 13, 2015, through which Restructured GECC will continue to provide financing solutions for customers of GE's industrial businesses and financing to GE industrial businesses for their capital expenditure needs. GE Industrial Finance will include (i) Healthcare Equipment Finance, which is a premier provider of capital and services to the healthcare industry and is collateralized by equipment used in the healthcare industry and (ii) Working Capital Solutions, which purchases GE customer receivables and is substantially recourse to GE or insured; and

- Runoff insurance activities, which include providing insurance and reinsurance for life and health risks and providing certain annuity products.[26,27]

[25] *See* 12 C.F.R. §§ 243.2(d), 381.2(d).

[26] Both Healthcare Equipment Finance and Working Capital Solutions are reported in CLL segment as of December 31, 2014; Runoff insurance activities are reported in Corporate items and eliminations as of December 31, 2014.

The exhibit below shows how these CBLs are aligned to Restructured GECC's business activities.

Exhibit 1: Core Business Lines of Restructured GECC

Core Business Line	Business Activities
GE Capital Aviation Services	GE Capital Aviation Services
Energy Financial Services	Energy Financial Services
Headquarters Components	GE Industrial Finance Insurance GE Capital Corporate Corporate Treasury

The Final Rule defines the term "material entity" as "a subsidiary or foreign office of the covered company that is significant to the activities of a critical operation or core business line."[28] GE Capital identified three material entities of Restructured GECC that will meet the defined criteria. These entities, on a consolidated basis, will comprise 100% of Restructured GECC's assets, liabilities, and operations. The material entities are set forth in the table below.

Exhibit 2: Material Legal Entities of Restructured GECC

Entity	Entity Name	Jurisdiction
Covered Company (IHC)	GE Capital Global Holdings, LLC	Delaware
Domestic Holding Company (DHC)	GE Capital US Holdings, Inc.	Delaware
European Holding Company (EHC)	GE Capital International Holdings Ltd.	United Kingdom

IHC on a standalone basis has no external assets and it does not conduct business operations. IHC guarantees the obligations on external derivatives contracts, as described in section E, of a subsidiary of EHC as well as the obligations of certain subsidiaries of EHC and DHC under commercial contracts with third parties. IHC controls all affiliates that provide all of the internal services critical to effectuating Restructured GECC's resolution strategy.

DHC is an intermediate holding company headquartered in Norwalk, Connecticut that owns GE Capital's, and will own Restructured GECC's, U.S. commercial financing assets and, primarily through its subsidiaries, conducts its U.S. operations. DHC offers select financial services and products to companies operating in the U.S. In particular, the three vertical financing businesses – GECAS, EFS, and GE Industrial Finance – as well as runoff insurance activities operate within DHC. Certain Corporate and Treasury functions are also performed within DHC. DHC is primarily funded by approximately $5 billion of CP and the DHC Assumption Agreements with GE. DHC will comprise

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[27] No new business has been added to the Insurance portfolio since 2006 other than *de minimis* amounts that were contractually required for a short period after the end of 2006.

[28] 12 C.F.R. §§ 243.2(l), 381.2(l).

approximately 64% of Restructured GECC's total assets. DHC will employ approximately 54% of the total headcount of Restructured GECC. Of all critical internal services to be provided between the material entities of Restructured GECC, 98% are provided by DHC to EHC. As described in section L, multiple compelling interdependencies, and particularly IHC's continuing control of all of its direct and indirect subsidiaries, would cause all affiliates of Restructured GECC to continue providing critical internal services throughout resolution.

EHC is an intermediate holding company headquartered in London, England that owns GE Capital's, and will own Restructured GECC's, non-U.S. commercial financing assets and, primarily through its subsidiaries, conducts its non-U.S. operations. EHC offers select financial services and products to companies operating outside the U.S., with concentrations in Europe, Canada, and Mexico. GECAS and Working Capital Solutions are the primary business activities within EHC; Corporate and Treasury functions also operate within EHC. EHC has issued long-term notes externally and enters into external derivatives agreements. EHC will comprise approximately 36% of Restructured GECC's total assets. In addition, EHC will employ approximately 46% of the total headcount of Restructured GECC. Of all critical internal services to be provided between the material entities of Restructured GECC, 2% are provided by EHC to DHC.

D. Summary of Financial Information Regarding Assets, Liabilities, Capital, and Major Funding Sources

Assets and Liabilities

The following exhibit is GECC's Statement of Financial Position from GECC's annual report on Form 10-K for the year ended December 31, 2014 (the 2014 Form 10-K).[29] Please refer to the 2014 Form 10-K for the respective notes referenced on this statement.

As noted in section A, GE Capital has prepared its Resolution Plan with the assumption that the GE Capital Exit Plan and other transactions announced prior to and independent of the Exit Plan have been successfully completed prior to the commencement of resolution. GE Capital is including aspects of GECC's 2014 Form 10-K in this public section of its Resolution Plan to facilitate the comparison of GE Capital's financial position prior to announcement of the Exit Plan to the pro forma position of Restructured GECC upon completion of the Exit Plan and other previously announced transactions.

[29] Exhibit 3 does not reflect events or developments that occurred subsequent to the filing of the 2014 Form 10-K. Subsequent to its filing of the 2014 Form 10-K, GE and GECC filed current reports on Form 8-Ks and quarterly reports on Form 10-Qs to revise certain financial information from the 2014 Form 10-K based on updates primarily related to aspects of the GE Capital Exit Plan and other previously announced transactions. Please refer to GE and GECC's Form 8-Ks for revised annual results for the five years ended December 31, 2014 and for quarterly results for 2014 and 2013. Please refer to GE and GECC's Form 10-Qs for 2015 quarterly results.

Exhibit 3: General Electric Capital Corporation and Consolidated Affiliates Statement of Financial Position as of December 31, 2014

(In millions, except share amounts)		
Assets		
Cash and equivalents	$	74,292
Investment securities (Note 3)		47,827
Inventories		50
Financing receivables – net (Note 4 and 19)		237,018
Other receivables		16,683
Property, plant and equipment - net (Note 5)		49,570
Goodwill (Note 6)		25,026
Other intangible assets – net (Note 6)		1,176
Other assets (Note 7)		43,875
Assets of businesses held for sale (Note 2)		3,474
Assets of discontinued operations (Note 2)		1,225
Total assets(a)	**$**	**500,216**
Liabilities and equity		
Short-term borrowings (Note 8)	$	68,780
Accounts payable		6,177
Non-recourse borrowings of consolidated securitization entities (Note 8)		29,938
Bank deposits (Note 8)		62,839
Long-term borrowings (Note 8)		187,991
Investment contracts, insurance liabilities and insurance annuity benefits (Note 9)		28,027
Other liabilities		16,313
Deferred income taxes (Note 10)		6,231
Liabilities of businesses held for sale (Note 2)		2,434
Liabilities of discontinued operations (Note 2)		1,088
Total liabilities(a)		**409,818**
Preferred stock, $0.01 par value (750,000 shares authorized at December 31, 2014 and 2013, and 50,000 shares issued and outstanding at December 31, 2014 and 2013, respectively)		-
Common stock, $14 par value (4,166,000 shares authorized at December 31, 2014 and 2013, and 1,000 shares issued and outstanding at December 31, 2014 and 2013)		-
Accumulated other comprehensive income (loss) – net(b)		
Investment securities		1,010
Currency translation adjustments		(838)
Cash flow hedges		(172)
Benefit plans		(577)
Additional paid-in capital		32,999
Retained earnings		55,077
Total GECC shareowners' equity		87,499
Noncontrolling interests(c) (Note 11)		2,899
Total equity (Note 11)		**90,398**
Total liabilities and equity	**$**	**500,216**

(a) GECC's consolidated assets at December 31, 2014 included total assets of $50,586 million of certain variable interest entities (VIEs) that can only be used to settle the liabilities of those VIEs. These assets included net financing receivables of $43,620 million and investment securities of $3,374 million. GECC's consolidated liabilities at December 31, 2014 included liabilities of certain VIEs for which the VIE creditors do not have recourse to GECC. These liabilities included non-recourse borrowings of consolidated securitization entities (CSEs) of $28,664 million. (See Note 16)

(b) The sum of accumulated other comprehensive income (loss) (AOCI) attributable to GECC was $(577) million and $(1,034) million at December 31, 2014 and 2013, respectively.

(c) Included AOCI attributable to noncontrolling interests of $(154) million and $(139) million at December 31, 2014 and 2013, respectively.

The GE Capital Exit Plan and other transactions announced prior to and independent of the Exit Plan will substantially reduce the size and substantially change the composition of GE Capital's balance sheet as compared to Exhibit 3. The pro forma balance sheet in Exhibit 4 constitutes Restructured GECC's assumed financial position for purposes of the Resolution Plan, based on adjustments to GE Capital's actual financial position as of December 31, 2014 to account for the implications of the GE Capital Exit Plan and other previously announced transactions.[30]

Importantly, this pro forma balance sheet has been developed for purposes of the 2015 Resolution Plan and is not intended to be, and should not be interpreted as, a forecast of GE Capital's *future* size and composition after the completion of the GE Capital Exit Plan and other previously announced transactions.

[30] All estimates related to Restructured GECC's pro forma balance sheet and throughout the public section of the Resolution Plan are subject to change as the Exit Plan and other previously announced transactions are actually implemented.

Exhibit 4: Restructured GECC Pro Forma Statement of Financial Position

(In millions)		
Assets		
Cash and equivalents	$	21,900
Investment securities		34,600
Financing receivables – net		25,300
All other assets		62,400
Total assets	**$**	**144,200**
Liabilities and equity		
Commercial paper	$	5,000
Non-recourse borrowings of consolidated securitization entities		4,400
Long-term borrowings		72,900
Investment contracts, insurance liabilities and insurance annuity benefits		26,900
All other liabilities		14,100
Total liabilities		**123,300**
Total equity		**20,900**
Total liabilities and equity	**$**	**144,200**

Restructured GECC's pro forma statement of financial position in Exhibit 4 is derived from GE Capital's balance sheet in Exhibit 3 as follows:

(i) Assets and liabilities directly associated with the business lines of Restructured GECC are drawn directly from Exhibit 3 and are stated as of December 31, 2014. The Resolution Plan then applies the DFA Stress Testing scenarios of 4Q 2014 to those balances, as required under the Agencies' 2013 resolution plan guidance.[31] "All other assets" include equipment leased to others primarily associated with GECAS, certain investments of EFS, and certain assets of GE Industrial Finance.[32]

(ii) The Basel 3 Common Equity Tier 1 (B3 CET1) capital ratio of Restructured GECC is in compliance with internal capital management policies and methodologies of GE Capital in effect at December 31, 2014. The calculation for Restructured GECC's B3 CET1 applies the risk weighted assets of the business lines of Restructured GECC as at December 31, 2014. Preferred equity balances as of December 31, 2014 are assumed to be maintained. Other components of equity are estimated based on the effects of the GE Capital Exit Plan and other previously announced transactions.

(iii) The long-term borrowings of Restructured GECC have been adjusted in line with the maturity and amortization schedule of GE Capital's debt over the duration of the Exit Plan and as a

[31] *See* FDIC and Federal Reserve, Guidance for 2013 § 165(d) Annual Resolution Plan Submissions by Domestic Covered Companies that Submitted Initial Resolution Plans in 2012 (Apr. 25, 2013).

[32] GE Capital had ending net investment (ENI), excluding liquidity, of $363 billion at December 31, 2014. Restructured GECC will have approximately $81 billion in ENI, excluding liquidity, including approximately $45 billion in DHC. ENI is a metric used to measure the total capital invested in the financial services businesses.

result of proceeds from dispositions of businesses and assets pursuant to the Exit Plan and other previously announced transactions.

(iv) Consolidated cash and equivalents have been approximated after accounting for non-cash assets, total liabilities, and total equity.

The Resolution Plan also establishes balance sheets of Restructured GECC's two holding companies, DHC and EHC, based on the business activities they will conduct and whether such activities will be conducted in the U.S. or outside the U.S. The following exhibit constitutes DHC's and EHC's assumed financial positions for purposes of the Resolution Plan, based on a division of and adjustments to GE Capital's actual financial position as of December 31, 2014 to account for the implications of the GE Capital Exit Plan and other previously announced transactions.

Importantly, these pro forma balance sheets have been developed for purposes of the 2015 Resolution Plan and are not intended to be, and should not be interpreted as, forecasts of DHC and EHC's *future* size and composition after the completion of the GE Capital Exit Plan and other previously announced transactions.

Exhibit 5: Restructured GECC DHC and EHC Pro Forma Statements of Financial Position

(In billions)	DHC	EHC
Total assets	**$ 91.6**	**$ 52.6**
Commercial paper	$ 5.0	$ --
Non-recourse borrowings of consolidated securitization entities	4.4	--
Long-term borrowings[33]	29.4	43.5
Investment contracts, insurance liabilities and insurance annuity benefits	26.9	--
All other liabilities	10.8	3.4
Total liabilities	**$ 76.5**	**$ 46.9**

Capital

GE Capital monitors its capital adequacy through economic capital, regulatory capital and enterprise stress testing methodologies. GE Capital's economic capital methodology uses internal models to estimate potential unexpected losses across different portfolios with a confidence level equivalent to an AA agency rating. GE Capital estimates capital adequacy based on the Basel 3 International and U.S. framework; GE Capital was not subject to risk-based capital standards until January 1, 2016.[34] GE Capital uses stress testing for risk, liquidity and capital adequacy assessment and management purposes, and as an integral part of GE Capital's overall planning processes. Stress testing results (i) inform key strategic portfolio decisions such as the amount of capital required to maintain minimum expected regulatory capital levels in severe but plausible stresses and capital allocation, (ii) assist in developing the risk appetite and limits, and (iii) help in assessing product specific risk to guide the development and modification of product structures. The GE Risk Committee[35] and the Board of Managers of GE Capital Global Holdings, LLC (IHC Board) review stress test results and their expected impact on capital levels and metrics. The GE Risk Committee and the IHC Board are responsible for overseeing the overall capital adequacy process, as well as approving GE Capital's annual capital plan and capital actions.

As mentioned above, GE Capital was not subject to risk-based capital standards until January 1, 2016. However, GE Capital estimated its capital adequacy based on Basel 3 International and U.S. frameworks independent of the FRB's final order on July 20, 2015 and continues to do so. GE Capital's B3 CET1 ratio estimate, as at September 30, 2015 and September 30, 2014, is as follows:

[33] Includes $2.4 billion of long-term intercompany borrowings from IHC which supports the same borrowings of the IHC with GE under the IHC Assumption Agreement.

[34] Pursuant to the FRB's final order of July 20, 2015, GECC must comply with risk-based and leverage capital requirements, the liquidity coverage ratio rule, and related reporting requirements, effective January 1, 2016.

[35] The GE Risk Committee oversees risks related to GE Capital and meets jointly throughout the year with the IHC Board. The GE Risk Committee also oversees the Company's most critical enterprise risks and how management is mitigating these risks.

Exhibit 6: Tier 1 Common ratio estimate (a)

(In billions)	3Q 2015	3Q 2014
Shareowners' equity (b)	$ 68.2	$ 86.3
Preferred equity	(4.9)	(4.9)
Intangibles & Goodwill	(15.5)	(26.4)
Other additions/(deductions)	1.1	0.6
Tier 1 common	48.9	55.6
Estimated Risk Weighted Assets	356.7	447.8
Tier 1 common ratio	13.7%	12.4%
Tangible Common Equity/Tangible Assets	11.2%	11.2%

(a) Based on Basel 3 standardized approach on a transitional basis; includes discontinued operations for all periods

(b) Total equity ex-non-controlling interests

The B3 CET1 capital ratio of Restructured GECC is in compliance with internal capital management policies and methodologies of GE Capital in effect at December 31, 2014.

Major Funding Sources

Liquidity and Borrowings

GE Capital maintains a strong focus on liquidity. It manages liquidity to help provide access to sufficient funding to meet business needs and financial obligations throughout business cycles.

GE Capital's liquidity and borrowing plans are established within the context of its annual financial and strategic planning processes. The liquidity and funding plans take into account the liquidity necessary to fund the Company's operating commitments. It also takes into account GE Capital's capital allocation and growth objectives, including paying dividends.

In connection with the GE Capital Exit Plan, GE Capital does not intend to issue any incremental unsecured term debt in the five years following announcement of the Exit Plan on April 10, 2015. GE Capital expects to maintain an elevated liquidity position as it generates cash from asset sales, returning to more normalized levels in 2019. While it maintains elevated liquidity levels, GE Capital may engage in liability management actions based on market and economic conditions, such as buying back debt. As a matter of general practice, GE Capital routinely evaluates the economic impact of calling debt instruments where it has the right to exercise a call. In determining whether to call debt, GE Capital considers the economic benefit of calling debt, the effect of calling debt on its liquidity profile and other factors. GE Capital will continue to evaluate the opportunity to repurchase debt while maintaining its liquidity at the levels communicated as part of the GE Capital Exit Plan.

GE Capital maintains a detailed liquidity policy that requires it to maintain a contingency funding plan. The liquidity policy defines the liquidity risk tolerance under different stress scenarios based on GE Capital's liquidity sources and also establishes procedures to escalate potential issues. GE Capital actively monitors its access to funding markets and its liquidity profile through tracking external indicators and testing various stress scenarios. The contingency funding plan provides a framework for handling market disruptions and establishes escalation procedures in the event that such events or circumstances arise. GE Capital will continue to evaluate the need to modify the existing contingency funding plan due to the GE Capital Exit Plan.

Liquidity Sources

At December 31, 2014, GE Capital maintained liquidity sources of $76.3 billion, representing approximately 15% of GE Capital's total assets, that consisted of cash and equivalents of $74.3 billion, high-quality, liquid investments of $1.2 billion and cash and equivalents of $0.8 billion classified as discontinued operations and businesses held for sale. GE Capital had $350 billion in total funding at December 31, 2014. Additionally, GE Capital had $44.4 billion of committed unused credit lines.

Restructured GECC will have approximately $22 billion of liquidity, representing approximately 15% of Restructured GECC's total assets. The GE Capital Exit Plan and other actions will result in a reduction of approximately $260 billion of funding over the five years, or approximately 75%, of which a reduction of approximately $230 billion will occur in the first three years of the Exit Plan. This is partially facilitated by a debt exchange of $36 billion of certain outstanding debt for new notes with maturities of six months, five years, ten years, or twenty years that was completed in 4Q 2015 and that provides EHC with an efficient and simplified capital structure. In addition, the exchange aligns the liabilities of EHC to its assets from a maturity profile and liquidity standpoint, taking into consideration asset sales, and, where appropriate, shortening the maturity profile of targeted liabilities. In addition, as compared with GE Capital, the amount of short-term debt that will fund the operations of Restructured GECC will be substantially reduced; for example, Restructured GECC will have no bank deposit funding (as compared to $62.8 billion for GE Capital at December 31, 2014) and no funding from its previous GE Interest Plus program (as compared to $5.5 billion for GE Capital at December 31, 2014). In fact, the only short-term funding for Restructured GECC will be approximately $5 billion in CP, down from $101 billion in 4Q 2007 and $25 billion at December 31, 2014. As part of the Exit Plan, GE has directly assumed or expressly guaranteed substantially all of the external borrowings – including existing long-term notes and CP – that will fund the operations of Restructured GECC.

E. Derivative and Hedging Activities

As a matter of policy, GE Capital uses, and Restructured GECC will use, derivatives for risk management purposes and not for speculative purposes. A key risk management objective of GE Capital is to mitigate interest rate and currency risk by seeking to ensure that the characteristics of the debt match the assets they are funding. If the form (fixed versus floating) and currency denomination of the debt GE Capital issues does not match the related assets, GE Capital typically executes derivatives to adjust the nature and tenor of funding to meet this objective within pre-defined limits. The determination of whether GE Capital enters into a derivative transaction or issues debt directly to achieve this objective depends on a number of factors, including market related factors that affect the type of debt GE Capital can issue.

For further information about GE Capital's use of derivatives and hedging activities refer to GECC's 2015 quarterly reports on Form 10-Q and 2015 current reports on Form 8-K, both of which have revised certain financial information in GECC's 2014 Form 10-K.

Restructured GECC's derivatives book will be significantly smaller than GE Capital's derivatives book as of December 31, 2014 (based on notional) due to the significant reduction of Restructured GECC's balance sheet as outlined in sections B and D.

F. Memberships in Material Payment, Clearing, and Settlement Systems

As of December 31, 2014, GE Capital has limited direct memberships or relationships with financial market utilities (FMUs). GE Capital primarily relies on third-party banks and financial institutions (collectively Agent Banks) that are members of FMUs to provide GE Capital with access to payment, clearing, and settlement (PCS) services performed by FMUs. While GE Capital has certain direct FMU memberships, the activities associated with those relationships do not currently represent material activities for GE Capital. As of December 31, 2014, these Agent Banks include, but are not limited to, The Bank of New York Mellon, Deutsche Bank, Royal Bank of Canada, Citibank, Bank of America, and Barclays. These Agent Banks act as custodians, broker-dealers, issuing and paying agents, settling banks, and transfer agents.

Restructured GECC will not be a universal bank, investment bank, custody bank, or clearinghouse. Restructured GECC will not be a market-maker in derivatives, will not engage in speculative trading, and will not underwrite or deal in securities. Restructured GECC will not have direct FMU relationships. It will rely on third-party banks/financial institutions that are members of FMUs and provide PCS services as part of their overall customer services to provide Restructured GECC entities with access to PCS services.

G. <u>Foreign Operations</u>

Historically, GE Capital's global activities spanned all geographic regions and primarily encompassed leasing of aircraft and provision of financial services within these regional economies. Approximately 45% of GE Capital's total assets, as of December 31, 2014, and 39% of its 2014 revenues were non-U.S.

For further information about GE Capital's foreign operations as they change due to the GE Capital Exit Plan and other previously announced transactions, refer to GECC's 2015 quarterly reports on Form 10-Q and 2015 current reports on Form 8-K which have revised certain financial information in GECC's 2014 Form 10-K.

Restructured GECC will be substantially smaller in scope and size than GE Capital as of December 31, 2014. Restructured GECC's non-U.S. activities will primarily relate to aircraft financing and provision of working capital solutions for GE and its industrial businesses. International operations of GE Capital are, and will continue to be for Restructured GECC, consolidated under a U.K.-based international holding company, GE Capital International Holdings (EHC). Approximately 36% of Restructured GECC's total assets will be held by entities domiciled outside the U.S. EHC is also the holding company of five foreign financing companies (the External Funding Companies or the Foreign Issuers) that finance EHC's operations (GE Capital Australia Funding Pty Ltd, GE Capital Canada Funding Company, GE Capital UK Funding, GE Capital European Funding, and GE Capital International Funding Company). EHC has also provided a guarantee of the outstanding debt obligations of the External Funding Companies, and these obligations also continue to be guaranteed by GE.

H. Material Supervisory Authorities

In 2013, the FSOC designated GECC as a nonbank SIFI under the DFA.[36] As a result of this change in supervision and designation, strict prudential regulatory standards and supervision apply to GE Capital. On July 20, 2015 the Federal Reserve published a final order applying enhanced prudential standards to GECC as a nonbank SIFI. The final order provides for application of these enhanced prudential standards in two phases: the first phase requirements are effective January 1, 2016, and the second phase requirements are effective January 1, 2018. Additionally, GE Capital has a limited number of subsidiaries that are subject to regulation in the various jurisdictions in which they operate.

Restructured GECC will not have any deposit-taking banks. Certain entities of Restructured GECC in the U.S. that provide runoff insurance activities will continue to be regulated by insurance regulators in certain U.S. jurisdictions in which they operate.

[36] As a result of changes to the Company's entity structure consummated on or before December 3, 2015, IHC has succeeded to and is subject to the Council's determination regarding GECC pursuant to section 113 of the DFA, including that IHC shall be subject to supervision by the FRB and enhanced prudential standards. GE has discussed the GE Capital Exit Plan, aspects of which are subject to regulatory review and approval, with its regulators and staff of the FSOC and will work closely with these bodies to take the actions necessary over time to terminate the FSOC's designation of IHC as a nonbank SIFI.

I. Principal Officers

IHC's Board elects IHC's executive officers. The names and current titles of the executive officers are as follows:

Chairperson of the Board of Directors, President and Chief Executive Officer
Keith S. Sherin

Senior Vice President and Chief Financial Officer
Robert C. Green

President and Chief Operating Officer
Thomas C. Gentile

Executive Vice President and President & CEO, CLL North America
Daniel S. Henson

Executive Vice President and President & CEO, GE Capital International
Richard A. Laxer

Senior Vice President, Corporate Treasury and Global Funding Operation
Daniel C. Janki

Senior Vice President and Chief Risk Officer
Mark W. Midkiff

Senior Vice President and Controller
Walter F. Ielusic

Senior Vice President and General Counsel
James M. Waterbury

Vice President, Deputy General Counsel and Secretary
Christoph A. Pereira

J. Resolution Planning Corporate Governance Structure and Processes

The foundational elements of GE Capital's risk management framework, which includes policies and supporting processes, form the core of its resolution planning framework.

The GE Board of Directors (GE Board) has oversight for risk management with a focus on the most significant risks facing GE Capital, including strategic, operational, financial, and legal and compliance risks. At the end of each year, management and the GE Board jointly develop a list of major risks that GE plans to prioritize in the next year. Throughout the year, the GE Board and the committees to which it has delegated responsibility dedicate a portion of their meetings to review and discuss specific risk topics in greater detail. Strategic, operational, and reputational risks are presented and discussed in the context of the CEO's report on operations to the GE Board at regularly scheduled GE Board meetings and at presentations to the GE Board and its committees by the vice chairmen, GE Capital's Chief Risk Officer (CRO), general counsel and other employees. The GE Board has delegated responsibility for the oversight of specific risks to GE Board committees.

The Risk Committee of the GE Board oversees risks related to GE Capital and jointly meets throughout the year with the IHC Board. The GE Risk Committee and the IHC Board oversee the GE Capital risk management framework, with the IHC Board approving all significant acquisitions and dispositions as well as significant borrowings and investments. The GE Risk Committee and IHC Board oversee GE Capital's risk appetite, risk assessment, and management processes.

Key risk management policies are approved by the GE Risk Committee and the IHC Board at least annually. GE Capital senior management meets with the GE Risk Committee and the IHC Board throughout the year. At these meetings, GE Capital senior management focuses on the risk issues, strategy, and governance of the business.

GE Capital's risk management framework starts with approval of GE Capital's Risk Appetite Statement by the GE Risk Committee and IHC Board. The Risk Appetite Statement is then codified by policies establishing the risk management framework through defined governance, processes and procedures, risk limits, and risk monitoring, reporting, and mitigation. GE Capital's Risk Appetite Statement articulates the level of risk it is willing to accept relative to its business strategy and is the foundation for its risk management framework.

Given the importance and strategic scope of the resolution planning process, GE Capital has established an effective structure for the development, approval, and maintenance of the Resolution Plan that is incorporated into GE Capital's overall risk management framework. To meet these objectives, GE Capital's CRO is the executive sponsor of the Resolution Plan.

GE Capital has implemented a multi-tiered approach to the review, challenge, and approval of all aspects of the Resolution Plan. The GE Risk Committee is ultimately responsible for ensuring that GE Capital's senior management prepares and maintains a comprehensive resolution planning process. The GE Risk Committee and IHC Board provide strategic direction on resolution planning. The GE Capital Enterprise Risk Management Committee, chaired by the GE Capital CRO, is directly engaged in the Company's resolution planning efforts through overseeing the development and maintenance of the Resolution Plan, ensuring its consistency with GE Capital's strategic plans, and providing challenge. This includes setting the overall direction of the Resolution Plan and making cross-functional strategic and implementation decisions related to the Resolution Plan.

The GE Capital Recovery & Resolution Planning and Enterprise Risk Leader, who reports to the GE Capital CRO, is responsible for management of the Resolution Plan. The GE Capital Recovery & Resolution Planning and Enterprise Risk Leader is supported by a dedicated Recovery and Resolution Planning Team, which is a cross-functional team that is responsible for the development of the Resolution Plan. Certain other subject-matter experts and senior management at GE Capital also review and challenge the effectiveness and feasibility of resolution strategies.

The GE Risk Committee and IHC Board are responsible for providing final approval of the Resolution Plan.

K. Material Management Information Systems

GE Capital's management information systems (MIS) generally consist of technologies, applications, systems, user interfaces, and information utilized by the Company and its business lines to make effective decisions in the management of the business, perform analysis, and produce both standard and customized reporting. These reports are used in the ordinary course of business to monitor the financial stability, liquidity needs, and operations of GE Capital, its material entities, and its CBLs. Moreover, the Company's MIS have been used extensively to prepare financial and other information used in the preparation of the Resolution Plan.

Management reporting for Restructured GECC is greatly simplified as compared to that for GE Capital due to the reduction of business lines as well as the reduction in required reporting. Nonetheless, GE Capital acknowledges the significance of information availability in resolution. A number of processes and policies are in place to ensure that GE Capital's applications and technology infrastructure are systematically supported, secured, and managed. These policies and processes, including Disaster Recovery and Business Continuity, ensure that the technology and business processes that support GE Capital's MIS are reliable and accessible. GE Capital has continued several initiatives to improve its MIS capabilities to help achieve its strategic objectives, withstand periods of severe stress, and facilitate an orderly resolution, including enhancements to the frequency of internal financial reporting, the depth and level of specificity for reporting of external credit and interaffiliate exposures, and the understanding of interconnectivity of the Company's technology assets.

L. High-Level Description of Resolution Strategy

GE Capital's Resolution Plan demonstrates that Restructured GECC could be resolved in a manner that mitigates potential disruption to the U.S. financial system and the global financial markets and without the use of government support or taxpayer funds.

In developing a resolution strategy for the rapid and orderly resolution of Restructured GECC, the Company has sought to (i) limit the impact that a failure of Restructured GECC would have on its customers, creditors, and other market participants and (ii) preserve and maximize the value of Restructured GECC for the benefit of its stakeholders. In developing its strategy, GE Capital also assumed that the hypothetical failure of Restructured GECC would be caused by idiosyncratic events that would be specific to Restructured GECC.

The Plan assumes that Restructured GECC experiences two significant idiosyncratic loss events in less than 30 days that materially stress the capital and liquidity of IHC, DHC, and EHC. The assumed loss events are legal judgments against DHC and EHC that will require substantial near-term payments. The prospect of the substantial cash outflows causes an immediate downgrade of the credit ratings of IHC, and it also results in the very real prospect that the subsidiaries of IHC that hold or issue debt to external parties (the Debt Issuers) may have insufficient liquidity to service their debt.[37] Because of the magnitude of the idiosyncratic losses to DHC, EHC, and their immediate parent, IHC, GE determines that none of these entities would remain viable as a going concern without recapitalization by GE. However, GE determines that providing such recapitalization would not be in its economic interest. Instead, GE opts for a controlled liquidation of the three entities and their subsidiaries, and as a result, Restructured GECC analyzes in each case whether to do so through the commencement of insolvency proceedings.

Under the approach contemplated by the Plan, Restructured GECC decides that IHC and DHC will commence cases under chapter 11 of the U.S. Bankruptcy Code in order to effect their controlled liquidation. This is called the Limited Points of Entry Approach (or LPOE Approach). Specifically, GE decides not to provide funds to recapitalize IHC and DHC to enable them to make the payments required by the idiosyncratic loss events, and without these funds, IHC and DHC commence chapter 11 bankruptcy cases based on significant shortfalls in liquidity projected for the following 90 days. Rather than risk a default on DHC's outstanding CP obligations, GE honors its obligations under the contractual Guarantee and funds the debt service obligations of the CP Issuer. Because of these timely payments, the CP issued by the CP Issuer does not default, and the holders of such debt sustain no losses or delays in payment. GE also continues to fully service the debt obligations that it assumed from GECC pursuant to the Merger, therefore the holders of this debt also do not sustain losses or delays in payment.

While EHC has more liquidity on hand than DHC at the time of the loss events, it may not be enough to cover the projected outflows caused by the loss events and the amounts due on the obligations of

[37] For purposes of this Plan, the Company assumes that, in the 30-day period leading up to commencement of insolvency proceedings, Restructured GECC does not consummate any recovery actions, does not receive any support from GE except pursuant to existing contractual relationships, and does not draw on its committed unused credit lines.

the Foreign Issuers. Rather than risk a default on these obligations, GE honors its obligations under the contractual Guarantee and funds the debt service payments of the Foreign Issuers to the extent necessary to avoid the possibility of payments not being made when due. That ensures EHC has adequate liquidity to cover the projected outflows caused by the loss events and thus avoid entering an administration proceeding in the United Kingdom. Action by GE to fund the Foreign Issuers' debt service payments would only be temporary, because it is assumed in the Plan that GE will service such external debt only as necessary. As soon as EHC has sufficient liquidity to service its own debt, EHC would resume payments. Because of these timely payments, the long-term unsecured debt of the Foreign Issuers does not default, and the holders of such debt sustain no losses or delays in payment. In this context, EHC's controlled liquidation would be effected through a "solvent wind-down" rather than through the commencement of an insolvency proceeding.[38]

Other than IHC and DHC, no other Restructured GECC entity commences an insolvency proceeding under the LPOE Approach. Under the LPOE Approach, Restructured GECC remains in control of IHC's and DHC's operations, as well as the operations of their subsidiaries, in their chapter 11 bankruptcy cases. With IHC and DHC in chapter 11 bankruptcy cases and IHC continuing to control their operations, and with EHC operating outside of an insolvency proceeding and therefore also under IHC's control, IHC will be free to implement a controlled liquidation of Restructured GECC in which all of its assets can be sold or runoff in an orderly manner and in a manner that maximizes value for Restructured GECC stakeholders.

Restructured GECC would therefore execute a controlled liquidation strategy, which consists of going-concern business platform sales that preserve franchise value, individual or portfolio asset sales, and orderly runoff of credit, lease, and equity assets (the Controlled Liquidation Strategy). This is the same strategy that was set forth in GE Capital's 2014 resolution plan, though on a much smaller scale given the substantially smaller footprint of Restructured GECC and without any complications arising from non-U.S. insolvency proceedings.

GE Capital's selection of disposition strategies during Restructured GECC's controlled liquidation would consider the value each strategy could generate, the impact the strategy could have on its customers and other market participants, the feasibility of achieving the strategy, and the challenges and consequences of executing these dispositions strategies under a range of macroeconomic conditions. The strategies would be selected after careful consideration of all relevant facts regarding markets, products, customers, and counterparties. In general, GE Capital's preference is to engage in either going-concern sales of business platforms or sales of standalone asset packages. However, where such sales are not possible, GE Capital's preference would involve the orderly runoff of its assets. The Plan assumes that approximately $70 billion of assets would remain after two years of executing the controlled liquidation, of which approximately 50% are associated with Restructured GECC's runoff insurance activities.

[38] The Company uses the term "solvent wind down" to describe the resolution of Restructured GECC's non-U.S. operations because assets associated with these operations are liquidated or allowed to run off while creditors funding the operations, including GE, are paid in full outside of an insolvency proceeding.

GE Capital recognizes that the platform and specific asset sales would rely on factors and circumstances not fully within Restructured GECC's control, including market liquidity. In the event that Restructured GECC was unable to execute these platform and specific asset sales, as a result of limited market liquidity or otherwise, GE Capital has identified an alternative strategy of an orderly wind-down of all of Restructured GECC's businesses. Implementation of this alternative strategy would still allow Restructured GECC to be resolved in a rapid and orderly manner without the use of government support or taxpayer funds and without imposing losses to external creditors.

The Controlled Liquidation Strategy can be implemented in an orderly manner because of (i) the amount of liquidity available to Restructured GECC during resolution and (ii) the substantially reduced likelihood of liabilities running and Restructured GECC being pressured to engage in asset fire sales – the result of Restructured GECC's substantially reduced use of short-term funding and GE's contractual obligation to fund timely payments on all CP and bonds funding Restructured GECC's operations.

Funding Resources During Resolution

DHC's primary liquidity needs during resolution are select originations to maintain franchise value for platforms and portfolios identified for sale, as applicable, and, to a lesser extent, operational expenses. The bankruptcy stay in DHC's chapter 11 case generally would prevent DHC's payments to its third-party creditors and GE except under a chapter 11 plan. DHC's remaining subsidiaries, however, would not be chapter 11 debtors and would continue to pay their obligations when due, though GE's obligation under the contractual Guarantee would result in GE funding the debt service of the CP Issuer. DHC would not issue any new CP during its resolution.

DHC's resolution would be financed by cash on hand and proceeds from implementation of the Controlled Liquidation Strategy that are immediate and substantial. In a chapter 11 bankruptcy case, DHC would be able to collect payments on its assets (i.e., receive payments on its loans and leases) in the ordinary course of business without obtaining specific court approval. DHC would seek approval from the bankruptcy court for permission to sell its assets under section 363 of the U.S. Bankruptcy Code. DHC's subsidiaries would not need court approval to sell their assets, but DHC and IHC would likely, as a precaution, seek court approval to cause DHC's subsidiaries to engage in major asset sales. Many of DHC's disposition strategies involve coordinated sales of assets owned by DHC and other Restructured GECC subsidiaries jointly. DHC would coordinate these sales and seek authority to execute them from the bankruptcy court.

EHC would continue to have full control of its operating subsidiaries during resolution, including the Foreign Issuers. However, it would not issue any new unsecured long-term debt during its resolution given the assumed prohibitive cost due to the severe financial strain associated with the idiosyncratic losses it has sustained. Moreover, neither Restructured GECC nor EHC need new capital to effect the Controlled Liquidation Strategy. The primary drivers of liquidity needs for EHC during resolution are the expectation of making remaining payments on idiosyncratic loss liability, resumption of payments to third-party holders of unsecured long-term debt, and funding of select originations to maintain franchise value for platforms and portfolios identified for sale, as applicable, and, to a lesser extent, operational expenses.

EHC's resolution would be financed by cash on hand and proceeds from implementation of the Controlled Liquidation Strategy that are immediate and substantial.

Exit from Bankruptcy and the Resulting Organization

IHC and DHC would ultimately exit bankruptcy pursuant to chapter 11 liquidation plans (the Chapter 11 Plan of Liquidation), under which the proceeds of their liquidations would be distributed to their respective stakeholders in accordance with the priority of their claims, on a pro rata basis.

After confirmation of the Chapter 11 Plan of Liquidation, DHC would transfer its assets to a liquidating trust and a trustee would continue to sell or otherwise dispose of assets pursuant to the plan. Outstanding administrative and priority claimants would be paid in full on its effective date. Most of the remaining proceeds of Restructured GECC's liquidation would be distributed to unsecured creditors of IHC and DHC, including GE, on a pro rata basis upon the effective date of the Liquidation Plan. The Chapter 11 Plan of Liquidation would also establish a liquidating trust, distribute to stakeholders all of the beneficial interests in the liquidating trust, and vest all remaining IHC and DHC assets in such trust. The trust would continue to monetize IHC's and DHC's assets, including assets in runoff, and make additional periodic distributions to creditors until all material assets were liquidated, and all cash proceeds were distributed to creditors until the creditors, including GE, were paid in full or the proceeds were exhausted. The Chapter 11 Plan of Liquidation then would provide for distribution of any residual value to IHC's sole shareholder, GE.

EHC would sell and/or run off its assets outside of insolvency proceedings in a solvent wind-down, in accordance with Restructured GECC's overall resolution strategy. EHC and its subsidiaries would use the proceeds of the Controlled Liquidation Strategy to pay their creditors and debts as and when such amounts become due (with GE funding any shortfalls in the repayment of the debt obligations that it has guaranteed). EHC would also pay off any intercompany loan obligations and, after satisfying all of its creditors in full, EHC would distribute the residual value to its shareholder, IHC. EHC and any remaining subsidiaries would dissolve following liquidation of all of their assets and satisfaction of all liabilities.

Impact on Financial Stability

Due to its substantially reduced size and complexity, its lack of any deposit-taking banks, its exceptionally stable funding model, and its lack of consumer financing businesses, among other reasons, Restructured GECC's resolution would not cause financial instability.

Nevertheless, GE Capital acknowledges the need to understand and mitigate the potential impact Restructured GECC's failure could have on the U.S. financial system. The Company has carefully analyzed the impact that its resolution would likely have on customers, creditors, the markets in which it operates, and U.S. financial stability. This impact would be very limited because of (i) the availability of unrestricted liquidity to fund ongoing and orderly operations of Restructured GECC and its operating companies as necessary during the resolution process; (ii) the orderly disposition of assets without the need for fire sales, which is made possible by the LPOE Approach, Restructured GECC's liquidity, and the remaining mix of assets and businesses that differ from those of bank SIFIs; (iii) the ability of competitor firms to either purchase and continue operating company businesses or substitute their products and services for those provided by Restructured GECC, even in severely adverse scenarios; and (iv) the substantially reduced amount of CP outstanding held by investors – which, in any event, is fully guaranteed by GE.