

**SUBJECT TO COMPLETION  
PRELIMINARY EXCHANGE OFFER PROSPECTUS DATED FEBRUARY 2, 2010**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION.  
NOT FOR DISTRIBUTION TO ANY PERSON LOCATED OR RESIDENT IN THE REPUBLIC OF ITALY.**

Exchange Offer by:

**GE Capital Trust II  
GE Capital Trust III  
GE Capital Trust IV  
GE Capital Trust V**

*(each a Delaware Statutory Trust)*

to the holders of the outstanding:

€1,500,000,000 5.500% Fixed to Floating Rate EUR Subordinated Debentures due 2067 (the "EUR 2067 Debentures") (ISIN XS0319639745 for Rule 144A Debentures and ISIN XS0319639232 for Regulation S Debentures)

£600,000,000 6.500% Fixed to Floating Rate GBP Subordinated Debentures due 2067 (the "GBP 2067 Debentures") (ISIN XS0319641725 for Rule 144A Debentures and ISIN XS0319640834 for Regulation S Debentures)

€950,000,000 4.625% Fixed to Floating Rate EU Subordinated Debentures due 2066 (the "EUR 2066 Debentures") (ISIN XS0267167053 for Rule 144A Debentures and ISIN XS0267166246 for Regulation S Debentures)

£400,000,000 5.500% Fixed to Floating Rate GBP Subordinated Debentures due 2066 (the "GBP 2066 Debentures") (ISIN XS0267168291 for Rule 144A Debentures and ISIN XS0267167566 for Regulation S Debentures)

(together, the "Debentures")

of

**General Electric Capital Corporation**

*(Incorporated under the laws of the State of Delaware, United States of America)*

to exchange any or all of such Debentures for corresponding:

5.500% Fixed to Floating Rate EUR 2067 Trust Securities

6.500% Fixed to Floating Rate GBP 2067 Trust Securities

4.625% Fixed to Floating Rate EUR 2066 Trust Securities

5.500% Fixed to Floating Rate GBP 2066 Trust Securities

(together, the "Trust Securities")

each issued by a Trust

and guaranteed as described herein by

**General Electric Capital Corporation**

**THE EXCHANGE OFFER WILL EXPIRE AT 11:59 P.M. (LONDON TIME) ON MARCH 2, 2010, UNLESS EXTENDED, RE-OPENED OR TERMINATED AS PROVIDED IN THIS EXCHANGE OFFER PROSPECTUS.**

**HOLDERS WHO VALIDLY TENDER DEBENTURES BY 5:00 P.M. (LONDON TIME) ON FEBRUARY 16, 2010 (THE "EARLY PARTICIPATION DATE") AND WHO DO NOT WITHDRAW SUCH TENDERS WILL BE ELIGIBLE TO RECEIVE €10.00 PER €1,000 OF OUTSTANDING EURO DENOMINATED DEBENTURES, OR £10.00 PER £1,000 OF OUTSTANDING STERLING DENOMINATED DEBENTURES WHICH INCLUDES AN EARLY PARTICIPATION PAYMENT OF €5.00 AND £5.00 RESPECTIVELY, ACCEPTED FOR EXCHANGE BY THE RELEVANT TRUST, AS FURTHER DESCRIBED IN THIS EXCHANGE OFFER PROSPECTUS. VALID TENDERS OF THE DEBENTURES PURSUANT TO THE EXCHANGE OFFER WILL BE ACCEPTED ONLY IN PRINCIPAL AMOUNTS OF €50,000 AND INTEGRAL MULTIPLES OF €1,000, IN THE CASE OF EURO DENOMINATED DEBENTURES, AND £50,000 AND INTEGRAL MULTIPLES OF £1,000, IN THE CASE OF STERLING DENOMINATED DEBENTURES.**

**THE RELEVANT DEADLINES SET BY ANY INTERMEDIARY OR CLEARING SYSTEM WILL BE EARLIER THAN THESE DEADLINES.**

*Questions and requests for assistance in connection with (i) the Exchange Offer may be directed to the Dealer Managers and (ii) the delivery of Exchange Instructions may be directed to the Exchange Agent, the contact details for which are on the last page of this Exchange Offer Prospectus.*

Before making a decision whether to offer Debentures in exchange for Trust Securities in the Exchange Offer, Debenture Holders should carefully consider all of the information in this Exchange Offer Prospectus and, in particular, the risk factors described in "Risk Factors".

*The Lead Dealer Manager and New Security Structuring Agent for the Exchange Offer is:*

**J.P. Morgan**

*The Other Dealer Managers for the Exchange Offer are:*

**Barclays Capital**

**Deutsche Bank**

**Goldman Sachs International**

This Exchange Offer Prospectus (hereinafter referred to as the "**Prospectus**") is subject to approval by the Financial Services Authority in its capacity as competent authority under Part VI of the Financial Services and Markets Act 2000 (the "**FSMA**") (the "**UK Listing Authority**"). Application is being made for the EUR 2067 Trust Securities, the GBP 2067 Trust Securities, the EUR 2066 Trust Securities and the GBP 2066 Trust Securities (together, the "**Trust Securities**") of GE Capital Trust II, GE Capital Trust III, GE Capital Trust IV and GE Capital Trust V, respectively (each a "**Trust**", and together, the "**Trusts**") to be admitted to the official list maintained by the UK Listing Authority (the "**Official List of the UK Listing Authority**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for the Trust Securities to be admitted to trading on the London Stock Exchange's Regulated Market. The London Stock Exchange's Regulated Market is a regulated market for the purposes of Directive 93/22/EC (the "**Market in Financial Instruments Directive**"). The Trust Securities will be guaranteed (the "**Guarantee**" or the "**Guarantees**") on a subordinated basis to the extent set forth herein by General Electric Capital Corporation.

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*This Prospectus does not constitute an invitation to participate in the Exchange Offer in any jurisdiction in which, or to or from any person to or from whom it is unlawful to make such invitation under applicable securities laws. The Exchange Offer is subject to offer and distribution restrictions in, amongst other countries, the United States of America, the United Kingdom and Italy. The distribution of this Prospectus in those jurisdictions is restricted by the laws of such jurisdictions. No action has been or will be taken in any jurisdiction in relation to the Exchange Offer that would permit a public offering of securities in any jurisdiction. See "Offer and Distribution Restrictions".*

*The Exchange Offer is not being made within the United States of America or to any U.S. person (as defined in Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**")), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. This Prospectus is not an offer of securities for sale or an offer to purchase any securities in the United States.*

*Neither the Trust Securities nor the Guarantee thereof have been or will be registered under the Securities Act or the securities laws of any state of the United States. The Trust Securities are being offered in exchange for Debentures in the United States only to Debenture holders who are qualified institutional buyers in reliance on Section 4(2) of the Securities Act, and to Debenture holders outside the United States in accordance with Regulation S under the Securities Act. See "Offer and Distribution Restrictions" and "Notice to Investors".*

**The Trust Securities and the Guarantee have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.**

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The Trust Securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws pursuant to registration thereunder or exemption therefrom. You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. See "Offer and Distribution Restrictions" and "Notice to Investors".

This Prospectus does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Trust Securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. Laws in certain jurisdictions may restrict the distribution of this document and the offer and sale of the Trust Securities. Persons into whose possession this Prospectus or any of the Trust Securities are delivered must inform themselves about and observe those restrictions. Each prospective purchaser of the Trust Securities must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Trust Securities or possesses or distributes this document, and must obtain any consent, approval or permission required under

any regulation in force in any jurisdiction to which it is subject or in which it purchases, offers or sells the Trust Securities.

## IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

This Prospectus comprises a prospectus in accordance with the prospectus rules (the "**Prospectus Rules**") made under section 73A of the FSMA and is a single prospectus for the purposes of Article 5.3 of Directive 2003/71/EC (the "**Prospectus Directive**").

All information contained or incorporated by reference herein which relates to or refers to General Electric Company ("**GE Company**"), the ultimate parent company of the Trust, its subsidiaries and affiliates, including GE Capital, has been extracted from reports and other information filed with the United States Securities and Exchange Commission (the "**Commission**" or the "**SEC**"). Each Trust confirms that all such information has been accurately reproduced and that, so far as such Trust is aware, and is able to ascertain from information published by GE Company, no facts have been omitted which would render such information inaccurate or misleading in any material respect.

Each of the Trusts and GE Capital (each, a "**Responsible Person**" and together, the "**Responsible Persons**") accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of each such Responsible Person (each having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not contain any omission likely to affect the import of such information.

You should not assume that the information contained in this Prospectus is accurate as of any date other than the date of this Prospectus. The business, financial condition, results of operations and prospects of GE Capital, its subsidiaries and the Trusts may have changed since that date. This Prospectus is a document that we are providing only to holders of Debentures who are offered the opportunity to exchange their Debentures for Trust Securities. Each person is authorized to use this Prospectus solely for the purpose of considering the exchange of Debentures for Trust Securities as described herein. You should read this Prospectus before making a decision whether to exchange Debentures for Trust Securities. You must not:

- use this Prospectus for any other purpose;
- make copies of any part of this Prospectus or give a copy of it to any other person; or
- disclose any information in this Prospectus to any other person.

You are responsible for making your own examination of the Trusts and GE Capital and your own assessment of the merits and risks of exchanging Debentures for Trust Securities. You should consult with your own advisors as needed to assist you in making your decision and to advise you whether you are legally permitted to exchange your Debentures for the Trust Securities. By accepting the Trust Securities in exchange for your Debentures, you will be deemed to have acknowledged that:

- you have reviewed this Prospectus;
- this Prospectus relates only to offers to exchange Debentures for Trust Securities;
- you have had an opportunity to request all additional information that you need from us;
- the Dealer Managers are not responsible for, and are not making any representation to you concerning the Trusts or GE Capital's future performance or the accuracy or completeness of this Prospectus; and

- no person is authorized to give any information or to make any representation not contained in this Prospectus in connection with the issue and exchange of the Trust Securities for the Debentures and any information or representation not contained herein must not be relied upon as having been authorized by or on behalf of GE Capital or the Trust.

We have summarized certain documents and other information, but we refer you to the actual documents for a more complete understanding of what we discuss in this document. You should not consider any information in this document to be legal, business or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in the Trust Securities. In making an investment decision, you must rely on your own examination of the Trusts and the business of GE Capital, the terms of this Exchange Offer and the Trust Securities, including the merits and risks involved.

#### **NOTICE PURSUANT TO TREASURY CIRCULAR 230**

**TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, EACH INVESTOR IN A TRUST SECURITY IS HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY AN INVESTOR FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH INVESTOR UNDER THE U.S. INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) OF THE TRUST SECURITIES; AND (C) AN INVESTOR IN A TRUST SECURITY SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

#### **NOTICE TO NEW HAMPSHIRE RESIDENTS**

**NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421.B OF THE NEW HAMPSHIRE REVISED STATUTES, ANNOTATED, 1955, AS AMENDED, ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATION OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE OR CAUSE TO BE MADE TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.**

#### **Definitions**

References in this Prospectus to "\$" and "U.S.\$" and "dollars" are to the currency of the United States of America. References in this Prospectus to "€" and "EUR" and "euros" are to the currency of the European Union. References in this Prospectus to "£" and "GBP" and "pounds sterling" are to the currency of Great Britain. Unless otherwise indicated, references to "days" are to calendar days.

Unless otherwise indicated or unless the context requires otherwise, all references in this Prospectus to "we", "us", or "our", or similar references, mean General Electric Capital Corporation.

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## OVERVIEW

*The following information concerning the Trusts, GE Capital, the Trust Securities, the Guarantees of the Trust Securities, and the Debentures summarizes, and should be read in conjunction with, the information contained elsewhere in this Prospectus.*

### **The Company and the Trust**

General Electric Capital Corporation.....

General Electric Capital Corporation ("**GE Capital**", "**we**", "**us**" or the "**Guarantor**") is a corporation incorporated in the state of Delaware, U.S.A. GE Capital offers diversified financing and services primarily in North America, Europe and Asia. GE Capital operates all of GE Company's financial service businesses.

We operate in five segments: Commercial Leasing and Lending (CLL), Consumer (formerly GE Money), Real Estate Energy Financial Services and GE Commercial Aviation Services (GECAS). These operations are subject to a variety of regulations in their respective jurisdictions. At December 31, 2008, our employment totalled approximately 73,000.

The Trusts .....

Each Trust is a Delaware statutory trust organized under Delaware law pursuant to a trust agreement with respect to each Trust, dated as of January 26, 2010, signed by us, as sponsor of each Trust, the Delaware Trustee and the Property Trustee and the filing of a certificate of trust with the Delaware Secretary of State. Each trust agreement will be amended and restated in its entirety by us on or prior to the Settlement Date. When we refer to the Trust Agreements in this Prospectus, we are referring to the Trust Agreements as so amended and restated.

We are the sole holder of all the Common Securities of each Trust. The assets of each Trust will consist solely of the Debentures tendered by holders to it and accepted for exchange in the Exchange Offer and the Debentures deposited by us with such Trust in exchange for its Common Securities. The only source of funds to make payments in respect of redemption and distributions on each series of Trust Securities will be the related Debentures held by the issuing Trust. To the extent that a Trust receives payments in respect of interest or principal on the Debentures held by it, it is obligated to distribute those amounts to the holders of the Trust Securities issued by it in the form of distributions on such Trust Securities and amounts owing upon redemption of such Trust Securities. We will provide holders of Trust Securities a guarantee in support of each Trust's obligation to make distributions on its Trust Securities, but only to the extent we have made corresponding payments to such Trust on the underlying Debentures held by it.

Concurrently with the Exchange Offer, we are engaging in another exchange offer substantially similar to the Exchange Offer with respect to another series of our outstanding subordinated debentures. This exchange offer relates to any and all of our outstanding 6.375% Fixed to Floating Rate USD Subordinated Debentures due 2067. None of the exchange offers is conditioned on the successful completion of any of the others.

### **Summary Terms of the Exchange Offer**

Purpose of the Exchange Offer .....

We are engaging in the Exchange Offer because we believe that some marketplace participants will view the Trust Securities as a favorable component of our capital structure.

Consideration Offered in the Exchange Offer .....

On the terms and subject to the conditions set forth in this Prospectus, each of GE Capital Trust II, GE Capital Trust III, GE Capital Trust IV and GE Capital Trust V is offering to make the following exchanges:

- GE Capital Trust II will exchange any or all of the outstanding EUR 2067 Debentures for its EUR 2067 Trust Securities;
- GE Capital Trust III will exchange any or all of the outstanding GBP 2067 Debentures for its GBP 2067 Trust Securities;
- GE Capital Trust IV will exchange any or all of the outstanding EUR 2066 Debentures for its EUR 2066 Trust Securities; and
- GE Capital Trust V will exchange any or all of the outstanding GBP 2066 Debentures for its GBP 2066 Trust Securities.

Valid tenders of the Debentures pursuant to the Exchange Offer will be accepted only in principal amounts of €50,000 and integral multiples of €1,000, in the case of Euro denominated Debentures, and £50,000 and integral multiples of £1,000, in the case of Sterling denominated Debentures. Holders who validly tender their Debentures prior to 5:00 p.m. (London time) on February 16, 2010 (as such date and time may be extended, the "**Early Participation Date**") and who do not withdraw such tenders, will be eligible to receive the following:

- **EUR 2067 Debentures:**  
Per each €1,000 principal amount of EUR 2067 Debentures tendered for exchange, the total exchange consideration consisting of one EUR 2067 Trust Security, having a liquidation amount equal to €1,000, plus an amount of cash equal to €10.00, which includes an early participation payment of €5.00;
- **GBP 2067 Debentures:**  
Per each £1,000 principal amount of GBP 2067 Debentures tendered for exchange, the total exchange consideration of one GBP 2067 Trust Security, having a liquidation amount equal to £1,000, plus an amount of cash equal to £10.00, which includes an early participation payment of £5.00;
- **EUR 2066 Debentures:**  
Per each €1,000 principal amount of EUR 2066 Debentures tendered for exchange, the total exchange consideration of one EUR 2066 Trust Security, having a liquidation amount equal to €1,000, plus an amount of cash equal to €10.00, which includes an early participation payment of €5.00; and
- **GBP 2066 Debentures:**  
Per each £1,000 principal amount of GBP 2066 Debentures tendered for exchange, the total exchange consideration of one GBP 2066 Trust Security, having a liquidation amount equal to

£1,000, plus an amount of cash equal to £10.00, which includes an early participation payment of £5.00.

Holders who validly tender their Debentures after the Early Participation Date but on or prior to the Expiration Date and who do not withdraw such tenders, will be eligible to receive the applicable total exchange consideration less the applicable early participation payment, and accordingly will be eligible to receive the following:

- **EUR 2067 Debentures:**  
Per each €1,000 principal amount of EUR 2067 Debentures tendered for exchange, one EUR 2067 Trust Security, having a liquidation amount equal to €1,000, plus an amount of cash equal to €5.00;
- **GBP 2067 Debentures:**  
Per each £1,000 principal amount of GBP 2067 Debentures tendered for exchange, one GBP 2067 Trust Security, having a liquidation amount equal to £1,000, plus an amount of cash equal to £5.00;
- **EUR 2066 Debentures:**  
Per each €1,000 principal amount of EUR 2066 Debentures tendered for exchange, one EUR 2066 Trust Security, having a liquidation amount equal to €1,000, plus an amount of cash equal to €5.00; and
- **GBP 2066 Debentures:**  
Per each £1,000 principal amount of GBP 2066 Debentures tendered for exchange, one GBP 2066 Trust Security, having a liquidation amount equal to £1,000, plus an amount of cash equal to £5.00.

The Trust Securities will be issued in denominations of €50,000 in the case of the EUR denominated Trust Securities and £50,000 in the case of GBP denominated Trust Securities and integral multiples of €1,000 and £1,000, respectively, in excess thereof.

Early Participation Payment.....

We want to encourage holders to tender early. Accordingly, the total exchange consideration for each €1,000 principal amount of Euro denominated Debentures validly tendered on or prior to the Early Participation Date and accepted for exchange includes the early participation payment of an additional cash payment of €5.00 per €1,000, and for each £1,000 principal amount of Sterling denominated Debentures validly tendered on or prior to the Early Participation Date and accepted for exchange, includes the early participation payment of an additional cash payment of £5.00 per £1,000. Holders who validly tender their Debentures after the Early Participation Date will not receive the portion of the total exchange consideration attributable to the early participation payment.

Expiration Date .....

The Exchange Offer will expire at 11:59 p.m. (London time) on March 2, 2010, unless we cause the Trusts to extend it or terminate it earlier. The

term "**Expiration Date**" means such date and time or, if the Exchange Offer is extended, the latest date and time to which the Exchange Offer is extended.

Withdrawal Rights .....

You may withdraw any Debentures that you previously tendered in the Exchange Offer at any time prior to the Expiration Date. See "The Exchange Offer—Withdrawal of Tenders".

Condition to the Exchange Offer .....

The Exchange Offer for a series of Debentures is not subject to any minimum tender condition, but is subject to a number of conditions that must be satisfied or waived by the Trusts at our discretion, including, among others, that there has been no change or development that in our reasonable judgment may materially reduce the anticipated benefits to us of the Exchange Offer or that has had, or could reasonably be expected to have, a material adverse effect on us or our businesses, condition (financial or otherwise) or prospects. See "The Exchange Offer—Conditions of the Exchange Offer".

Settlement Date .....

The Settlement Date for the Exchange Offer will be a date promptly following the Expiration Date. We currently expect the Settlement Date to be three business days after the Expiration Date.

Procedures for Tendering Debentures.....

In order to participate in, and be eligible to receive Trust Securities pursuant to the Exchange Offer, Debenture holders must validly offer their Debentures for exchange by the Expiration Date, by delivering, or arranging to have delivered on their behalf, via the Euroclear System ("**Euroclear**") or Clearstream Banking, société anonyme, ("**Clearstream**") a valid Exchange Instruction that is received by the Exchange Agent by the Expiration Date (and is not revoked). Euroclear and Clearstream are sometimes referred to in this Prospectus as a "**Clearing System**" or, together, the "**Clearing Systems**". See "The Exchange Offer".

If you wish to tender your Debentures and they are held of record by a bank, securities broker or other intermediary, you should contact such entity promptly and instruct it to tender Debentures on your behalf.

**Debenture holders are advised to check with any bank, securities broker or other intermediary through which they hold Debentures as to when such intermediary might need to receive instructions in order for the Debenture holder to participate in, or revoke its instruction to participate in, the Exchange Offer in time to meet the deadlines specified in this Prospectus. The deadlines set by any such intermediary and each Clearing System for the submission and withdrawal of Exchange Instructions will be earlier than the relevant deadlines specified in this Prospectus. See "The Exchange Offer".**

**We urge you to instruct your bank, securities broker or other intermediary at least five business days prior to the Early Participation Date or the Expiration Date, as the case may be, in order to allow adequate processing time for your instruction.**

Should you have any questions as to the procedures for tendering your Debentures, please call your bank, securities broker or other intermediary, or call our Information Agent at its telephone number set forth on the back

cover page of this Prospectus.

Extensions; Waivers and Amendments;  
Termination.....

Subject to applicable law, we reserve the right to cause the Trusts to (1) extend the date on which the Early Participation Date and/or the Expiration Date shall occur; (2) waive any and all conditions to or amend the Exchange Offer in any respect; or (3) terminate the Exchange Offer. Any extension, waiver, amendment or termination will be followed as promptly as practicable by a public announcement thereof, such announcement in the case of an extension to be issued no later than 9:00 a.m. (London time) on the next business day after the previously scheduled Early Participation Date or Expiration Date, as the case may be. See "The Exchange Offer—Early Participation Date and Expiration Date; Extension; Termination; Amendment".

U.S. Federal Income Tax  
Consequences.....

The exchange of Debentures for Trust Securities of a Trust pursuant to the Exchange Offer will be treated for U.S. federal income tax purposes as the acquisition of an interest in the Debentures held by such Trust. In connection with the Exchange Offer, Cahill Gordon & Reindel LLP, our special tax counsel, will provide us with an opinion generally to the effect that, although the matter is not free from doubt and there is no authority directly on point, the exchange of Debentures for Trust Securities pursuant to the Exchange Offer will not be a taxable event. In that case, a holder will generally not recognize any gain or loss for U.S. federal income tax purposes on that exchange. See "Certain U.S. Federal Income Tax Consequences—Exchange of Debentures for Trust Securities Pursuant to the Exchange Offer".

The U.S. federal income tax treatment of the cash payment that a holder will receive for participating in the Exchange Offer (a "**Participation Payment**") is uncertain. We intend to take the position that this payment is ordinary income to a holder. U.S. federal income tax at a rate of 30% will be withheld from a Participation Payment to a Non-U.S. Holder, as defined in "Certain U.S. Federal Income Tax Consequences", unless, prior to payment, the Non-U.S. Holder provides the withholding agent with a properly executed statement on (a) IRS Form W-8BEN claiming an exemption from or reduction of withholding under the "Other Income" or similar article of an applicable U.S. income tax treaty, specifying the Non-U.S. Holder's U.S. taxpayer identification number, and making certain certifications; or (b) IRS Form W-8ECI stating that the Participation Payment is not subject to withholding because it is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States and specifying the Non-U.S. Holder's U.S. taxpayer identification number. No Additional Amounts (as defined below) will be paid to a Non-U.S. Holder with respect to any U.S. federal income tax withheld from a Participation Payment. See "Certain U.S. Federal Income Tax Consequences—U.S. Holders—Participation Payment" and "Certain U.S. Federal Income Tax Consequences—Non-U.S. Holders—Participation Payment".

Consequences of Failure to

Exchange Trust Securities.....

Depending on the aggregate principal amount of Debentures of a series that are accepted for exchange in the Exchange Offer, the trading market for the Debentures of such series that remain outstanding and not held by a Trust after the Exchange Offer may be limited. A reduced trading volume may decrease the price and increase the volatility of the trading price of the Debentures of such series that remain outstanding and not held by a Trust following the Exchange Offer.

Comparison of the Rights of Debentures and Trust Securities.....

The Debentures of each series accepted for exchange in the Exchange Offer will be deposited in the relevant Trust and will comprise, together with the Debentures deposited by us with such Trust in exchange for its Common Securities, all of the underlying assets of such Trust.

The terms of the particular Debentures of each series accepted for exchange will not be amended when such Debentures are deposited in the relevant Trust. The interest rate, interest deferral provisions, redemption provisions, covenants, Events of Default (as defined herein) and the rights of Debenture holders of each series to accelerate the Debentures of such series following an Event of Default will be the same for the Debentures of such series held by a Trust and the Debentures of such series not held by a Trust, if any. This is because all the Debentures of each series, whether or not they are deposited in a Trust, will be governed by the Indenture under which they were issued. Moreover, if there is an Event of Default under the Indenture with respect to a series of Debentures, the Debentures of such series will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged by the Trust holding such Debentures for its outstanding Trust Securities, so that the former holders of such Trust Securities will be able to exercise the right of acceleration and other remedies following such Event of Default as holders of the Debentures.

By virtue of the operative provisions of the agreements governing the Trusts (the "**Trust Agreements**"), what will change following the deposit of Debentures in a Trust is the mechanism for enforcing the Other Covenants (as defined below under "Comparison of Debentures and Trust Securities"). These Other Covenants under the Indenture as currently in effect and as will continue to remain in effect following the deposit of the Debentures of each series with the relevant Trust are limited, and the Debentures of a series cannot be accelerated as a result of a breach of an Other Covenant. Rather, the Indenture provides that following such a breach with respect to a series of Debentures, and subject to the provisions of the Indenture, the Indenture Trustee or, under certain circumstances, the holders of the requisite percentage of such Debentures, acting through the Indenture Trustee, may enforce holders' rights with respect to the Other Covenants.

With respect to the Debentures held by a Trust, however, the relevant Trust Agreement will provide that all legal rights of the holders of Trust Securities under Debentures held by such Trust, including the right to enforce the Other Covenants, will be exercisable solely by the Property Trustee and not by the holders of Trust Securities or Common Securities

issued by such Trust. If the Property Trustee fails to take action with respect to the enforcement of any of those rights, holders of Trust Securities will generally be unable to do so (other than following the automatic exchange of the Debentures for Trust Securities following the occurrence of an Event of Default) because the right to take such action is vested solely in the Property Trustee on behalf of holders of Trust Securities. Furthermore, the Trust Agreement will provide that holders of the Trust Securities will not be able to direct the Property Trustee, or otherwise bring any action to compel the Property Trustee, to take such action or to remove the Property Trustee. However, the Trust Agreement for each Trust will provide that any holder of a Trust Security issued by such Trust may request the Property Trustee for such Trust to take such action. In addition, any such holder may offer the Property Trustee indemnity for taking such action at the holder's request provided that it is a "**Qualified U.S. Holder**", as that term is defined under "Description of the Trust Securities–Voting Rights; Amendment of the Trust Agreement". The Property Trustee for a Trust will not be obligated to take any action requested by any or even all of the holders of the Trust Securities issued by such Trust and may require indemnity satisfactory to it from one or more Qualified U.S. Holders should it choose to act pursuant to any such request. The Property Trustee has no obligations to enforce Other Covenants, but if it chooses to do so, it will incur no liability to any person except for its bad faith or willful misconduct. See "Comparison of Debentures and Trust Securities".

Brokerage Commissions .....

You will not be required to pay brokerage commissions to the Dealer Managers, the Exchange Agent, the Information Agent or us in connection with the Exchange Offer. If your Debentures are held in a nominee account, you should check with such nominee to see whether it will charge a fee for tendering your Debentures on your behalf.

No Appraisal Rights.....

You will have no appraisal rights in connection with the Exchange Offer.

Dealer Managers .....

The Lead Dealer Manager and New Security Structuring Agent for the Exchange Offer is J.P. Morgan Securities Ltd., Barclays Bank PLC, Deutsche Bank AG, London Branch and Goldman Sachs International will also act as Dealer Managers in connection with the Exchange Offer.

Information Agent and Exchange Agent.

Lucid Issuer Services Limited.

Further Information.....

If you have questions about the terms of the Exchange Offer, please contact the Dealer Managers or the Information Agent. Requests for additional copies of this Prospectus may be directed to the Information Agent. If you have questions regarding the procedures for tendering your Debentures, please contact the Exchange Agent. The contact information for the Dealer Managers, Information Agent and Exchange Agent are set forth on the back cover page of this Prospectus.

### The Trust Securities

The Trusts .....

GE Capital Trust II, GE Capital Trust III, GE Capital Trust IV, GE Capital Trust V (each a "**Trust**" and, together, the "**Trusts**"). Each Trust is a Delaware statutory trust governed by its Trust Agreement. Each Trust Security will represent an undivided beneficial interest in the assets of the Trust issuing such Trust Security. The assets of each Trust will consist solely of: the EUR 2067 Debentures in the case of GE Capital Trust II; the GBP 2067 Debentures in the case of GE Capital Trust III; the EUR 2066 Debentures in the case of GE Capital Trust IV; and the GBP 2066 Debentures in the case of the GE Capital Trust V.

You should be aware that a Trust will not hold any Debentures other than the series of Debentures related to the Trust Securities issued by it. If less than all of the outstanding Debentures of a series are validly tendered and accepted by the relevant Trust for exchange pursuant to the Exchange Offer, none of the Trust, the trustees of the Trust nor the holders of the Trust Securities issued by such Trust will have any rights in respect of, or interest in, any outstanding Debentures of such series or other series of Debentures that are not held by such Trust.

Each Trust will be administered by The Bank of New York Mellon, as property trustee (the "**Property Trustee**"), BNY Mellon Trust of Delaware, as Delaware Trustee and three Administrative Trustees. See "Description of the Trusts".

Distributions on Trust Securities.....

The distribution rate and the distribution payment dates and other payment dates for each series of Trust Securities will correspond to the interest rate and interest payment dates and other payment dates for the related series of Debentures. Holders of each series of Trust Securities will be entitled to receive distributions of their *pro rata* portion of all such payments received by the issuing Trust on the underlying series of Debentures held by such Trust. See "The Debentures—Interest on the Debentures".

Distributions on the Trust Securities will be cumulative and will be payable until redemption of the stated liquidation amount per Trust Security.

The distribution payment dates for each series of the Trust Securities will correspond to the Interest Payment Dates for the related series of Debentures. See "The Debentures—Interest Payment Dates".

The first distribution payment following the Settlement Date payable on the Trust Securities will include the amount of interest accrued on the underlying Debentures from and including the Interest Payment Date on the Debentures next preceding the Settlement Date to but excluding the Interest Payment Date coinciding with such distribution payment date.

Deferral of Distributions .....

The ability of a Trust to pay distributions on the Trust Securities issued by it is entirely dependent on its receipt of interest payments with respect to the Debentures held by such Trust. We have the option, so long as no Event of Default (as defined herein) under the Debentures of a series has occurred and is continuing, to defer the payment of interest on such Debentures, on one or more occasions, for a period of up to 10 years each. In addition, if we do not pay interest on a series of Debentures in full on

any Interest Payment Date (as defined herein), such non-payment, if it continues for five days after notice, will trigger a deferral of interest payments. See "The Debentures Option to Defer Interest Payments" below. If we exercise our right to defer interest payments on a series of Debentures, the Trust holding such Debentures will also defer payment of the corresponding amount of distributions on the Trust Securities issued by it during such period of deferral.

Trust Security Additional Amounts .....

Pursuant to each Trust Agreement, subject to certain exceptions and limitations provided therein, each Trust will pay additional amounts ("**Trust Security Additional Amounts**") in respect of any Trust Security that is beneficially owned by a non-U.S. person as may be necessary to ensure that each net payment to that non-U.S. person is not less, after reduction for or on account of U.S. withholding tax, than the amount then otherwise due and payable. The Trusts will not be obligated to make additional payments that exceed the amounts required to do so. For this purpose, a "net payment" on a Trust Security means a payment by the Trust or any paying agent, including payment of liquidation amount and distributions (principal and interest), after reduction for or on account of any present or future tax, assessment, or other governmental charge of the United States.

Redemption of Trust Securities.....

Each Trust will use the proceeds of any repayment of the principal of the Debentures held by it, whether at maturity, earlier redemption or otherwise, to redeem its Trust Securities and Common Securities *pro rata* in a like liquidation amount (except as described under "Description of the Trust Securities—Subordination of Common Securities"). Any redemption of the Trust Securities in connection with a redemption of the applicable series of Debentures owned by the applicable Trust at the option of GE Capital prior to the Maturity Date of such Debentures as described herein under "The Debentures—Optional Redemption" and "The Debentures—Tax Event Redemption" will be subject to any then required approval by any Applicable Regulatory Authority.

Automatic Exchange upon an Event of Default.....

The Trust Agreement for each Trust will provide that if an Event of Default under the Indenture with respect to the Debentures of a series held by such Trust occurs, such Debentures will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for the outstanding Trust Securities issued by such Trust, so that the former holders of such Trust Securities will be able to exercise their rights of acceleration and other remedies following such Event of Default as holders of Debentures.

Voting Rights .....

The Trust Agreements will provide that as a holder of Trust Securities, you will have no voting rights. See "Comparison of Debentures and Trust Securities".

Liquidation Distribution upon Dissolution .....

A Trust may be dissolved at the election of GE Capital, subject to the approval of any Applicable Regulatory Authority, and also upon the occurrence of the events described under "Description of Trust Securities

—Liquidation Distribution upon Dissolution". Upon any such dissolution, the Debentures held by the liquidating Trust will be distributed to holders of its Trust Securities and Common Securities *pro rata*, provided that under certain circumstances, including in connection with the redemption of such Trust Securities in whole, holders of such Trust Securities will be entitled to receive, in lieu of the Debentures held by such Trust, cash in an amount equal to the aggregate liquidation amount of the Trust Securities and Common Securities plus accrued and unpaid distributions to the date of payment. See "Description of Trust Securities—Liquidation Distribution upon Dissolution".

Guarantees.....

We will irrevocably guarantee, on a subordinated basis, the timely payment by each Trust in full of (i) any accumulated and unpaid distributions on the Trust Securities issued by such Trust to the extent we have paid such amounts to such Trust pursuant to the Debentures held by it, and (ii) the amounts payable upon redemption of such Trust Securities to the extent we have paid such amounts to the Trust pursuant to such Debentures (the "**Guarantees**"). The Guarantees do not cover payments if we have failed to pay to the relevant Trust amounts due under the Debentures held by it or if we elect to defer payments of interest on the relevant Debentures.

The Guarantees will constitute subordinated unsecured obligations of GE Capital and will rank *pari passu* with the Debentures.

Form of Trust Securities .....

The Trust Securities will be represented by one or more global securities registered in the name of a common depository for Euroclear and Clearstream, or their nominees. You will not receive a certificate representing your Trust Securities, and the Trust Securities will not be registered in your name. In order to own a beneficial interest in the Trust Securities, you must be a person that participates, directly or indirectly, in Euroclear or Clearstream. The Depository Trust Company will not be the depository for the Trust Securities. See "Global Clearance and Settlement".

Transfer Restrictions.....

There are restrictions on the offer to exchange, exchange and transfer of the Trust Securities in the United States and the European Economic Area (including the United Kingdom) and such other restrictions as may be required in connection with the offer to exchange and exchange of the Debentures for the Trust Securities in a particular jurisdiction. See "Offer and Distribution Restrictions" and "Notice to Investors".

Listing .....

We have applied to the UK Listing Authority for the Trust Securities to be admitted to the Official List and to the London Stock Exchange for the Trust Securities to be admitted to trading on the London Stock Exchange's Regulated Market, which is a regulated market, as defined in Article 1(13) of Directive 93/22/EEC.

U.S. Federal Income Tax Consequences.

In connection with the Exchange Offer, Cahill Gordon & Reindel LLP, our special tax counsel, will provide us with an opinion to the effect that, under current law and assuming full compliance with the terms of the Trust Agreements and other relevant documents, and based on certain other facts

and assumptions described in that opinion, each Trust will be classified as a grantor trust for U.S. federal income tax purposes. Under that classification, a beneficial owner of Trust Securities of a Trust will generally be treated for U.S. federal income tax purposes as the owner of an undivided interest in the assets of that Trust. The assets of each Trust will consist solely of the Debentures accepted for exchange in the Exchange Offer and the Debentures deposited by us with the Trust in exchange for the Common Securities of the Trust. See "Certain U.S. Federal Income Tax Consequences—Classification of the Trust". A U.S. Holder, as defined in "Certain U.S. Federal Income Tax Consequences", will be required to include in ordinary income its allocable share of interest income or original issue discount, if any, paid or accrued on the Debentures underlying the holder's Trust Securities. See "Certain U.S. Federal Income Tax Consequences—U.S. Holders—Interest Income and Original Issue Discount".

ERISA Considerations .....

The Trust Securities generally may be issued upon exchange to employee benefit plans subject to the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and by plans subject to Section 4975 of the U.S. Internal Revenue Code, subject to the conditions and limitations discussed in "Certain ERISA Considerations" herein.

### The Debentures

Maturity Date .....	<p>The EUR 2067 Debentures mature on September 15, 2067; the GBP 2067 Debentures mature on September 15, 2067; the EUR 2066 Debentures mature on September 15, 2066; and the GBP 2066 Debentures mature on September 15, 2066 (each such date, the "<b>Maturity Date</b>" for the relevant series of Debentures), in each case subject to earlier redemption.</p>
Indenture Trustee .....	<p>The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.) is the trustee (the "<b>Indenture Trustee</b>") for the Debentures pursuant to an Indenture for Subordinated Debentures, entered into with GE Capital as of September 1, 2006. Certain terms and conditions for the EUR 2067 Debentures and the GBP 2067 Debentures (together, sometimes referred to as the "<b>2067 Debentures</b>") were set forth in a supplemental indenture, dated September 5, 2007 and entered into between the Indenture Trustee and GE Capital, and certain terms and conditions for the EUR 2066 Debentures and the GBP 2066 Debentures (together, sometimes referred to as the "<b>2066 Debentures</b>") were set forth in a supplemental indenture, dated as of September 15, 2006. The Indenture and supplemental indentures described above are referred to collectively as the "<b>Indenture</b>".</p>
Interest on the Debentures.....	<p><b><i>The EUR Debentures due 2067:</i></b> The EUR Debentures due 2067 bear interest at an annual rate of 5.500% up to but excluding September 15, 2017 (the "<b>2067 Debentures Fixed Rate Period</b>") and thereafter (the "<b>2067 Debentures Floating Rate Period</b>") at a floating rate equal to an annual rate of 3-month EURIBOR plus 2.000% (200 basis points).</p> <p><b><i>The GBP Debentures due 2067:</i></b> The GBP Debentures due 2067 bear interest at an annual rate of 6.500% during the 2067 Debentures Fixed Rate Period up to but excluding September 15, 2017 and thereafter during the 2067 Debentures Floating Rate Period at a floating rate equal to an annual rate of 3-month Sterling LIBOR plus 2.000% (200 basis points).</p> <p><b><i>The EUR Debentures due 2066:</i></b> The EUR Debentures due 2066 bear interest at an annual rate of 4.625% up to but excluding September 15, 2016 (the "<b>2066 Debentures Fixed Rate Period</b>") and thereafter (the "<b>2066 Debentures Floating Rate Period</b>") at a floating rate equal to an annual rate of 3-month EURIBOR plus 1.600% (160 basis points).</p> <p><b><i>The GBP Debentures due 2066:</i></b> The GBP Debentures due 2066 bear interest at an annual rate of 5.500% during the 2066 Debentures Fixed Rate Period up to but excluding September 15, 2016 and thereafter during the 2066 Debentures Floating Rate Period at a floating rate equal to an annual rate of 3-month Sterling LIBOR plus 1.615% (161.5 basis points).</p>

Interest Payment Dates.....

In each case subject to deferral as described below under "Options to Defer Interest Payments", interest on each series of Debentures accrues during each Interest Period and is payable as follows:

- ***The EUR 2067 Debentures:***  
During the 2067 Debentures Fixed Rate Period, interest is payable annually in arrears on September 15 of each year (or the next succeeding Business Day if not a Business Day, without any interest or other payment in respect of such delay), until and including September 15, 2017, and thereafter during the 2067 Debentures Floating Rate Period, quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (or the next succeeding Business Day if not a Business Day unless such a Business Day is in the next calendar month in which case such Interest Payment Date shall be the Business Day immediately preceding such day), commencing December 15, 2017.
- ***The GBP 2067 Debentures:***  
During the 2067 Debentures Fixed Rate Period, interest is payable semi-annually in arrears, in equal installments, on March 15 and September 15 of each year (or the next succeeding Business Day if not a Business Day, without any interest or other payment in respect of such delay), until and including September 15, 2017, and thereafter during the 2067 Debentures Floating Rate Period, quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (or the next succeeding Business Day if not a Business Day unless such a Business Day is in the next calendar month in which case such Interest Payment Date shall be the Business Day immediately preceding such day), commencing December 15, 2017.
- ***The EUR 2066 Debentures:***  
During the 2066 Debentures Fixed Rate Period, interest is payable annually in arrears on September 15 of each year (or the next succeeding Business Day if not a Business Day, without any interest or other payment in respect of such delay), until and including September 15, 2016, and thereafter, during the 2066 Debentures Floating Rate Period, quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (or the next succeeding Business Day if not a Business Day unless such a Business Day is in the next calendar month in which case such Interest Payment Date shall be the Business Day immediately preceding such day), commencing December 15, 2016.
- ***The GBP 2066 Debentures:***  
During the 2066 Debentures Fixed Rate Period, interest is payable semi-annually in arrears, in equal installments, on March 15 and September 15 of each year (or the next succeeding Business Day if not a Business Day, without any interest or other payment in

respect of such delay), until and including September 15, 2016, and thereafter, during the 2066 Debentures Floating Rate Period, quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (or the next succeeding Business Day if not a Business Day unless such a Business Day is in the next calendar month in which case such Interest Payment Date shall be the Business Day immediately preceding such day), commencing December 15, 2016.

The Term "**Business Day**" means any day other than a Saturday or Sunday or any other day on which banking institutions are generally authorized or obligated by law or regulation to close in The City of New York or London, England and, in the case of the Euro denominated Debentures, is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

The Term "**Interest Period**" means each period from and including the most recent Interest Payment Date to but excluding the next Interest Payment Date (without regard to any permitted deferral as described below under "Option to Defer Interest Payments") or other date on which interest is due and payable in accordance with the terms of the Debentures by redemption, acceleration, or maturity.

Option to Defer Interest Payments.....

Under the terms of each series of Debentures, provided that no Event of Default has occurred and is continuing, we may, on one or more occasions, in our sole discretion, determine to defer interest payments on the Debentures of such series for a period (an "**Extension Period**") effective for interest accruing as of the first day of any Interest Period, as defined herein (the "**Start Date**") and extending not longer than the earlier of (a) the tenth anniversary of the Start Date, and (b) the Maturity Date for the Debentures (such final date being referred to as the "**Maximum Extension Date**"). See "Description of the Debentures – Option to Defer Interest Payments".

Interest may be so deferred by the giving of notice thereof by us to the Indenture Trustee, not less than five nor more than fifteen days before the Interest Payment Date (as defined herein) relating to the first Interest Period in the Extension Period during which interest will be deferred. The notice will specify the Start Date and the last day of the Extension Period (the "**End Date**"), which End Date may not be later than the Maximum Extension Date; provided that our failure to pay interest in full on any End Date or any Interest Payment Date thereafter that falls prior to the Maximum Extension Date will be deemed to be a further deferral of interest payments to the earlier of the next succeeding Interest Payment Date and the Maximum Extension Date.

Notwithstanding the foregoing, in the event that we do not pay interest in full on any Interest Payment Date and an Extension Period on the Debentures has not otherwise been commenced in accordance with the notice provisions described above, such non-payment shall, if continuing

for five days after notice from the Indenture Trustee, be deemed to commence an Extension Period that shall continue until the earlier of the next succeeding Interest Payment Date and the Maximum Extension Date and shall not constitute an Event of Default with respect to such Debentures.

To the extent permitted by applicable law, interest on deferred amounts will accrue during an Extension Period from the first Interest Payment Date following the Start Date and will be compounded periodically based on the then applicable Interest Period on the Debentures, at the then applicable rate of interest on the Debentures (such additional interest, "**Additional Interest**"). On the Interest Payment Date falling on the End Date, the redemption date for all outstanding Debentures, or the Maturity Date, as applicable, we will be obligated to pay all accrued and unpaid interest, including Additional Interest.

Trust Debenture Additional Amounts.....

At or prior to the consummation of the Exchange Offer, we will (1) amend the Indenture to provide that we will pay to the relevant Trust, with respect to any Debentures held by such Trust, such amounts as are necessary to enable such Trust to meet its obligations to pay the Trust Security Additional Amounts described above under "—Trust Securities—Trust Security Additional Amounts" and (2) enter into the Guarantee Agreements, pursuant to which among other things we will irrevocably and unconditionally agree to make payments of Trust Security Additional Amounts as described above if such amounts are not paid by the relevant Trust. The amounts referred to in clause (1) above will constitute interest on the relevant Debentures held by such Trust.

Dividend Restriction .....

We have agreed that if:

- we shall have, or shall be deemed to have, exercised our option to defer payments of interest on a series of Debentures, as described above under "– Option to Defer Interest Payments", or
- there shall have occurred and be continuing an Event of Default under the Indenture,

then we will not, and will not permit any Subsidiary (as defined herein) to:

- (i) declare or pay dividends or distributions on, or redeem, purchase, acquire or make a liquidation payment with respect to, any of our capital stock (which includes common and preferred stock);
- (ii) make any payment of principal of, or interest or premium on, or repurchase or redeem, any of our other subordinated indebtedness that ranks *pari passu* with or junior in interest to the Debentures; or
- (iii) make any guarantee payments with respect to any subordinated guarantee that we may have with respect to the indebtedness of any of our Subsidiaries if such guarantee ranks *pari passu* with or junior in interest to the Debentures;

*provided, however,* that during any period, including an Extension Period,

we shall be permitted to: (a) declare or pay dividends or distributions in our common stock, (b) declare a dividend in connection with the implementation of a stockholders' rights plan or issue stock under any such plan in the future or redeem or purchase any such rights pursuant thereto, and (c) purchase common stock related to the issuance of common stock or rights under any of our benefit plans for our directors, officers or employees, and *provided further* that where debt securities of different series issued under the Indenture containing a deferral feature similar to the deferral feature of the Debentures are subject to Extension Periods terminating at different times or in other circumstances where the payment of deferred interest cannot be made simultaneously on all such debt securities (including the Debentures) subject to an Extension Period, we will be permitted to make payments of interest due on particular debt securities of each such series (including the Debentures) at the end of the Extension Period with respect thereto, but only if the amounts (not yet due and payable) that will be required to be paid at the close of an Extension Period with respect to all other series of such debt securities have been deposited with the Indenture Trustee and held for application when such amounts become due and payable.

In connection with the issuance of the Debentures, GE Company has covenanted that, if GE Capital declares, pays or makes any dividends, distributions or other payments to GE Company or any of its Subsidiaries during an Extension Period or when an Event of Default has occurred and is continuing, in either case in violation of the restrictions described above, for so long as such restrictions are in effect and are applicable to outstanding debt securities issued under the Indenture, GE Company shall promptly return, or cause the return, to GE Capital of all such dividends, distributions, and other payments.

The covenants described in this "–Dividend Restriction" constitute "Other Covenants" that, with respect to a series of Debentures held by a Trust, are enforceable solely by the Property Trustee. See "–Summary Terms of the Exchange Offer–Comparison of Rights Between the Debentures and the Trust Securities".

Events of Default .....

If, at any time, an Event of Default as defined herein occurs and is continuing under a series of Debentures, then, unless the principal of such series of Debentures shall already be due and payable, the Trustee or the holders of not less than 25% in aggregate principal amount of the outstanding Debentures of such series will have the right to declare the principal amount of all the Debentures of such series, together with accrued interest, including any Additional Interest, to be due and payable immediately. Events of Default in respect of a series of Debentures are limited to (i) default in the payment of any installment of interest, including any Additional Interest, due and payable (subject to deferral during any Extension Period) and the continuance of such non-payment for 30 days, (ii) default in the payment of principal of any Debenture upon the Maturity Date and (iii) certain events involving the bankruptcy, insolvency, or reorganization of GE Capital. See "Description of the Debentures — Events of Default, Waiver and Notice; Enforcement of

Optional Redemption .....

Other Covenants" herein.

Subject to any then required approval by any Applicable Regulatory Authority (as defined herein), each series of Debentures will be redeemable for cash, at our option:

- subject to the undertaking in the respective Trust Agreement described below, in whole but not in part, at any time prior to September 15, 2017 in the case of the 2067 Debentures and September 15, 2016 in the case of the 2066 Debentures, in each case at the applicable Make-Whole Redemption Amount set forth under "Description of the Debentures — Redemption Amount"; or
- in whole or in part, from time to time on or after September 15, 2017 in the case of the 2067 Debentures, or September 15, 2016 in the case of the 2066 Debentures, in each case at a redemption price equal to 100% of the principal amount of the Debentures so redeemed plus accrued and unpaid interest, including Additional Interest thereon, if any; provided that if the Debentures of a series are not redeemed in whole, at least €50,000,000 in the case of Euro denominated Debentures, or £50,000,000 in the case of Sterling denominated Debentures in aggregate principal amount of such series of Debentures (excluding Debentures of such series held by us or any of our affiliates) must remain outstanding immediately after any such partial redemption.

Notwithstanding the foregoing, redemption at the option of GE Capital is not permitted during an Extension Period, except on an End Date on which all accrued and unpaid interest (including Additional Interest) has been paid in full.

The Debentures are not repayable at any time at the option of the holders thereof.

For any date on which GE Capital is subject to regulatory oversight, "**Applicable Regulatory Authority**" means any governmental authority or any independent agency created under any governmental authority, that has promulgated regulations to which GE Capital is subject under which GE Capital is required to maintain specific levels of capital.

At or prior to the consummation of the Exchange Offer, we will amend the Indenture to provide that we may not redeem the Debentures prior to the Maturity Date unless we have received any then required approval of any Applicable Regulatory Authority to redeem the Debentures and for the Trust to redeem Trust Securities and Common Securities with the proceeds of the redemption of Debentures.

We will agree in the Trust Agreement that for so long as a Trust holds Debentures, we will not redeem such Debentures in accordance with the provisions described herein under "– Optional Redemption" at any time prior to the fifth anniversary of the original issuance of the Trust Securities pursuant to the Exchange Offer. With the consent of each Applicable Regulatory Authority, the Trust Agreement may be amended by us to delete the undertaking specified in the preceding sentence without the

consent of holders of the Trust Securities or any other person.

Tax Event Redemption.....

Subject to any then required approval by any Applicable Regulatory Authority, we may redeem the Debentures of a series, in the case of the 2067 Debentures, prior to September 15, 2017 and, in the case of the 2066 Debentures, prior to September 15, 2016, in whole but not in part, within 90 days following the occurrence of a Tax Event at the applicable Make-Whole Redemption Amount. A Tax Event will generally occur if there is more than an insubstantial risk that (i) all or any portion of the interest payable by GE Capital with respect to the Debentures of such series is not, or will not be, deductible as accrued by GE Capital for U.S. federal income tax purposes, or (ii) GE Capital would be required to pay Additional Amounts with respect to such series on the next Interest Payment Date for such series.

Notwithstanding the foregoing, a Tax Event Redemption (as defined herein) is not permitted during an Extension Period, except on an End Date on which all accrued and unpaid interest (including Additional Interest) has been paid in full. See "Description of the Debentures — Redemption" herein.

Replacement Covenant .....

In connection with the original issuance of the Debentures, we entered into Replacement Covenants (as more fully described under "Certain Terms of the Replacement Covenant") in which we covenanted for the benefit of holders of certain eligible indebtedness that neither we nor any of our Subsidiaries will repay, redeem or repurchase a Debenture at our option or as a result of a Tax Event on or before September 15, 2037 in the case of the 2067 Debentures or September 15, 2051 in the case of the 2066 Debentures, except to the extent that:

- the applicable redemption or purchase price does not exceed (i) 200% of the amount of the aggregate of proceeds from the sale of our common stock ("**Common Stock**") and rights to acquire Common Stock and the market value of any Common Stock issued in connection with the conversion or exchange of certain securities; *plus* (ii) 100% of the proceeds from the sale of mandatorily convertible preferred stock and certain debt that is exchangeable for equity of GE Capital; *plus* (iii) 100% of the proceeds from the sale of qualifying debt securities or qualifying preferred stock of GE Capital (collectively "**Qualifying Securities**") in each case within 180 days prior to the delivery of a notice of such redemption or the date of such repayment or repurchase of the Debentures, or
- the Debentures are exchanged for (i) at least an equal aggregate principal amount of qualifying debt securities or aggregate liquidation preference of qualifying preferred stock or mandatorily convertible preferred stock and/or (ii) consideration that includes Common Stock with a market value equal to at least 50% of the aggregate principal amount of Debentures that are exchanged.

For purposes of the Replacement Covenant, the term "repay" includes the

defeasance of the Debentures by us as well as the satisfaction and discharge of our obligations under the Indenture with respect to the Debentures.

The Replacement Covenant is not intended for the benefit of holders of the Debentures or Trust Securities, may not be enforced by them or by the Indenture Trustee, and is not a term of the Indenture or the Trust Agreements. The Replacement Covenant will have no effect on the absolute and unconditional nature of our obligation to pay the principal amount of (and any accrued and unpaid interest on) the Debentures on the Maturity Date or any earlier date of redemption.

We made certain amendments to the Replacement Covenant in connection with the transactions contemplated by the Exchange Offer. See "Certain Terms of the Replacement Covenant" herein.

Ranking of Debentures.....

Our obligations under each series of Debentures will rank *pari passu* among themselves (without regard as to whether such Debentures are held by the Trust or otherwise) and with each other series of debt securities established under the Indenture (unless otherwise provided with respect to such series of debt securities), and are subordinated to all of our Senior Indebtedness (as defined herein), including, without limitation, our Subordinated Notes (as defined herein). As of September 30, 2009, all of our indebtedness (other than the Debentures and our outstanding subordinated debentures to which the concurrent exchange offer referred to under "Overview—The Trusts" relates) would have been senior to the Debentures.

U.S. Federal Income Tax Consequences.

In connection with the original issuance of the Debentures, Cahill Gordon & Reindel LLP, our special tax counsel, provided us with an opinion generally to the effect that, although the matter is not free from doubt and there is no authority directly on point, the Debentures will be treated as indebtedness of GE Capital for U.S. federal income tax purposes. That opinion was subject to certain customary conditions. By acquiring Trust Securities pursuant to the Exchange Offer, each holder of Trust Securities of a Trust will generally be treated as the owner of an undivided interest in the assets of that Trust. The assets of a Trust will consist solely of the Debentures of one series held by the Trust.

Payments of interest on Debentures underlying a holder's Trust Securities should be taxable to a U.S. Holder, as defined in "Certain U.S. Federal Income Tax Consequences", as ordinary interest income at the time the payments are accrued or received, in accordance with such holder's method of accounting for U.S. federal income tax purposes. If we defer payment of interest on a series of Debentures, a U.S. Holder of Trust Securities of a Trust that holds Debentures of that series will be required to include stated interest on those Debentures in income as original issue discount on a constant-yield basis, regardless of the holder's regular method of tax accounting. See "Certain U.S. Federal Income Tax Consequences—U.S. Holders—Interest Income and Original Issue Discount".

**Ratings of Securities**

Standard & Poor's Ratings Group ("**S&P**") is expected to assign a rating to the Trust Securities of "A+" and

Moody's Investors Service, Inc. ("**Moody's**") has assigned a rating to the Trust Securities of "Aa3".

An explanation of the significance of ratings may be obtained from the rating agencies. Generally, rating agencies base their ratings on such material and information, and such of their own investigations, studies and assumptions, as they deem appropriate. A credit rating of a security is not a recommendation to buy, sell or hold securities. There is no assurance that any rating will apply for any given period of time or that a rating may not be adjusted or withdrawn.

## AVAILABLE INFORMATION

GE Capital is subject to the informational reporting requirements of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and in accordance therewith files reports and other information with the Commission. Such reports and other information can be viewed, and copies can be obtained at, the Public Reference Room of the Commission at 100 F Street, N.E., Room 1580, Washington, D.C. 20549, U.S.A., at prescribed rates. The Commission maintains a Web site at <http://www.sec.gov> containing reports, proxy and information statements and other information regarding registrants that file electronically with the Commission, including GE Capital. Reports and other information concerning GE Capital (including those documents incorporated by reference herein (see "Documents Incorporated by Reference")) can also be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005, U.S.A., on which certain of GE Capital's securities are listed, or on the internet at [www.ge.com/investors/financial\\_reporting/sec\\_filings/index.htm](http://www.ge.com/investors/financial_reporting/sec_filings/index.htm). Copies are also available, without charge, from GE Corporate Investor Communications, 3135 Easton Turnpike, Fairfield, CT 06828-0001, U.S.A. For the avoidance of doubt, the information referred to in this paragraph (other than those documents incorporated by reference herein (see "Documents Incorporated by Reference")) is not incorporated by reference into, and does not form part of, this Prospectus.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published and filed with the Commission, or which are published simultaneously with this Prospectus and which, in each case, have been approved by the Financial Services Authority or filed with it, shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (a) Annual Report on Form 10-K of GE Capital for the fiscal year ended December 31, 2008 filed with the Commission on February 18, 2009 ("**Form 10-K**") (excluding the documents listed as Exhibits in Part IV, Item 15, on pages 91-93 of such Form 10-K) which Annual Report contains audited historical financial information in respect of the fiscal year ended December 31, 2007 and the fiscal year ended December 31, 2008 and
- (b) the Quarterly Reports on Form 10-Q of GE Capital filed with the Commission on May 1, 2009, August 3, 2009 and the November 2, 2009.

Unless otherwise specified in any supplement to this Prospectus, any document incorporated by reference herein excludes exhibits or any other documents incorporated by reference into such document.

No information contained in any Web site or Web pages referred to herein shall be deemed to be incorporated in, or from a part of, this Prospectus.

The following documents, which documents may be produced or issued from time to time after the date hereof, shall be deemed to be incorporated in, and to form part of, this Prospectus (although all such documents will not form part of this Prospectus for the purposes of Article 5.4 of the Prospectus Directive): any reports filed by GE Capital with the Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, and the rules and regulations thereunder subsequent to the date of the financial statements included in the annual report on Form 10-K referred to in paragraph (a) above including, without limitation, any annual report on Form 10-K; provided, however, that GE Capital is not incorporating by reference herein any information furnished to the Commission under either Item 2.02 or Item 7.01 of any Current Report on Form 8-K.

Any statement contained in a document, all or a portion of which is deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein modifies or supersedes such statement (whether expressly, by implication or otherwise). Any statement

so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Subject to the above, investors in the Trust Securities and Debentures shall be deemed to have notice of all information contained in such documents as if all such information were included in this Prospectus. Each Trust hereby undertakes to provide free of charge to each person, including any beneficial owner of its Trust Securities, to whom a copy of this Prospectus has been delivered, on the written or oral request of such person, a copy of any or all of the documents referred to above which have been incorporated by reference herein. All such documents incorporated by reference in this Prospectus may be obtained free of charge. Such requests should be directed to the office of GE Capital located at 3135 Easton Turnpike, Fairfield, Connecticut 06828-0001. See "General Information – Documents Available".

## OFFER AND DISTRIBUTION RESTRICTIONS

*This Prospectus does not constitute an invitation to participate in the Exchange Offer in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such invitation under applicable securities laws. The distribution of this Prospectus in certain jurisdictions may be restricted by law.*

*Persons into whose possession this Prospectus comes are required by each of the Trusts, GE Capital, the Dealer Managers and the Exchange Agent to inform themselves about, and to observe, any such restrictions.*

*No action has been or will be taken in any jurisdiction by the Trusts, GE Capital, the Dealer Managers or the Exchange Agent in relation to the Exchange Offer that would permit a public offering of securities.*

### United States

The Trust Securities and the Guarantees have not been and will not be registered under the Securities Act. Consequently, the Exchange Offer is only being made (1) outside the United States to non-U.S., persons in offshore transactions in reliance on Regulation S under the Securities Act and (2) in the United States to qualified institutional buyers in reliance on Section 4(2) of the Securities Act. The terms used above have the meanings given to them by Regulation S and Rule 144A under the Securities Act.

In connection with our offer to exchange Debentures for Trust Securities outside the United States, the Dealer Managers have agreed that they will not offer, sell or deliver the Trust Securities to, or for the account or benefit of, U.S. persons (1) as part of the initial Exchange Offer at any time or (2) otherwise until 40 days after the later of the commencement of the Exchange Offer or the date the Trust Securities are exchanged.

In addition, with respect to Trust Securities initially issued in exchange for Debentures in reliance on Regulation S, until 40 days after the issue of the Trust Securities, an offer or sale of such Trust Securities within the United States by a dealer that is not participating in the Exchange Offer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or pursuant to another exemption from registration under the Securities Act.

### European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Exchange Offer will not be made to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Trust Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, make the Exchange Offer to the public in that Relevant Member State at any time:

- (a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- (c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or

- (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive or supplemental prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Trust Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Exchange Offer and the Trust Securities to be offered so as to enable an investor to decide to exchange Debentures for Trust Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

### **United Kingdom**

The communication of this Prospectus and any other documents or materials relating to the Exchange Offer is not being made and such documents and/or materials have not been approved by an authorized person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**")) or persons who are within Article 43(2) of the Order or any other persons to whom it may otherwise lawfully be made under the Order.

### **Italy**

The Exchange Offer is not being, and nor will be, made in the Republic of Italy ("**Italy**"). The Exchange Offer and this Prospectus have not been, and nor will be, submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* (CONSOB) pursuant to Italian laws and regulations. Accordingly, holders of Existing Bonds are notified that, to the extent such holders are located or resident in Italy, the Exchange Offer is not available to them and they may not be offered Debentures for exchange in the Exchange Offer nor may the Trust Securities be offered, sold or delivered in Italy and, as such, any Exchange Instruction received from or on behalf of such persons shall be ineffective and void, and neither this Prospectus nor any other documents or materials relating to the Exchange Offer, the Debentures or the Trust Securities may be distributed or made available in Italy.

### **General**

This Prospectus does not constitute an offer to sell or buy or a solicitation of an offer to sell or buy the Debentures and/or Trust Securities, as applicable, and offers of Debentures for exchange in the Exchange Offer will not be accepted from Debenture holders in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Exchange Offer to be made by a licensed broker or dealer and any of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in such jurisdictions, the Exchange Offer shall be deemed to be made by such Dealer Manager or affiliate (as the case may be) on behalf of the Trust or GE Capital, as the case may be, in such jurisdictions.

## **RISK FACTORS**

*You should carefully consider the risks described below, as well as the other information contained or incorporated by reference in this Prospectus before making a decision to participate in the Exchange Offer. See "Documents Incorporated by Reference".*

*Each of the Trusts and GE Capital believe that the factors described below represent the principal risks inherent in participating in the Exchange Offer but the inability of the Trusts or GE Capital to pay interest, principal or other amounts on or in connection with any of the Trust Securities or any payments due under the Guarantees, respectively, may occur for other reasons and none of the Trusts nor GE Capital represents that the statements below regarding the risks of participating in the Exchange Offer are exhaustive.*

*Prospective participants in the Exchange Offer should consult their own financial, tax and legal advisors as to the risks entailed by participating in the Exchange Offer. The Trust Securities may not be an appropriate investment for investors who are unsophisticated.*

### **Risks Related to Not Participating in the Exchange Offer**

*If the Exchange Offer is successful, there may no longer be a trading market for the Debentures and, the market price for the Debentures may be depressed.*

Depending on the amount of Debentures of a series that are accepted for exchange in the Exchange Offer, the trading market for the Debentures of that series that remain outstanding after the Exchange Offer may be more limited. A reduced trading volume may decrease the price and increase the volatility of the trading price of the Debentures that remain outstanding and are not held by a Trust following the Exchange Offer.

### **Risks Related to the Trust Securities**

*There are limited rights to accelerate payment of the Debentures or to enforce the Other Covenants under the Indenture.*

The Indenture Trustee under the Indenture, or the holders of not less than 25% in aggregate principal amount of the outstanding Debentures of a series, may accelerate payment of principal of, and accrued and unpaid interest on, the Debentures of such series only upon the occurrence of an Event of Default under the Indenture with respect to the Debentures of such series, subject to the terms of the Indenture. Events of Default with respect to a series of Debentures allowing acceleration include only non-payment of interest, including Additional Interest (subject to deferral during any Extension Period) and the continuance of such non-payment for 30 days, non-payment of principal on the Maturity Date of the Debentures of such series, and certain events of bankruptcy, insolvency or reorganization of GE Capital. See "Description of the Debentures — Events of Default, Waiver and Notice; Enforcement of Other Covenants" herein. Furthermore, non-payment of interest on any Interest Payment Date, whether or not an Extension Period has otherwise commenced, will be deemed to commence or extend, as applicable, an Extension Period and will not constitute an Event of Default until 30 days after the tenth anniversary of the beginning of an Extension Period.

Events of Default do not include failure to comply with or breach of the Other Covenants under the Indenture. Accordingly, our failure to comply with such Other Covenants will not result in the acceleration of payment of the Debentures. Although failure to comply with such Other Covenants could give rise to a claim against us relating to the specific breach, the remedy of holders of the Debentures may be limited to direct monetary damages (if any). In general, holders of the Debentures may not themselves institute a proceeding against GE Capital on account of any such breach unless, among other things, the Indenture Trustee fails to institute such a proceeding, subject to the terms of the Indenture. However, the holders of a majority in principal amount of the Debentures may direct the Indenture Trustee to bring such a proceeding, subject to the terms of the Indenture, which allows the Indenture Trustee to require that it receive an indemnity before taking action under the Indenture. In addition, holders of Debentures may institute a proceeding

themselves upon a failure by us to pay an amount of principal or interest on the Debentures that has become due as a result of an acceleration of the Debentures or otherwise. See "Description of the Debentures – Events of Default, Waiver and Notice; Enforcement of Other Covenants".

*Your rights with respect to the Other Covenants contained in the Debentures are limited.*

The Debentures of each series that are accepted for exchange in the Exchange Offer will be deposited in the relevant Trust and will compose, together with the Debentures of such series deposited by us with such Trust in exchange for its Common Securities, all the underlying assets of such Trust. The Trust Agreement for each Trust will provide that all legal rights of the holders of Trust Securities under the series of Debentures held by a Trust and under the Indenture under which such Debentures were issued, including the right to enforce the Other Covenants under the Indenture, will be exercisable solely by the Property Trustee of such Trust, as the holder of such Debentures, and not by the holders of Trust Securities or the Common Securities. If the Property Trustee fails to take action with respect to the enforcement of any of those rights, holders of Trust Securities will be unable to do so (other than following the automatic exchange of the Debentures for Trust Securities following the occurrence of an Event of Default) because the right to take such action will be vested solely in the Property Trustee as the holder of the Debentures. Furthermore, the Trust Agreement for each Trust will provide that, while holders of its Trust Securities may request such Trust's Property Trustee to take action as described under "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement", holders of the Trust Securities issued by such Trust will not be able to direct the Property Trustee, or otherwise bring any action to compel the Property Trustee, to take such action.

Furthermore, holders of Debentures of any series that are not held by a Trust will continue to have all of the rights provided by the Indenture under which they were issued, including rights with respect to consents to amendments and waivers of past defaults. If a majority, or with respect to certain amendments, 66⅔%, of the outstanding principal amount of the Debentures of a series are not exchanged for Trust Securities in the Exchange Offer, the holders of the Debentures of such series not held by a Trust would be able to take actions with respect to waivers or amendments under the Indenture which would affect all of the outstanding Debentures of such series, including the Debentures of such series held by the relevant Trust, without any action on the part of the Property Trustee for such Trust, the other trustees of such Trust or the holders of the Trust Securities issued by such Trust. Conversely, if a majority, or with respect to certain amendments 66⅔% of the outstanding principal amount of the Debentures of a series are not exchanged for Trust Securities in the Exchange Offer, the holders of Debentures of such series not held by a Trust would be able to block waivers or amendments agreed to by the Property Trustee.

*Holders of the Trust Securities will have no voting rights.*

The Trust Agreement for each Trust will provide that as a holder of a series of Trust Securities, you will have no voting rights. You will not be entitled to vote to appoint, remove or replace the Property Trustee, the Delaware Trustee or any Administrative Trustee, all of which will be appointed, removed or replaced by us.

Under the Indenture, holders of a majority in aggregate principal amount of the Debentures of a series may vote to remove the Indenture Trustee. However, with respect to the Debentures held by a Trust, this voting right will be exercisable solely by the Property Trustee of such Trust and not by the holders of Trust Securities. Furthermore, while holders of Trust Securities may request their Property Trustee to take action as described under "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement", the Trust Agreements will not afford holders of Trust Securities any right to direct their Property Trustee to take such action in respect of the Trust Securities issued by a Trust, such Trust or the assets comprising such Trust, including the right to direct the Property Trustee to vote to remove the Indenture Trustee under circumstances where the Indenture permits the holders of Debentures of a series to exercise such rights. In addition, as described under "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement", the Trust Agreements will provide that each holder of Trust Securities will be deemed to have waived any right to bring an action under or pursuant to any law of the State of Delaware pertaining to trusts or any other law of the State of Delaware providing for a derivative action by a beneficiary on behalf of a trust or trustee.

*The Trust Securities may be exchanged for Debentures or a Trust may distribute the Debentures held by it to the holders of its Trust Securities, and such Debentures may trade at a price lower than the price of the Debentures at the Settlement Date.*

Following the occurrence of an Event of Default with respect to the Debentures of a series as described under "Description of the Trust Securities – Exchange Event", the Debentures of such series will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for the related Trust Securities. In addition, subject to the consent of any Applicable Regulatory Authority, at our option or upon the occurrence of certain other events as described under "Description of the Trust Securities – Liquidation Distribution upon Dissolution", the Property Trustee will dissolve the Trust and distribute the Debentures held by it to the holders of its Trust Securities in liquidation of the Trust.

Under current U.S. federal income tax law, and assuming, as expected, that the Trust is treated as a grantor trust, such a distribution of Trust Debentures to you should not be a taxable event. However, if at the time it is dissolved the Trust were characterized for U.S. federal income tax purposes as an association taxable as a corporation, or were otherwise subject to U.S. federal income tax with respect to income accrued or received on the Trust Debentures, or if there is a change in law, the distribution of the Trust Debentures to you may be a taxable event.

No one can predict the market prices for any Debentures that may be distributed. Accordingly, the Debentures that you receive upon a distribution, or the Trust Securities you hold pending the distribution, may trade at a lower price than the price that such Trust Securities had been trading prior to the distribution.

*We may, in our sole discretion, defer interest on a series of Debentures held by a Trust, in which event distributions on the Trust Securities issued by such Trust will also be deferred. If we do so and you are subject to U.S. federal income taxation, you may have to include distributions on the Trust Securities in your taxable income before you receive payments.*

We may, in our sole discretion, elect to defer interest payments on a series of Debentures held by a Trust, as described herein, for one or more periods of up to 10 consecutive years. During a deferral period, such Trust will defer the corresponding distributions on the Trust Securities issued by it. If you are subject to U.S. federal income taxation and we defer interest payments on the Debentures underlying your Trust Securities, you may nevertheless be required to accrue and report as original issue discount for United States federal income tax purposes your proportionate share of such deferred interest during the deferral period. As a result, you will have to include that accrued interest, together with any Additional Interest, in your gross income for U.S. federal income tax purposes before you receive any cash payments in the form of distributions on your Trust Securities. See "Certain U.S. Federal Income Tax Consequences — U.S. Holders — Interest Income and Original Issue Discount". You also will not be entitled to receive distributions representing payment of such accrued and unpaid interest or Additional Interest following the deferral period if you sell your Trust Securities before the record date for the payment of such distributions, even if you held the Trust Securities on the date that the payments would have been made on the Trust Securities but for the deferral.

*If we do not make payments to a Trust on the Debentures held by it, such Trust will not be able to pay distributions on its Trust Securities, and the holders of such Trust Securities will not be able to rely on the Guarantee for payments.*

The ability of a Trust to pay distributions on its Trust Securities timely will depend solely upon our making the related payments on the Debentures held by such Trust when due. If we defer interest on the Debentures or if we default on our obligation to pay interest on, or the principal of, such Debentures, such Trust will not have sufficient funds to pay distributions on its Trust Securities.

In addition, our Guarantee applies only to the extent that a Trust has received payments on the Debentures held by it with which to make the corresponding distribution or redemption payment. Therefore, if we default on our interest and other payment obligations on the Debentures of a series, the Trust holding such Debentures will not have funds available for payment and you will not be able to rely upon the Guarantee for payment.

The Trust Agreement for each Trust will provide that the Debentures held by such Trust will be distributed to holders of Trust Securities upon the occurrence of an Event of Default. If following an Event of Default in respect of a series of Debentures such Debentures are distributed to holders of the related Trust Securities, holders of Debentures so distributed who had been holders of Trust Securities will be entitled to take action in respect of the Event of Default in respect of the Debentures so distributed.

*The Debentures held by the Trusts are effectively subordinated to substantially all of our other debt.*

We will pay holders of our Senior Indebtedness before we make any payments in respect of the Debentures, including payments to the Trusts as the holders of our Debentures and before we make any payments under the Guarantee.

Our obligations under the Debentures are subordinate and junior in right of payment to all of our existing and future Senior Indebtedness (including our outstanding Subordinated Notes, as defined herein). As of September 30, 2009, all of our indebtedness (other than the Debentures and our outstanding subordinated debentures to which the concurrent exchange offer referred to under "Overview—The Trusts" relates) would have been senior to the Debentures. The obligations under the Debentures will be effectively subordinated to all existing and future liabilities of our subsidiaries.

Due to the subordination provisions described in "Description of the Debentures — Subordination", in the event of our insolvency, funds that would otherwise be available to pay the holders of the Debentures, including the Trusts as holders of the Debentures, will be used to pay the holders of Senior Indebtedness to the extent necessary to pay the Senior Indebtedness in full. As a result of those payments, the holders of our Senior Indebtedness may recover more, ratably, than holders of the Debentures, including the Trusts as holders of the Debentures and, hence, the holders of the Trust Securities.

There are no terms in the Indenture, the Debentures, the Trust Securities or the Guarantee that limit our ability to incur additional indebtedness, liabilities and obligations whether or not Senior Indebtedness, and we expect that most of our indebtedness issued in the future will be Senior Indebtedness.

*A Trust will redeem its Trust Securities if we exercise our option to redeem the Debentures held by such Trust prior to their Maturity Date.*

Subject to any then required approval by any Applicable Regulatory Authority, we may redeem each series of Debentures as described under "Description of the Debentures – Redemption". If we redeem or repurchase Debentures of a series, the Trust holding such Debentures will redeem its Trust Securities and Common Securities *pro rata* in a like liquidation amount. If a Trust redeems its Trust Securities, market conditions may prevent you from reinvesting the money you receive upon redemption at a rate equal to or higher than the rate of return on the Trust Securities. In addition, you may recognize gain or loss upon redemption of the Trust Securities as described under "Certain U.S. Federal Income Tax Consequences – U.S. Holders – Sale, Exchange, Redemption or Retirement of Trust Securities".

*An active trading market for the Trust Securities may not develop.*

The Trust Securities have not been registered under the Securities Act and will be subject to significant restrictions on resale. See "Notice to Investors". The Trust Securities will be new issues of securities with no established trading market.

Although we have applied to the UK Listing Authority for the Trust Securities to be admitted to the Official List and to the London Stock Exchange for the Trust Securities to be admitted to trading on the London Stock Exchange's Regulated Market, it is not possible to predict how the Trust Securities will trade in the secondary market, or whether that market will be liquid or illiquid. We do not intend to list the Trust Securities on any other securities exchange. Even if a trading market for the Trust Securities does develop, we cannot provide any assurance as to the depth of that market or the ability of holders to sell their Trust Securities.

*Trading prices for the Trust Securities may be more volatile than those of other securities.*

GE Capital and the Trusts cannot give you any assurance as to the market prices for the Trust Securities. As a result of our right to defer payments on the Trust Securities, the market price of the Trust Securities may be more volatile than the market prices of other securities that are not subject to such a deferral right.

The trading prices of the Trust Securities will be directly affected by, among other things, interest rates generally and GE Capital's credit quality. It is impossible to predict whether interest rates will rise or fall. GE Capital's operating results, prospects and its financial condition, among other factors, will affect the value of the Trust Securities.

Currently, we do not intend to exercise our right to defer interest payments on a series of Debentures. However, if we exercise our deferral right, the market price of related Trust Securities may be adversely affected. If you sell your Trust Securities during a deferral period, you may not receive the same return on your investment as someone who continues to hold the Trust Securities.

*The interest rate of the Debentures, and therefore the rate at which distributions are paid on the Trust Securities, will fluctuate when the fixed rate period ends and may, from time to time, decline below the fixed rate.*

At the conclusion of the 2066 Debentures Fixed Rate Period and the 2067 Debentures Fixed Rate Period, respectively, the respective series of Debentures, and therefore the related Trust Securities, will begin to accrue interest at a floating rate. The floating rate may be volatile over time and could be substantially less than the fixed rate, which could reduce the value of the Trust Securities in any available after-market, apart from the reduction in current interest income.

*GE Capital's right to redeem the Debentures prior to September 15, 2051, in the case of the 2066 Debentures, or September 15, 2037, in the case of the 2067 Debentures, is limited by the Replacement Covenant.*

Subject to any then required approval by any Applicable Regulatory Authority, GE Capital may redeem any or all of the Debentures at any time, as described under "Description of Debentures – Redemption". However, the replacement covenant described under "Certain Terms of the Replacement Covenant" will limit our right to redeem or purchase Debentures or Trust Securities prior to September 15, 2051 in the case of the 2066 Debentures, or September 15, 2037 in the case of the 2067 Debentures.

Accordingly, there could be circumstances in which it would be in the interests of both you and GE Capital that some or all of the Trust Securities be redeemed, and sufficient cash is available for GE Capital for that purpose, but we would nevertheless be restricted from doing so by the terms of the Replacement Covenant.

*The credit ratings assigned to the Trust Securities may not accurately predict all risks associated with your investment in the Trust Securities.*

The credit ratings assigned to the Trust Securities may not reflect the potential impact of all risks related to structure and other factors on the value of an investor's Trust Securities. In addition, actual or anticipated changes in the credit ratings of GE Capital will generally affect the market value of an investor's Trust Securities.

*Rating agencies may change rating methodologies, which could negatively impact the trading price of the Trust Securities.*

The rating methodologies for securities with features similar to the Trust Securities are still developing and the rating agencies may change their methodologies in the future. This may include, for example, the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Trust Securities, sometimes called "notching", as well as other rating methodologies and analytical criteria and assumptions applied by each rating agency to securities with features similar to the Trust Securities. If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Trust Securities were to be subsequently lowered, this may have a negative impact on the trading price of the Trust Securities.

*Holders in some jurisdictions may not receive payment of gross-ups for amounts withheld in order to comply with the EU Directive on the taxation of savings income.*

On July 1, 2005, a European Union ("EU") Directive regarding the taxation of savings income (the "**Directive**") became effective. The Directive requires a member state of the EU (a "**Member State**") to provide to the tax authorities of another Member State details of payments of interest or other similar income payments made by a person within its jurisdiction for the immediate benefit of an individual or to certain non-corporate entities resident in that other Member State (or for certain payments secured for their benefit). However, Austria, Belgium, and Luxembourg have opted out of the reporting requirements and are instead applying a special withholding tax for a transitional period in relation to such payments of interest, deducting tax at rates increasing over time to 35%. This transitional period began on July 1, 2005 and will terminate at the end of the first fiscal year following agreement by certain non-EU countries regarding the exchange of information relating to those payments.

Beginning July 1, 2005, a number of non-EU countries and certain dependent or associated territories of Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments of interest or other similar income payments made by a person in that jurisdiction for the immediate benefit of an individual or to certain non-corporate entities in any Member State. The Member States have entered into reciprocal provision of information or transitional special withholding tax arrangements with certain of those dependent or associated territories. These apply in the same way to payments by persons in any Member State to individuals or certain non-corporate residents of those territories.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment pursuant to the Directive, none of the Trusts, any paying agent, or any other person would be obliged to pay additional amounts with respect to any Trust Security as a result of the imposition of such withholding tax. If a withholding tax is imposed on a payment made by a paying agent following implementation of the Directive, the Trusts will be required to maintain a paying agent in a Member State that would not be obliged to withhold or deduct tax pursuant to the Directive.

## **Risks Relating to GE Capital's Business**

### *Global Risk Management*

A disciplined approach to risks is important in a diversified organisation such as GE Capital's in order to ensure that it is executing according to its strategic objectives and that GE Capital only accepts risks for which it is adequately compensated. It is necessary for GE Capital to manage risk at the individual transaction level, and to consider aggregate risk at the customer, industry, geography and collateral-type levels, where appropriate.

GE Company's Board of Directors maintains overall responsibility for risk oversight, with a focus on the most significant risks facing GE Company. The Board's Audit Committee oversees GE Company's risk policies and processes relating to the financial statements and financial reporting process. The Board's Public Responsibilities Committee oversees risks involved in GE Company's public policy initiatives, the environment and similar matters. The Board's Management Development and Compensation Committee oversees risks related to compensation.

The Board of GE Company's oversight process builds upon our management's risk management and assessment processes, which include long-term strategic planning, executive development and evaluation, regulatory and litigation compliance reviews, environmental compliance reviews, General Electric Capital Services' ("**GECS**") Corporate Risk Function and the Corporate Risk Committee. Each year, management and the Board of GE Company jointly develop a list of major risks that GE Company plans to address. Throughout the year, either GE Company's Board or one of its committees dedicates a portion of their meetings to review and discuss these risk topics in greater detail. Strategic and operational risks are covered in GE Company's CEO report on operations to the Board of GE Company at regularly scheduled Board meetings. At least twice a year, the GE Audit Committee receives a risk update from the GECS risk officer, which focuses on GECS' risk strategy and its financial services portfolio, including its processes for managing

credit and market risk within its portfolio. In addition, each year, and in some years more frequently, the GE Audit Committee receives a comprehensive report from the Treasurer of GE Company on GECS capital markets exposure and its liquidity and funding risks and a comprehensive report from GE Company's General Counsel covering compliance issues. Each year, the Committee also reviews and discusses topics related to the financial reporting process, including an update on information technology, controllership, insurance, tax strategies and policies, accounting and numerous reports on regulation, compliance, litigation and investigations affecting GE Company's businesses.

The GECS Board of Directors oversees the risk management process, and approves all significant acquisitions and dispositions as well as significant borrowings and investments. All participants in the risk management process must comply with approval limits established by the GECS Board.

The GECS Chief Risk Officer is responsible, with the Corporate Risk Function, for establishing standards for the measurement, reporting and limiting of risk; for managing and evaluating risk managers; for approving risk management policies; and for reviewing major risk exposures and concentrations across the organization. GE Capital's Corporate Risk Function analyzes certain business risks and assesses them in relation to aggregate risk appetite and approval limits set by the GECS Board of Directors.

Threshold responsibility for identifying, quantifying and mitigating risks is assigned to GE Capital's individual businesses. GE Capital employs proprietary analytic models to allocate capital to GE Capital's financing activities, to identify the primary sources of risk and to measure the amount of risk GE Capital will take for each product line. This approach allows GE Capital to develop early signals that monitor changes in risk affecting portfolio performance and actively manage the portfolio. Other corporate functions such as Controllership, Financial Planning and Analysis, Treasury, Legal and GE Capital's Corporate Audit Staff support business-level risk management. Businesses that, for example, hedge financial risk with derivative financial instruments must do so using GE Capital's centrally managed Treasury function, providing assurance that the business strategy complies with GE Capital's corporate policies and achieves economies of scale. GE Capital reviews risks periodically with business-level risk managers, senior management and GE Capital's Board of Directors.

Dedicated risk professionals across the businesses include underwriters, portfolio managers, collectors, environmental and engineering specialists, and specialized asset managers who evaluate leased asset residuals and remarket off-lease equipment. The senior risk officers have, on average, over 25 years of experience.

GE Capital and its subsidiaries manage a variety of risks including liquidity, credit, market, government and regulatory and event risks.

Liquidity risk is the risk of being unable to accommodate liability maturities, fund asset growth and meet contractual obligations through access to funding at reasonable market rates.

Credit risk is the risk of financial loss arising from a customer or counterparty's failure to meet its contractual obligations. GE Capital faces credit risk in its lending and leasing activities and derivative financial instruments activities.

Market risk is the potential loss in value of investment and other asset and liability portfolios, including financial instruments, caused by changes in market variables, such as interest and currency exchange rates and equity and commodity prices. GE Capital is exposed to market risk in the normal course of its business operations as a result of its ongoing investing and funding activities. For further details of specific market risks resulting from current conditions in the financial and credit markets, see "Current Market Conditions" below. GE Capital attempts to mitigate the risks to its various portfolios arising from changes in interest and currency exchange rates in a variety of ways that often include offsetting positions in local currencies or use of derivatives. See "Derivatives and Hedging" below.

Government and regulatory risk is the risk that the government or regulatory authorities will implement new laws or rules, amend existing laws or rules, or interpret or enforce them in ways that would cause GE Capital to change its

business models or practices. GE Capital manages these risks through the GECS Board, GE Capital's Policy Compliance Review Board and Corporate Risk Committee.

Event risk is that body of risk beyond liquidity, credit and market risk. Event risk includes the possibility of adverse occurrences both within and beyond GE Capital's control. Examples of event risk include natural disasters, availability of necessary materials, guarantees of product performance and business interruption. This type of risk is often insurable, and success in managing this risk is ultimately determined by the balance between the level of risk retained or assumed and the cost of transferring the risk to others. The decision as to the appropriate level of event risk to retain or cede is evaluated in the framework of business decisions.

### *Derivatives and Hedging*

Exchange rate and interest rate risks are managed with a variety of straightforward techniques, including match funding and selective use of derivatives. GE Capital uses derivatives to mitigate or eliminate certain financial and market risks because it conducts business in diverse markets around the world and local funding is not always efficient. In addition, GE Capital uses derivatives to adjust the debt it is issuing to match the fixed or floating nature of the assets it is acquiring. GE Capital applies strict policies to manage each of these risks, including prohibitions on derivatives market-making or other speculative activities.

### *Regulations and Competition*

GE Capital's activities are subject to a wide variety of U.S. Federal and State regulations including, at the Federal level, the Consumer Credit Protection Act, the Equal Credit Opportunity Act and certain regulations issued by the Federal Trade Commission. A majority of states have ceilings on rates chargeable to customers on retail time sales transactions, instalment loans and revolving credit financing. GE Capital's insurance operations are regulated by various state insurance commissions and non-U.S. regulatory authorities. GE Capital is a unitary diversified savings and loan holding company by virtue of owning a federal savings bank in the U.S.; as such, it is subject to holding company supervision by the Office of Thrift Supervision, which is also its consolidated supervisor under the EU Financial Conglomerates Directive. GE Capital's global operations are subject to regulation in their respective jurisdictions. To date, compliance with such regulations has not had a material adverse effect on GE Capital's financial position or results of operations.

There can be no assurance that, in response to current economic conditions, laws and regulations will not be changed in ways that will require GE Capital to modify its business models and objectives or affect its returns on investments by making existing policies more restricted, subject to escalating costs or prohibited outright. In particular, GE Capital expects U.S. and foreign governments to undertake a substantial review and revision of the regulation and suspension of bank and non-bank financial institutions and tax laws and regulations, which may have a significant effect on GE Capital's structure, operations and performance.

The businesses in which GE Capital engages are highly competitive. GE Capital is subject to competition from various types of financial institutions, including banks, thrifts, investment banks, broker-dealers, credit unions, leasing companies, consumer loan companies, independent finance companies, finance companies associated with manufacturers and insurance and reinsurance companies.

### *Business and Economic Conditions*

GE Capital's businesses are generally affected by general business and economic conditions in countries in which it conducts business. When overall economic conditions deteriorate in those countries, there generally are adverse effects on its operations, although those effects are dynamic and complex. For example, a downturn in employment or economic growth in a particular national or regional economy will generally increase the pressure on customers, which generally will result in deterioration of repayment patterns and a reduction in the value of collateral. However, in such a downturn, demand for loans and other products and services GE Capital offers may actually increase. Interest rates, another macro-economic factor, are important to GE Capital's businesses. In the lending and leasing businesses, higher real interest rates

increase GE Capital's cost to borrow funds, but also provide higher levels of return on new investments. For GE Capital's operations, such as the insurance operations, that are linked less directly to interest rates, rate changes generally affect returns on investment portfolios.

### *Litigation Risk*

As previously reported, in July and September 2008, shareholders filed two purported class actions under the federal securities laws in the United States District Court for the District of Connecticut naming as defendant GE Company (our ultimate parent), as well as its chief executive officer and chief financial officer. These two actions have been consolidated and in January 2009, a consolidated complaint was filed alleging that GE Company and its chief executive officer made false and misleading statements that artificially inflated GE Company's stock price between March 12, 2008 and April 10, 2008, when GE Company announced that its results for the first quarter of 2008 would not meet its previous guidance, and GE Company also lowered its full year guidance for 2008. The case seeks unspecified damages. GE Company's motion to dismiss the consolidated complaint was filed in March 2009 and is currently under consideration by the court. GE Company intends to defend itself vigorously.

As previously reported, in October 2008, shareholders filed a purported class action under the federal securities laws in the United States District Court for the Southern District of New York naming as defendant GE Company, as well as its chief executive officer and chief financial officer. The complaint alleges that during a conference call with analysts on September 25, 2008, defendants made false and misleading statements concerning (i) the state of GE Company's funding, cash flows, and liquidity and (ii) the question of issuing additional equity, which caused economic loss to those shareholders who purchased GE Company stock between September 25, 2008 and October 2, 2008, when GE Company announced the pricing of a common stock offering. The case seeks unspecified damages. GE Company's motion to dismiss the complaint was filed in April 2009 and is currently under consideration by the court. GE Company intends to defend itself vigorously.

As previously reported, in March and April 2009, shareholders filed purported class actions under the federal securities laws in the United States District Court for the Southern District of New York naming as defendants GE Company, a number of GE Company officers (including its chief executive officer and chief financial officer) and GE Company directors. The complaints, which have now been consolidated, seek unspecified damages based on allegations related to statements regarding the dividend and projected losses and earnings for GE Capital in 2009. A shareholder derivative action has been filed in federal court in Connecticut in May 2009 making essentially the same allegations as the New York class actions. GE Company has moved to consolidate the Connecticut derivative action with the recently consolidated New York class actions.

As previously reported, the Antitrust Division of the Department of Justice ("**DOJ**") and the SEC are conducting an industry-wide investigation of marketing and sales of guaranteed investment contracts, and other financial instruments, to municipalities. In connection with this investigation, two of GE Capital's subsidiaries have received subpoenas and requests for information in connection with the investigation: GE Funding CMS ("**Trinity Funding Co.**") and GE Funding Capital Market Services, Inc. ("**GE FCMS**"). GE Capital has cooperated and continues to cooperate fully with the SEC and DOJ in this matter. In July 2008, GE FCMS received a "Wells notice" advising that the SEC's staff is considering recommending that the SEC bring a civil injunctive action or institute an administrative proceeding in connection with the bidding for various financial instruments associated with municipal securities by certain former employees of GE FCMS. GE FCMS is one of several industry participants that received Wells notices during 2008. GE FCMS disagrees with the SEC staff regarding this recommendation and has been in discussions with the staff, including discussion of potential resolution of the matter. GE FCMS intends to continue these discussions and understands that it will have the opportunity to address any disagreements with the SEC staff with respect to its recommendation through the Wells process with the full Commission. In March 2008, GE FCMS and Trinity Funding Co., LLC (Trinity Funding) were served with a federal class action complaint asserting antitrust violations. This action has been combined with other related actions in a multidistrict litigation proceeding in the United States District Court for the Southern District of New York. In addition, GE FCMS and Trinity Funding also received subpoenas from the Attorneys General of the State of

Connecticut and Florida on behalf of a working group of State Attorneys General in June 2008. GE FCMS and Trinity Funding are cooperating with those investigations.

In June 2008, the Environmental Protection Agency ("**EPA**") issued a notice of violation against GE Capital alleging non-compliance with the Clean Air Act at a power cogeneration plant in Homer City, PA. The plant is operated exclusively by EME Homer City Generation L.P., and is owned and leased to EME Homer City Generation L.P. by GE Capital's subsidiaries. The notice of violation does not indicate a specific penalty amount but makes reference to statutory fines. GE Capital believes that GE Company has meritorious defences and that EME Homer City Generation L.P. is obligated to indemnify GE Capital's subsidiaries and pay all costs associated with this matter.

For further information about governmental, legal or arbitration proceedings affecting GE Capital, see "General Information—Litigation".

### **Current Market Conditions**

*The unprecedented conditions in the financial and credit markets may affect the availability and cost of GE Capital's funding*

The financial and credit markets have been experiencing unprecedented levels of volatility and disruption, putting downward pressure on financial and other asset prices generally and on the credit availability for certain issuers. The U.S. Government and the Federal Reserve Bank recently created a number of programs to help stabilize credit markets and financial institutions and restore liquidity. Many non-U.S. governments have also created or announced similar measures for institutions in their respective countries. These programs have improved conditions in the credit and financial markets, but there can be no assurance that these programs, individually or collectively, will continue to have beneficial effects on the markets overall, or will resolve the credit or liquidity issues of companies that participate in the programs.

A large portion of GE Capital's borrowings have been issued in the commercial paper and term debt markets. GE Capital continued to issue commercial paper and, as planned, reduced its outstanding commercial paper balance to U.S.\$48 billion at 30 September 2009. From November 2008, GE Capital has issued term debt, mainly debt guaranteed by the Federal Deposit Insurance Corporation under the Temporary Liquidity Guarantee Programme (the "**TLGP**"), which expired in October 2009, and to a lesser extent, on a non-guaranteed basis. GE Capital's 2009 funding plan anticipated approximately U.S.\$45 billion of senior, unsecured long-term debt issuance, U.S.\$13.4 billion of which was pre-funded in December 2008. In the first nine months of 2009, GE Capital completed issuances of U.S.\$42 billion of long-term debt under the TLGP and U.S.\$20 billion in no-guaranteed senior, unsecured debt. Subsequent to the end of the third quarter, an additional U.S.\$4.6 billion of long-term debt was issued under the TLGP, which completed pre-funding of U.S.\$35 billion of GE Capital's 2010 long-term debt funding target of U.S.\$35 to U.S.\$40 billion. GE Capital's total senior, unsecured long-term debt issuance under TLGP at 30 September 2009 was U.S.\$60 billion.

Although the commercial paper and term debt market have remained available to GE Capital to fund its operations and debt maturities, there can be no assurance that such markets will continue to be available or, if available, that the cost of such funding will not substantially increase. Factors that may cause an increase in GE Capital's funding cost include: a decreased reliance on short-term funding, such as commercial paper, in favour of longer-term funding arrangements; market conditions and debt spreads for GE Capital's debt without the guarantee provided under TLGP; refinancing of funding that GE Capital has obtained under the TLGP at market rates at the time such funding matures; decreased capacity and increased competition among debt issuers; and GE Capital's credit ratings in effect at the time of refinancing. If GE Capital's cost of funding were to increase, this may adversely affect its competitive position and result in lower lending margins, earnings and cash flows as well as lower returns on its shareholders' equity and invested capital. If current levels of market disruption and volatility continue or worsen, GE Capital would seek to repay commercial paper and term debt as they become due or to meet its other liquidity needs by drawing upon contractually committed lending agreements primarily provided by global banks and/or seeking other sources of funding. There can be no assurance that, under extreme market conditions, contractually committed lending agreements and other funding sources would be

available or sufficient. While GE Company currently does not anticipate any equity offerings, other sources of funding that involve the issuance of additional equity securities would be dilutive to GE Company's existing shareholders.

*Difficult conditions in the financial services markets have materially and adversely affected the business and results of operations of GE Capital and it does not expect these conditions to improve in the near future*

Dramatic declines in the housing market, with falling home prices and increasing foreclosures and unemployment, have resulted in significant write-downs of asset values by financial institutions, including government-sponsored entities and major commercial and investment banks. These write-downs, initially of mortgage-backed securities but spreading to credit default swaps and other derivative securities, have caused many financial institutions to seek additional capital, to merge with other institutions and, in some cases, to fail. Many lenders and institutional investors have reduced and, in some cases, ceased to provide funding to borrowers including other financial institutions. This market turmoil and tightening of credit have led to an increased level of commercial and consumer delinquencies, lack of consumer confidence, increased market volatility and widespread reduction of business activity generally. If these conditions continue or worsen, there can be no assurance that GE Capital will be able to recover fully the value of certain assets such as goodwill and intangibles. In addition, although GE Capital has established allowances for losses in GE Capital's portfolio of financing receivables that GE Capital believes are adequate, significant and unexpected further deterioration in the economy and in default and recovery rates could require GE Capital to increase these allowances and write-offs, which, depending on the amount of the increase, could have a material adverse effect on GE Capital's business, financial position and results of operations.

*The soundness of other financial institutions could adversely affect GE Capital*

GE Capital has exposure to many different industries and counterparties, and routinely executes transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks and other institutional clients. Many of these transactions expose GE Capital to credit risk in the event of default of its counterparty or client. In addition, GE Capital's credit risk may be increased when the collateral held by it cannot be realized upon sale or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to it. GE Capital also has exposure to these financial institutions in the form of unsecured debt instruments held in its investment portfolios. GE Capital has policies relating to initial credit rating requirements and to exposure limits to counterparties, which mitigate credit and liquidity risk. There can be no assurance, however, that any losses or impairments to the carrying value of financial assets would not materially and adversely affect GE Capital's business, financial position and results of operations.

*The real estate markets in which GE Capital participates are highly uncertain*

GE Capital participates in the commercial real estate market in two ways: it provides financing for the acquisition, refinancing and renovation of various types of properties and it also acquires an equity position in various types of properties. The profitability of real estate investments is largely dependent upon the specific geographic market in which the properties are located and the perceived value of that market at the time of sale. Such activity may vary significantly from one year to the next. Rising unemployment, a slowdown in general business activity and recent disruptions in the credit markets have adversely affected, and are expected to continue to adversely affect, the value of real estate assets GE Capital holds. Under current market and credit conditions, there can be no assurance as to the level of sales GE Capital will complete or the net sales proceeds it will realize. Also, there can be no assurance that occupancy rates and market rentals will continue at their current levels given the current economic environment during the period in which GE Capital continues to hold its equity investments in these properties which may result in an impairment to the carrying value of those investments.

GE Capital is also a residential mortgage lender in certain geographic markets, particularly in the United Kingdom, that have been and may continue to be adversely affected by declines in residential real estate values and home sale volumes, job losses, consumer bankruptcies and other factors that may negatively impact the credit performance of GE Capital's mortgage loans. GE Capital's allowance for loan losses on these mortgage loans is based on GE Capital's

analysis of current and historical delinquency and loan performance, as well as other management assumptions that may be inaccurate predictions of credit performance in this environment. There can be no assurance that, in this environment, credit performance will not be materially worse than anticipated and, as a result, materially and adversely affect GE Capital's business, financial position and results of operations.

*Failure to maintain GE Capital's high credit ratings could adversely affect GE Capital's cost of funds and related margins, liquidity, competitive position and access to capital markets*

The major debt rating agencies routinely evaluate GE Capital's debt. This evaluation is based on a number of factors, which include financial strength as well as transparency with rating agencies and timeliness of financial reporting. On January 24, 2009, Moody's Investment Services affirmed GE Capital's "Prime-1" short-term ratings and on March 23, 2009, Moody's downgraded the long-term ratings of GE Capital from Aaa to Aa2, with a "stable" outlook. On March 12, 2009, Standard & Poor's downgraded the long-term ratings of GE Capital by a single-notch from AAA to AA+, with a "stable" outlook. In light of the uncertainty and difficulties in the financial services industry and the difficult financial markets, there can be no assurance that GE Company will successfully implement its 2009 operational and funding plan for GE Capital or, in the event of further deterioration in the financial markets, that completion of its plan and any other steps GE Company might take in response will be sufficient to allow GE Capital to maintain GE Capital's ratings. Failure to do so could adversely affect GE Capital's cost of funds and related margins, liquidity, competitive position and access to capital markets.

*Current conditions in the global economy and the major industries GE Capital serves also may materially and adversely affect the business and results of operations of GE Company's non-financial businesses*

The business and operating results of GE Company's technology infrastructure, energy infrastructure, consumer and industrial and media businesses have been and will continue to be affected by worldwide economic conditions and, in particular, conditions in the air and rail transportation, energy generation, healthcare, network television and other major industries that GE Capital serves. As a result of slowing global economic growth, the credit market crisis, declining consumer and business confidence, increased unemployment, reduced levels of capital expenditures, fluctuating commodity prices, bankruptcies and other challenges currently affecting the global economy, GE Company's customers may experience deterioration of their businesses, cash flow shortages, and difficulty obtaining financing. As a result, existing or potential customers may delay or cancel plans to purchase GE Company's products and services, including large infrastructure projects, and may not be able to fulfil their obligations to GE Company in a timely fashion. Contract cancellations could affect GE Company's ability to fully recover GE Company's contract costs and estimated earnings.

Further, GE Company's vendors may be experiencing similar conditions, which may impact their ability to fulfil their obligations to GE Company. Although the new Administration in the United States is expected to enact various economic stimulus programs, there can be no assurance as to the timing and effectiveness of these programs. If the global economic slowdown continues for a significant period or there is significant further deterioration in the global economy, GE Company's results of operations, financial position and cash flows could be materially adversely affected.

## **ACCOUNTING TREATMENT**

We will treat each Trust as an unconsolidated subsidiary and will continue to report the aggregate principal amount of the Debentures held by each Trust as a liability, record the assets related to the cash and Common Securities received from each Trust in our consolidated Statement of Financial Position and report interest paid or payable on the Debentures held by each Trust as an interest expense in our consolidated Statements of Earnings.

## THE EXCHANGE OFFER

### Terms of the Exchange Offer

#### *General*

The Trusts are offering to exchange Debentures for Trust Securities as follows:

- GE Capital Trust II will exchange any or all of the EUR 2067 Debentures for its EUR 2067 Trust Securities;
- GE Capital Trust III will exchange any or all of the GBP 2067 Debentures for its GBP 2067 Trust Securities;
- GE Capital Trust IV will exchange any or all of the EUR 2066 Debentures for its EUR 2066 Trust Securities; and
- GE Capital Trust V will exchange any or all of the GBP 2066 Debentures for its GBP 2066 Trust Securities;

in each case, on the terms and subject to the conditions set forth in this Prospectus. Valid tenders of the Debentures pursuant to the Exchange Offer will be accepted only in principal amounts of €50,000 and integral multiples of €1,000, in the case of Euro denominated Debentures, and £50,000 and integral multiples of £1,000, in the case of Sterling denominated Debentures.

The Trusts will issue the Trust Securities directly to holders of the Debentures that are accepted in the Exchange Offer.

#### *Offer Consideration*

Holders who validly tender Debentures on or prior to the Early Participation Date and who do not withdraw such tenders will be eligible to receive:

- per each €1,000 principal amount of Euro denominated Debentures tendered for exchange, the "total exchange consideration" consisting of one Trust Security, having a liquidation amount equal to €1,000, plus a cash payment equal to €10.00, which includes an early participation payment of €5.00; and
- per each £1,000 principal amount of Sterling denominated Debentures tendered for exchange, the "total exchange consideration" consisting of one Trust Security, having a liquidation amount equal to £1,000, plus a cash payment equal to £10.00, which includes an early participation payment of £5.00;

Holders who validly tender Debentures after the Early Participation Date but on or prior to the Expiration Date and who do not withdraw such tenders will receive the total exchange consideration less the early participation payment, and accordingly will be eligible to receive:

- per each €1,000 principal amount of Euro denominated Debentures tendered for exchange, one Trust Security, having a liquidation amount equal to €1,000, plus a cash payment equal to €5.00; and
- per each £1,000 principal amount of Sterling denominated Debentures tendered for exchange, one Trust Security, having a liquidation amount equal to £1,000, plus a cash payment equal to £5.00.

Trust Securities issued in exchange for Euro denominated Debentures will be issued pursuant to the Exchange Offer in denominations of €50,000 liquidation amount and integral multiples of €1,000 in excess thereof.

Trust Securities issued in exchange for Sterling denominated Debentures will be issued pursuant to the Exchange Offer in denominations of £50,000 liquidation amount and integral multiples of £1,000 in excess thereof.

#### *Early Participation Payment*

We want to encourage holders to tender early. Accordingly, the total exchange consideration for each €1,000 principal amount of Euro denominated Debentures validly tendered on or prior to the Early Participation Date and accepted for exchange, includes an early participation payment of an additional cash payment of €5.00, and for each £1,000 principal amount of Sterling denominated Debentures validly tendered on or prior to the Early Participation Date and accepted for exchange includes an early participation payment of an additional cash payment of £5.00.

Only holders who validly tender their Debentures on or prior to the Early Participation Date and do not withdraw their tenders will be eligible to receive an early participation payment. Holders who validly tender their Debentures after the Early Participation Date will not receive the portion of the total exchange consideration attributable to the early participation payment.

### **Conditions of the Exchange Offer**

The Trusts will not be required to accept for exchange, or to issue Trust Securities in respect of, any Debentures tendered pursuant to the Exchange Offer, and we may cause the Trusts to terminate, extend or amend the Exchange Offer and may (subject to Rule 14e-1 under the Exchange Act), cause the Trusts to postpone the acceptance for exchange of, and issuance of Trust Securities in respect of, any Debentures so tendered in the Exchange Offer, unless each of the following conditions is satisfied prior to the Expiration Date:

- there shall not have been any change or development that in our reasonable judgment materially reduces the anticipated benefits to us of the Exchange Offer or that has had, or could reasonably be expected to have, a material adverse effect on us or our businesses, condition (financial or otherwise) or prospects;
- there shall not have been instituted or threatened in writing any action, proceeding or investigation by or before any governmental authority, including any court, governmental, regulatory or administrative branch or agency, tribunal or instrumentality, that relates in any manner to the Exchange Offer and that in our reasonable judgment makes it advisable for us to cause the Trusts to terminate the Exchange Offer; and
- there shall not have occurred:
  - (i) any general suspension of or limitation on prices for trading in securities in the United States securities or financial markets;
  - (ii) a declaration of a banking moratorium or any suspension of payments with respect to banks in the United States; or
  - (iii) a commencement or significant worsening of a war or armed hostilities or other national or international calamity, including but not limited to, catastrophic terrorist attacks against the United States or its citizens.

We expressly reserve the right to cause the Trusts to amend or terminate the Exchange Offer and to reject for exchange any Debentures not previously accepted for exchange, if any of the conditions to the Exchange Offer specified above are not satisfied. In addition, we expressly reserve the right, at any time or at various times on or prior to the Expiration Date, to cause the Trusts to waive any conditions to the Exchange Offer, in whole or in part. We will give oral or written notice (with any oral notice to be promptly confirmed in writing) of any amendment, non-acceptance, termination or waiver to the Exchange Agent as promptly as practicable, followed by a timely press release.

These conditions are solely for our benefit, and we may cause the Trusts to assert them regardless of the circumstances that may give rise to them, or waive them in whole or in part, at any or at various times on or prior to the Expiration Date in our sole discretion. If we fail to cause the Trusts at any time to exercise any of the foregoing rights, this failure will not constitute a waiver of such right. Each such right will be deemed an ongoing right that we may assert at any time or at various times on or prior to the Expiration Date.

## **Early Participation Date and Expiration Date; Extension; Termination; Amendment**

The Early Participation Date is 5:00 p.m. (London time) on February 16, 2010 (as such date and time may be extended, the "**Early Participation Date**"). The Exchange Offer will expire at 11:59 p.m., (London time) on March 2, 2010, unless extended or the Exchange Offer is earlier terminated.

We reserve the right to cause the Trusts to extend the Early Participation Date and the period of time that the Exchange Offer is open, and delay acceptance for exchange of the Debentures tendered in the Exchange Offer, by giving oral or written notice to the Exchange Agent and by a public announcement no later than 9:00 a.m., London time, on the next business day after the previously scheduled Early Participation Date or Expiration Date, as the case may be. During any such extension, all Debentures you have previously tendered in the Exchange Offer will remain subject to the Exchange Offer and, prior to 11:59 p.m. (London time) on the Expiration Date, subject to your right to withdraw in accordance with the Exchange Offer.

We reserve the right, regardless of whether or not the conditions to the Exchange Offer have been satisfied but subject to applicable law, to cause the Trusts to terminate the Exchange Offer prior to the time it expires or to amend it in any respect. If we cause the Trusts to terminate or amend the Exchange Offer, we will notify the Exchange Agent by oral or written notice and will issue a timely public announcement regarding the termination or amendment. Upon termination of the Exchange Offer for any reason, any Debentures previously tendered in the Exchange Offer will be promptly returned to the tendering holders.

If we cause the Trusts to make a material change in the terms of the Exchange Offer or the information concerning the Exchange Offer, or waive a material condition of the Exchange Offer, we will promptly disseminate disclosure regarding the change or waiver, and cause the Trusts to extend the Exchange Offer, if required by law, so that the Exchange Offer remains open a minimum of five business days from the date we disseminate that disclosure.

If we cause the Trusts to make a change in the consideration payable in respect of the Exchange Offer, we will promptly disseminate disclosure regarding the change and cause the Trusts to extend the Exchange Offer, if required by law, so that the Exchange Offer remains open a minimum of ten business days from the date we disseminate that disclosure.

## **Procedures for Tendering Debentures**

*Debenture holders who need assistance with respect to the procedures for participating in the Exchange Offer should contact the Exchange Agent, the contact details for which are on the last page of this Prospectus.*

We will only accept offers of Debentures for exchange in the Exchange Offer by way of the submission of valid Exchange Instructions in accordance with the procedures set out below.

To offer Debentures for exchange in the Exchange Offer, a Debenture holder should deliver, or arrange to have delivered on its behalf, via the relevant Clearing System and in accordance with the requirements of such Clearing System, a valid Exchange Instruction that is received by the Exchange Agent by the Expiration Date.

To be eligible for the early participation payment, which will be paid in the circumstances described in "The Exchange Offer – Terms of the Exchange Offer", such Exchange Instruction must be received by the Exchange Agent by the Early Participation Date.

*Debenture holders are advised to check with any bank, securities broker or other intermediary through which they hold Debentures as to when such intermediary would need to receive instructions in order for the Debenture holder to participate in, or revoke its instruction to participate in, the Exchange Offer and in time to meet the deadlines specified in this Prospectus. **The deadlines set by any such intermediary and each Clearing System for the submission and withdrawal of Exchange Instructions will be earlier than the relevant deadlines specified in this Prospectus.***

### *Exchange Instructions*

The offering of Debentures for exchange by a Holder will be deemed to have occurred upon receipt by the Exchange Agent from the relevant Clearing System of a valid Exchange Instruction submitted in accordance with the requirements of such Clearing System. Each Exchange Instruction must specify, among other things, the title of, and aggregate principal amount of the Debentures being offered for exchange and the securities account number at the relevant Clearing System in which such Debentures are held. The receipt of such Exchange Instruction by the relevant Clearing System will be acknowledged in accordance with the standard practices of such Clearing System and will result in the blocking of the relevant Debentures in the relevant Debenture holder's account with the relevant Clearing System so that no transfers may be effected in relation to such Debentures.

Debenture holders must take the appropriate steps through the relevant Clearing Systems so that no transfers may be effected in relation to such blocked Debentures at any time after the date of submission of such Exchange Instruction, in accordance with the requirements of the relevant Clearing System and the deadlines required by such Clearing System. By blocking such Debentures in the relevant Clearing System, each direct participant will be deemed to consent to have the relevant Clearing System provide details concerning such direct participant's identity to the Exchange Agent (and for the Exchange Agent to provide such details to us and the Dealer Managers).

**Only Direct Participants may submit Exchange Instructions. Each Debenture holder that is not a Direct Participant must arrange for the Direct Participant through which such Debenture holder holds its Debentures to submit an Exchange Instruction on its behalf to the relevant Clearing System before the deadlines specified by the relevant Clearing System.**

Exchange Instructions may be revoked by a Debenture holder, or the relevant Direct Participant on its behalf, by submitting a valid electronic withdrawal instruction to the relevant Clearing System. To be valid, such instruction must specify the Debentures to which the original Exchange Instruction related, the securities account to which such Debentures are credited and any other information required by the relevant Clearing System.

By submitting a valid Exchange Instruction to the relevant Clearing System in accordance with the standard procedures of such Clearing System, a Debenture holder and any Direct Participant submitting such Exchange Instruction on such Debenture holder's behalf shall be deemed to agree, and acknowledge, represent, warrant and undertake, to us, the Exchange Agent and the Dealer Managers the following at the Expiration Date and the time of settlement on the Settlement Date (if a Debenture holder or Direct Participant is unable to make any such agreement or acknowledgement or give any such representation, warranty or undertaking, such Debenture holder or Direct Participant should contact the Exchange Agent immediately):

- (a) it has received the Prospectus and has received and accepts the offer and distribution restrictions, terms, conditions, risk factors and other considerations of the Exchange Offer all as described in this Prospectus;
- (b) by blocking the relevant Debentures in its account at the relevant Clearing System, it will be deemed to consent, in the case of a Direct Participant, to have such Clearing System provide details concerning its identity to the Exchange Agent (and for the Exchange Agent to provide such details to us and the Dealer Managers);
- (c) upon the terms and subject to the conditions of the Exchange Offer, it offers for exchange in the Exchange Offer the principal amount of Debentures in its account blocked in the relevant Clearing System and, subject to and effective upon such exchange by us, it renounces all right, title and interest in and to all such Debentures exchanged and waives and releases any rights or claims it may have against us with respect to any such Debentures or the Exchange Offer;
- (d) all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs,

executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;

- (e) none of GE Capital, the Dealer Managers or the Exchange Agent has given it any information with respect to the Exchange Offer save as expressly set out in the Prospectus nor has any of them made any recommendation to it as to whether it should offer Debentures for exchange in the Exchange Offer and it has made its own decision with regard to submitting Debentures for exchange in the Exchange Offer based on any legal, tax or financial advice it has deemed necessary to seek;
- (f) save as set out in the Prospectus, no information has been provided to it by GE Capital, the Dealer Managers or the Exchange Agent, or any of their respective directors or employees, with regard to the tax consequences for Debenture holders arising from the exchange of Debentures in the Exchange Offer for Trust Securities, or in relation to the Trust Securities, or the receipt by it of the early participation payment (if applicable), and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Exchange Offer (including the exchange of its Debentures and the receipt pursuant to the Exchange Offer of Trust Securities), or in relation to the Trust Securities, and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against GE Capital, the Dealer Managers or the Exchange Agent, or any of their respective directors or employees, or any other person in respect of such taxes and payments;
- (g) it is not a person to whom it is unlawful to make an invitation pursuant to the Exchange Offer under applicable securities laws, it has not distributed or forwarded the Prospectus or any other documents or materials relating to the Exchange Offer to any such person(s), and it has (before submitting, or arranging for the submission on its behalf, as the case may be, of the Exchange Instruction in respect of the Debentures it is offering for exchange) complied with all laws and regulations applicable to it for the purposes of its participation in the Exchange Offer;
- (h) the Trust Securities have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act (terms used in this and the following paragraph that are defined in Regulation S are used as defined in Regulation S);
- (i) either (a) (i) it is the beneficial owner of the Debentures being offered for exchange and (A) it is located outside the United States and is participating in the Exchange Offer from outside the United States and it is not a U.S. person or (B) it is in the United States or is a U.S. person and it is a qualified institutional buyer, as defined in Rule 144A under the Securities Act, and the placement to it of the Trust Securities is being made in reliance on Section 4(2) of the Securities Act, or (b) (i) it is acting on behalf of the beneficial owner of the Debentures being offered for exchange on a non-discretionary basis and has been duly authorized to so act and (A) such beneficial owner has confirmed to it that it is located outside the United States and is participating in the Exchange Offer from outside the United States and it is not a U.S. person, or (B) such beneficial owner has confirmed that it is in the United States or is a U.S. person and it is a qualified institutional buyer, as defined in Rule 144A under the Securities Act, and the placement to it of the Trust Securities is being made in reliance on Section 4(2) of the Securities Act;
- (j) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Order) or within Article 43(2) of the Order, or to whom this Prospectus and any other documents or materials relating to the Exchange Offer may otherwise lawfully be communicated in accordance with the Order;
- (k) it is not located or resident in Italy, it did not receive the Prospectus or any invitation to participate in the Exchange Offer in Italy and it is not acting on behalf of investors located or resident in Italy;

- (l) it has full power and authority to offer for exchange and transfer the Debentures offered for exchange and, if such Debentures are accepted for exchange by GE Capital, such Debentures will be transferred to, or to the order of, the applicable Trust and upon such transfer such Trust will hold full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached to such Debentures, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Trust to be necessary or desirable to complete the transfer of such Debentures or to evidence such power and authority;
- (m) it holds and will hold, until the time of settlement on the Settlement Date, the Debentures blocked in the relevant Clearing System and, in accordance with the requirements of, and by the deadline required by, such Clearing System, it has submitted, or has caused to be submitted, an Exchange Instruction to such Clearing System to authorize the blocking of the Debentures offered for exchange with effect on and from the date of such submission so that, at any time pending the transfer of such Debentures on the Settlement Date to the Trust or to its agent on its behalf, no transfers of such Debentures may be effected; and
- (n) The beneficial owner or a person acting on behalf of a beneficial owner shall, in each case, specify in the Exchange Instructions the matters set forth in (i) above and specify to the Clearing System whether the beneficial owner is holding an interest in Debentures represented by a Rule 144A Debenture or a Regulation S Debenture and accordingly that such beneficial owner shall receive his/her Trust Securities in the corresponding form.

The receipt of an Exchange Instruction by the relevant Clearing System will constitute instructions to debit the securities account of the relevant Debenture holder on the Settlement Date in respect of all of the Debentures that such Debenture holder has offered for exchange, upon receipt by such Clearing System of an instruction from the Exchange Agent to receive such Debentures for the account of the applicable Trust and against credit of the relevant Trust Securities issued by such Trust and payment by GE Capital of the early participation payment (if applicable), subject to the automatic withdrawal of those instructions on the date of any termination of the Exchange Offer (including where such Debentures are not accepted by the Trust for exchange) or on the valid revocation of such Exchange Instruction by the Debenture holders, and subject to acceptance of the Exchange Offer by the relevant Trust and all other conditions set out in this Prospectus.

#### *U.S. Federal Income Tax and Backup Withholding*

*Withholding on Payments to Non-U.S. Persons.* U.S. federal income tax at a rate of 30% will be withheld from a Participation Payment made to a Non-U.S. Holder, as defined below under "Certain U.S. Federal Income Tax Consequences", unless, prior to payment, the Non-U.S. Holder provides a properly executed statement on (a) Internal Revenue Service ("**IRS**") Form W-8BEN claiming an exemption from or reduction of withholding under the "Other Income" or other relevant article of an applicable U.S. income tax treaty, specifying the beneficial owner's U.S. taxpayer identification number (its "**TIN**"), and making certain certifications; or (b) IRS Form W-8ECI stating that the Participation Payment is effectively connected with the beneficial owner's conduct of a trade or business in the United States and specifying the beneficial owner's TIN. If the beneficial owner holds its Debentures through a bank, broker or other financial institution (an "**Intermediary**"), the beneficial owner must provide the IRS Form W-8BEN or IRS Form W-8ECI, as applicable, to such Intermediary.

No Additional Amounts will be paid to a Non U.S. Holder with respect to any U.S. federal income tax withheld from a Participation Payment. A non-U.S. entity that does not have a TIN may be able to obtain one by completing IRS Form SS-4 (available at <http://www.irs.gov/pub/irs-pdf/fss4.pdf>) and calling the IRS at 1-215-516-6999. IRS Form W-8BEN is available at <http://www.irs.gov/pub/irs-pdf/fw8ben.pdf> and IRS Form W-8ECI is available at <http://www.irs.gov/pub/irs-pdf/fw8eci.pdf>. Instructions for both forms are available on the IRS's website at <http://www.irs.gov/app/picklist/list/formsInstructions.html>.

*TIN and Backup Withholding.* U.S. federal income tax law generally requires that a beneficial owner of Debentures accepted for exchange in the Exchange Offer must provide such beneficial owner's correct TIN, or otherwise establish an exemption from backup withholding. In general, for a beneficial owner who is an individual, the TIN is such individual's social security number. If the beneficial owner holds its Debentures through an Intermediary, the beneficial

owner must provide its TIN or documentation establishing an exemption from backup withholding to such Intermediary. If that information is not provided, such beneficial owner may be subject to a \$50 penalty imposed by the IRS and backup withholding in an amount equal to 28% of the amount of any reportable payments made pursuant to the Exchange Offer. If withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is timely furnished to the IRS.

To prevent backup withholding, each tendering beneficial owner that is a U.S. person must provide such beneficial owner's correct TIN by providing a complete and properly executed IRS Form W-9, which is available at <http://www.irs.gov/pub/irs-pdf/fw9.pdf>, certifying that the TIN provided is correct (or that such beneficial owner is awaiting a TIN) and that (a) the beneficial owner is exempt from backup withholding, (b) the beneficial owner has not been notified by the IRS that such beneficial owner is subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified the beneficial owner that such beneficial owner is no longer subject to backup withholding. Such beneficial owner must also certify that such beneficial owner is a "U.S. person" as defined under the Internal Revenue Code of 1986, as amended, and applicable Treasury regulations.

If a beneficial owner that is a U.S. person does not have a TIN, such beneficial owner should consult the instructions that are included on the Form W-9 for directions on applying for a TIN, write "Applied For" in the space for the TIN in Part I of the Form W-9, and sign and date the Form W-9. If the beneficial owner does not provide such beneficial owner's TIN by the date any reportable payments are due, the payments will be subject to backup withholding at a rate of 28%. **Note: Writing "Applied For" on the form means that the beneficial owner has already applied for a TIN or that such beneficial owner intends to apply for one in the near future.**

If the Debentures are held in more than one name or are not in the name of the actual owner, consult the instructions included with the Form W-9 for information on which TIN to report.

Exempt beneficial owners (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. To prevent possible erroneous backup withholding, an exempt beneficial owner that is a U.S. person should check the box titled "Exempt from backup withholding" after the name and address lines of the Form W-9. See the instructions included in the Form W-9 for additional directions. In order for a nonresident alien or foreign entity to qualify as exempt, such person must submit a completed applicable IRS Form W-8BEN, W-8ECI, W-8EXP or W-8IMY, as the case may be, signed under penalties of perjury, attesting to such exempt status. These forms and their instructions may be obtained from the Exchange Agent or the IRS at its website: <http://www.irs.gov/app/picklist/list/formsInstructions.html>.

### **Determination of Validity**

All questions as to the form of all documents and the validity (including time of receipt) and acceptance of tenders and withdrawals of Debentures will be determined by us, in our sole discretion, which determination shall be final and binding. Alternative, conditional or contingent tenders will not be considered valid. We reserve the absolute right to cause the Trusts to reject any or all tenders of Debentures that are not in proper form or the acceptance of which would, in our opinion, be unlawful. We also reserve the right to cause the Trusts to waive any defects, irregularities or conditions of tender as to particular Debentures. A waiver of any defect or irregularity with respect to the tender of one Debenture shall not constitute a waiver of the same or any other defect or irregularity with respect to the tender of any other Debenture except to the extent we may otherwise so provide. Our interpretations of the terms and conditions of the Exchange Offer will be final and binding. Tenders of Debentures shall not be deemed to have been made until any defects or irregularities have been waived by the Trusts at our direction or cured. None of us, the trustees of the Trusts, the Exchange Agent, the Dealer Managers, the Information Agent or any other person will be under any duty to give notice of any defects or irregularities in tenders of Debentures, or will incur any liability to you for failure to give any such notice.

### **Compliance with "Short Tendering" Rule**

It is a violation of Rule 14e-4 under the Exchange Act for a person, directly or indirectly, to tender Debentures for such person's own account unless the person so tendering (a) has a net long position equal to or greater than the aggregate

principal amount of the Debentures being tendered and (b) will cause such Debentures to be delivered in accordance with the terms of the Exchange Offer. Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person.

A tender of Debentures in response to the Exchange Offer under any of the procedures described above will constitute a binding agreement between the tendering holder and the relevant Trust with respect to the Exchange Offer upon the terms and subject to the conditions of the Exchange Offer, including the tendering holder's acceptance of the terms and conditions of the Exchange Offer, as well as the tendering holder's representation and warranty that (a) such holder has a net long position in the Debentures being tendered pursuant to the Exchange Offer within the meaning of Rule 14e-4 under the Exchange Act and (b) the tender of such Debentures complies with Rule 14e-4.

### **Acceptance of Trust Securities for Exchange**

Upon the terms and subject to the conditions of the Exchange Offer, the Trusts will accept for exchange, and promptly deliver Trust Securities in exchange for validly tendered Debentures that were not validly withdrawn pursuant to the Exchange Offer. Valid tenders of the Debentures pursuant to the Exchange Offer will be accepted only in principal amounts of €50,000 and integral multiples of €1,000 or £50,000 and integral multiples of £1,000, as the case may be.

For purposes of the Exchange Offer, the Trusts will be deemed to have accepted Debentures for exchange if, as and when we give oral (promptly confirmed in writing) or written notice thereof to the Exchange Agent.

Each Trust will deliver Trust Securities in exchange for Debentures accepted for exchange in the Exchange Offer as soon as practicable after the Expiration Date by issuing the Trust Securities on the Settlement Date to the Clearing Systems, which will act as agents for you for the purpose of receiving the Trust Securities and accrued distributions and transmitting the Trust Securities to you.

We expressly reserve the right, subject to applicable law, to cause the Trusts to (1) delay acceptance for exchange of Debentures tendered under the Exchange Offer or the delivery of Trust Securities in exchange for the Debentures accepted for exchange (subject to Rule 14e-1 under the Exchange Act, which requires that we cause the Trusts to pay the consideration offered or return the Debentures deposited by or on behalf of the holders promptly after the termination or withdrawal of any of the Exchange Offer), or (2) terminate the Exchange Offer at any time.

If, for any reason, acceptance for exchange of validly tendered Debentures pursuant to the Exchange Offer is delayed, or we are unable to cause the Trusts to accept for exchange validly tendered Debentures pursuant to the Exchange Offer, then the Clearing Systems may, nevertheless, on behalf of the Trusts, retain (subject to Rule 14e-1 described above) tendered Debentures, without prejudice to the Trusts' rights described under "— Early Participation Date and Expiration Date; Extension; Termination; Amendment" and "—Conditions of the Exchange Offer" above and "— Withdrawal of Tenders" below.

We reserve the right to cause the Trusts to transfer or assign, in whole or from time to time in part, to one or more of our affiliates or any third party the right to exchange all or any of the Debentures tendered pursuant to the Exchange Offer for the Trust Securities, but any such transfer or assignment will not relieve the Trusts or us of our obligations under the Exchange Offer and will in no way prejudice your rights to receive the Trust Securities in respect of Debentures validly tendered and not validly withdrawn and accepted for exchange pursuant to the Exchange Offer as provided for herein.

You will not be obliged to pay brokerage commissions or fees to the Dealer Managers, the Exchange Agent, the Information Agent or us with respect to the Exchange Offer.

**Neither we nor the Trusts will be liable for any interest as a result of a delay by the Clearing Systems or any Direct Participant in distributing the consideration for the Exchange Offer.**

## **Withdrawal of Tenders**

You may withdraw your tender of Debentures at any time prior to the Expiration Date.

Exchange Instructions may be revoked by a Debenture holder, or the relevant Direct Participant on its behalf, by submitting a valid electronic withdrawal instruction to the relevant Clearing System. To be valid, such instruction must specify the Debentures to which the original Exchange Instruction related, the securities account to which such Debentures are credited and any other information required by the relevant Clearing System.

Withdrawal of Debentures can only be accomplished in accordance with the foregoing procedures.

Holders may not rescind their valid withdrawals of tendered Debentures. However, Debentures validly withdrawn may thereafter be retendered at any time on or prior to the Expiration Date by following the procedures described under "—Procedures for Tendering Debentures".

All questions as to the form and validity (including time of receipt) of any notice of withdrawal of a tender will be determined by us, which determination shall be final and binding. We reserve the absolute right to cause the Trusts to reject any or all attempted withdrawals of Debentures that are not in proper form or the acceptance of which would, in our opinion, be unlawful. We also reserve the right to cause the Trusts to waive any defects, irregularities or conditions of a withdrawal as to particular Debentures. A waiver of any defect or irregularity with respect to the withdrawal of one Debenture shall not constitute a waiver of the same or any other defect or irregularity with respect to the withdrawal of any other Debentures except to the extent we may otherwise so provide. Withdrawals of Debentures shall not be deemed to have been made until any defects or irregularities have been waived by us or cured. None of us, the trustees of the Trusts, the Exchange Agent, the Dealer Managers, the Information Agent or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal of a tender or incur any liability for failure to give any such notification.

## **Return of Unaccepted Debentures**

Any tendered Debentures that are not accepted for exchange will be returned without expense to the tendering holder. Such Debentures will be credited to the account maintained at the Clearing System from which they were delivered and returned promptly after the expiration or termination of the Exchange Offer.

## **Consequences of Failure to Exchange Debentures**

Depending on the amount of Debentures that are accepted for exchange in the Exchange Offer, the trading market for the Debentures that remain outstanding after the Exchange Offer may be more limited. A reduced trading volume may decrease the price and increase the volatility of the trading price of the Debentures that remain outstanding following the Exchange Offer. If the Exchange Offer is successful, the market price for the Debentures may be depressed and there may be a limited trading market for the Debentures.

## **No Appraisal Rights**

No appraisal or dissenters' rights are available to holders of Debentures under applicable law in connection with the Exchange Offer.

## **Subsequent Repurchases**

Following completion of the Exchange Offer, we may repurchase additional Debentures in the open market, in privately negotiated transactions or otherwise. Future purchases of Debentures may be on terms that are more or less favorable than those of the Exchange Offer. Future repurchases, if any, will depend on many factors, including market

conditions and the condition of our business. Any such repurchases will be subject to the limitations described under "Certain Terms of the Replacement Covenant".

### **Exchange and Information Agent**

Lucid Issuer Services Limited is the Exchange Agent and the Information Agent for the Exchange Offer. All correspondence in connection with the Exchange Offer should be sent or delivered via a Clearing System to or through the Exchange Agent at the address listed on the back cover page of this Prospectus. We will pay the Exchange Agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses.

Questions concerning the terms of the Exchange Offer or tender procedures and requests for additional copies of this Prospectus should be directed to the Information Agent at its address and telephone number listed on the back cover page of this Prospectus. Holders of Debentures may also contact their bank, securities broker, or other intermediary concerning the Exchange Offer. We will pay the Information Agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses.

### **Dealer Managers**

The Lead Dealer Manager and New Security Structuring Agent for the Exchange Offer is J.P. Morgan Securities Ltd. ("**J.P. Morgan**"). Barclays Bank PLC ("**Barclays Capital**"), Deutsche Bank AG, London Branch ("**Deutsche Bank**") and Goldman Sachs International ("**Goldman Sachs International**") will also act as Dealer Managers in connection with the Exchange Offer. As a Dealer Manager for the Exchange Offer, each of J.P. Morgan, Barclays Capital, Deutsche Bank and Goldman Sachs International will perform services customarily provided by investment banking firms acting as dealer managers of exchange offers of a like nature, including, but not limited to, soliciting tenders of Debentures pursuant to the Exchange Offer and communicating generally regarding the Exchange Offer with banks, brokers, custodians, nominees and other persons, including holders of Debentures. We will pay the Dealer Managers reasonable and customary fees for their services and will reimburse them for reasonable out-of-pocket expenses. We have also agreed to indemnify the Dealer Managers and their respective affiliates against certain liabilities in connection with their services.

At any given time, the Dealer Managers may trade in the Debentures or our other securities for their own accounts or for the accounts of customers, and accordingly, may hold a long or short position in the Debentures or such other securities.

The Dealer Managers and their respective affiliates have provided in the past and/or are currently providing other investment and commercial banking and financial advisory services to us and our affiliates. The Dealer Managers and their affiliates may in the future provide various investment and commercial banking and other services to us and our affiliates for which they would receive customary compensation.

### **Brokerage Commissions**

Holders that tender their Debentures to the Exchange Agent do not have to pay a brokerage fee or commission to us, the Dealer Managers or the Exchange Agent in connection with the tender of such securities. However, if a tendering holder handles the transaction through its bank, broker, custodian or nominee, that holder may be required to pay that bank, broker, custodian or nominee brokerage fees or commissions.

### **Fees and Expenses**

We will bear the expenses of soliciting tenders of Debentures. The principal solicitation is being made by mail. Additional solicitation may, however, be made by e-mail, facsimile transmission, and telephone or in person by our officers and other employees and those of our affiliates and others acting on our behalf.

## **No Recommendation**

None of us, the Trusts, the Indenture Trustee, any of the trustees of the Trusts, the Dealer Managers, the Exchange Agent or the Information Agent makes any recommendation as to whether you should exchange your Debentures in the Exchange Offer. We have not retained, and do not intend to retain, any unaffiliated representative to act on behalf of the holders of the Debentures for purposes of negotiating the Exchange Offer or preparing a report concerning the fairness of the Exchange Offer. You must make your own independent decision regarding your participation in the Exchange Offer.

## **Certain Matters Relating to Non-U.S. Jurisdictions**

Although we will mail this Prospectus to holders of Debentures to the extent required by applicable law, this Prospectus is not an offer to sell or exchange and it is not a solicitation of an offer to buy or exchange securities in any jurisdiction in which such offer, sale, purchase or exchange is not permitted. Countries outside the United States have their own legal requirements that govern securities offerings made to persons resident in those countries and often impose stringent requirements about the form and content of offers made to the general public. We have not taken any action under those non-U.S. regulations to facilitate a public offer to exchange outside the United States. Therefore, the ability of any non-U.S. person to tender Debentures in the Exchange Offer will depend on whether there is an exemption available under the laws of such person's home country that would permit the person to participate in the Exchange Offer without the need for us to take any action to facilitate a public offering in that country or otherwise. For example, some countries exempt transactions from the rules governing public offerings if they involve persons who meet certain eligibility requirements relating to their status as sophisticated or professional investors. Non-U.S. holders should consult their advisors in considering whether they may participate in the Exchange Offer in accordance with the laws of their home countries and, if they do participate, whether there are any restrictions or limitations on transactions in the Trust Securities that may apply in their home countries. We and the Dealer Managers cannot provide any assurance about whether such limitations may exist.

## COMPARISON OF DEBENTURES AND TRUST SECURITIES

The following is a brief comparison of the principal features of the Debentures of each series and the related Trust Securities. The following descriptions are brief summaries, do not purport to be complete and are qualified in their entirety by reference, with respect to the Debentures, to the Debentures and the Indenture and, with respect to the Trust Securities, to the Debentures, the Indenture, the Trust Securities, the Trust Agreements and the Guarantee. Pursuant to the Exchange Offer, Debentures tendered and accepted for exchange will be deposited with the Trusts in exchange for Trust Securities issued by the Trusts directly to tendering holders. The Debentures were issued under an Indenture for Subordinated Debentures, dated as of September 1, 2006, between GE Capital and The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.) as trustee. Certain terms and conditions for 2067 Debentures were set forth in a supplemental indenture, dated September 5, 2007 and certain terms and conditions for the 2066 Debentures were set forth in a supplemental indenture dated as of September 15, 2006. Each series of Debentures will be further amended by a supplemental indenture expected to be dated as of the Settlement Date (the "March 2010 Supplemental Indenture") as described under "The Exchange Offer – Conditions of the Exchange Offer" herein. The Indenture and supplemental indentures described above, including the March 2010 Supplemental Indenture, are referred to collectively as the "Indenture".

The Trust Securities will be issued pursuant to Trust Agreements, to be dated as of or prior to the Settlement Date, between GE Capital, The Bank of New York Mellon, as property trustee, BNY Mellon Trust of Delaware, as Delaware Trustee and three Administrative Trustees. For further information regarding the Trust Securities, the Debentures and the Guarantee, see "Description of the Trust Securities", "Description of the Debentures" and "Description of Guarantees".

The Debentures accepted for exchange in the Exchange Offer will be deposited in the relevant Trust and will comprise, together with the Debentures deposited by us with each Trust in exchange for the Common Securities, all of the underlying assets of the relevant Trust.

The terms of the particular Debentures accepted for exchange will not be amended when such Debentures are deposited in the relevant Trust. The interest rate, interest deferral provisions, redemption provisions, covenants, Events of Default and the rights of Debenture holders of a series to accelerate such Debentures following an Event of Default will be the same for the Debentures of a series held by a Trust and the Debentures of such series, if any, that are not tendered and accepted for exchange in the Exchange Offer. This is because all the Debentures, whether or not they are deposited in a Trust, will be governed by the Indenture under which they were issued. Moreover, if there is an Event of Default under the Indenture with respect to the Debentures of a series, such Debentures will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for the related outstanding Trust Securities, so that the former holders of such Trust Securities will be able to exercise their rights of acceleration and other remedies following such Event of Default as holders of Debentures of such series.

By virtue of the operative provisions of the Trust Agreements, what will change following the deposit of Debentures in a Trust is the mechanism for enforcing any provision under the Indenture the breach of which either (i) would not result, whether with notice or passage of time or otherwise, in an Event of Default or (ii) at the time of any action with respect to the enforcement thereof, has not yet resulted in the occurrence and continuation of an Event of Default (such provisions, collectively, the "**Other Covenants**"). The Indenture provides that following such a breach and subject to the provisions of the Indenture, the Indenture Trustee or, under certain circumstances, the holders of the requisite percentage of a series of Debentures, acting through the Indenture Trustee, or each holder, as the case may be, may enforce holders' rights with respect to the Other Covenants.

With respect to the Debentures held by a Trust, however, the relevant Trust Agreement governing such Trust will provide that all legal rights of the holders of Trust Securities under the Debentures held by such Trust, including the right to enforce the Other Covenants, will be exercisable solely by the Property Trustee of the relevant Trust and not by the holders of Trust Securities or Common Securities. If the Property Trustee fails to take action with respect to the enforcement of any of those rights, holders of Trust Securities will be unable to do so (other than following the automatic exchange of the Debentures for Trust Securities following the occurrence of an Event of Default) because the right to take

such action will be vested solely in the Property Trustee on behalf of holders of Trust Securities. Furthermore, the Trust Agreement will provide that holders of the Trust Securities will not be able to direct the Property Trustee, or otherwise bring any action to compel the Property Trustee, to take such action or to remove the Property Trustee. However, the Trust Agreement will provide that any holder of a Trust Security may request the Property Trustee to take such action. In addition, any such holder may offer the Property Trustee indemnity for taking such action at the holder's request provided that it is a "Qualified U.S. Holder" as that term is defined under "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement". The Property Trustee will not be obligated to take any action requested by any or even all of the holders of the Trust Securities, and may require indemnity satisfactory to it from one or more Qualified U.S. Holders should it choose to act pursuant to any such request. The Property Trustee has no obligations to enforce Other Covenants, but if it chooses to do so, it will incur no liability to any person except for its bad faith or willful misconduct.

In this "Comparison of Debentures and Trust Securities", when we use the term "same" in relation to a particular term of the Trust Securities that is the same as the corresponding term or right afforded holders of the related Debentures, you should be aware that the term of the Trust Securities in question is derivative of the corresponding term of the related Debentures.

	<u>EUR Debentures due 2067</u>	<u>EUR 2067 Trust Securities</u>
<b>Issuer</b>	General Electric Capital Corporation	GE Capital Trust II
<b>Trustee for Debentures</b>	The Bank of New York Mellon	Same
<b>Property Trustee of Trust</b>	N/A	The Bank of New York Mellon
<b>Aggregate Amount Outstanding</b>	€1,500,000,000 aggregate principal amount	Up to €1,500,000,000 aggregate liquidation amount, in an amount to be determined, based on the principal amount of Debentures validly tendered in the Exchange Offer
<b>Maturity/Final Redemption Date</b>	September 15, 2067	The Trust Securities have no stated maturity but must be redeemed upon the maturity of the underlying Debentures or their earlier redemption.
<b>Interest Rate/Distribution Date</b>	5.500% to but excluding September 15, 2017; 3-month LIBOR plus 2.000% from and including September 15, 2017 to but excluding September 15, 2067	Same
<b>Interest/Distribution Payment Dates</b>	September 15 of each year until and including September 15, 2017, and quarterly in arrears thereafter on March 15, June 15, September 15 and December 15 of each year, commencing December 15, 2017	Same
<b>Rating</b>	As of the date hereof, Aa3 by Moody's and A+ by S&P	We expect the Trust Securities to be assigned the same ratings as those assigned to the Debentures

**EUR Debentures due 2067****EUR 2067 Trust Securities****Ranking**

Our obligations under the Debentures will rank *pari passu* with each other series of debt securities established under the Indenture (unless otherwise provided with respect to such series of debt securities) and are subordinated to all of our Senior Indebtedness, including, without limitation, our Subordinated Notes, each as defined herein.

Same, with respect to the Debentures underlying the Trust Securities.

The Trust Securities will rank senior to the Common Securities with respect to the payment of distributions and amounts distributable upon liquidation of the Trust.

**Optional Redemption**

Subject to any then required approval by any Applicable Regulatory Authority, the Debentures are subject to redemption at the option of GE Capital prior to the Maturity Date as described under "Description of the Debentures—Redemption".

Subject to any then required approval by any Applicable Regulatory Authority, the Trust Securities will be subject to redemption upon any redemption of the Debentures.

In the Trust Agreement, we will agree not to redeem Debentures held by the Trust prior to the fifth anniversary of the date on which the Trust Securities are originally issued pursuant to the Exchange Offer.

**Dividend Restriction**

If GE Capital defers interest on the Debentures, it will be subject to the limitations on payments of dividends, interest and principal payments and guarantee payments described under "Description of the Debentures—Restrictions on Certain Payments".

Same as to the Debentures, except that this covenant is an Other Covenant that is enforceable solely by the Property Trustee. See "— Enforcement of Rights in Respect of Debentures".

**Limitations on Mergers and Sales of Assets**

The Indenture generally permits a consolidation or merger of GE Capital and the sale or transfer by GE Capital of all or substantially all of its assets if, among other requirements, (i) the resulting or acquiring entity, if other than GE Capital, is organized and existing under the laws of the United States of America or a State thereof and expressly assumes all of our obligations under the Indenture and (ii) immediately after the transaction, we or any successor company are not in default in the performance of any covenant or condition under the Indenture.

Same as to the Debentures, except that this covenant is an Other Covenant that is enforceable solely by the Property Trustee. See "— Enforcement of Rights in Respect of Debentures".

The Trust may merge into a trust organized under any state of the United States if, among the other conditions described under "Description of the Trust Securities —Mergers or Consolidations of the Trust", (i) the successor trust expressly assumes all of the Trust's obligations under the Trust Securities or issues substitute securities having substantially the same terms as the Trust Securities and we execute a guarantee with respect to the substitute securities and (ii) we have received a written opinion of nationally

## **EUR Debentures due 2067**

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## **EUR 2067 Trust Securities**

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### **Events of Default**

Events of Default in respect of the Debentures are limited to (i) default in the payment of any installment of interest, including any Additional Interest, due and payable (subject to deferral during any Extension Period) and the continuance of such non-payment for 30 days, (ii) default in the payment of principal of any Debenture upon the Maturity Date and (iii) certain events involving the bankruptcy, insolvency, or reorganization of GE Capital.

recognized tax counsel to the effect that, for U.S. federal income tax purposes, the merger will not (x) cause the Trust or cause or permit the successor trust to be treated as other than a domestic grantor trust or custodial arrangement, or (y) result in a deemed exchange of the Debentures for new Debentures.

Same as to the Debentures. If there is an Event of Default under the Indenture, the Trust Securities will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for Debentures, so that the former holders of Trust Securities will be able to exercise their rights of acceleration and other remedies following such Event of Default as holders of Debentures.

The occurrence of an Event of Default under the Indenture with respect to the Debentures will constitute an event of default under the Trust Agreement.

### **Enforcement of Rights In Respect of Debentures**

A holder of Debentures is entitled to take such actions in respect of remedies afforded by the Indenture as are authorized by the Indenture. In general, the holders of a majority in aggregate principal amount of the Debentures have the right to direct the time, method, and place of conducting any proceeding for any remedy available to or exercising any power of the Indenture Trustee under the Indenture. In more limited circumstances involving a payment default, each holder of Debentures is generally entitled to bring an action seeking enforcement of the relevant payment without first having to bring an action against any other party.

See "- Events of Default" above with respect to the exercise of rights and remedies following the occurrence of an Event of Default under the Debentures. In all other circumstances, for so long as the Debentures are held by the Trust, rights of the holders of Trust Securities under the Indenture in respect of the Debentures, including the right to enforce Other Covenants may be exercised solely by the Property Trustee. Furthermore, the Trust Agreement will not afford holders of the Trust Securities with any right to direct the Property Trustee to exercise any rights that it has under the Indenture as holder of the Debentures or to remove the Property Trustee.

However, the Trust Agreement will provide that any holder of a Trust Security may request the Property Trustee to take such action. In addition, any such holder may offer the Property Trustee indemnity for taking such action at the holder's

**EUR Debentures due 2067****EUR 2067 Trust Securities**

<b>Guarantee</b>	N/A	request provided that it is a " <b>Qualified U.S. Holder</b> ". The Property Trustee will not be obligated to take any action requested by any or even all of the holders of the Trust Securities, and may require indemnity satisfactory to it from one or more Qualified U.S. Holders should it choose to act pursuant to any such request. The Property Trustee has no obligations to enforce Other Covenants, but if it chooses to do so, it will incur no liability to any person except for its bad faith or willful misconduct.
<b>Trust Agreement</b>	N/A	We will irrevocably guarantee, on a subordinated basis, the timely payment by the Trust in full of (i) any accumulated and unpaid distributions on the Trust Securities to the extent we have paid such amounts to the Trust pursuant to the Debentures, and (ii) the amount payable upon redemption of the Trust Securities to the extent we have paid such amounts to the Trust pursuant to the Debentures
<b>Trust Agreement</b>	N/A	Rights and obligations in respect of the Trust Securities will be governed by the Trust Agreement.
<b>Governing Law</b>	The Debentures and the Indenture are governed by, and construed in accordance with, the laws of the State of New York.	Same as to the Debentures held by the Trust. The Trust Securities and the Trust Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware.
<b>Authorized Denominations</b>	€50,000 and integral multiples of €1,000 in excess thereof	Same
<b>Transfer Restrictions</b>	The Debentures are subject to transfer restrictions.	The Trust Securities are subject to transfer restrictions. See "Notice to Investors".

**GBP Debentures due 2067****GBP 2067 Trust Securities**

<b>Issuer</b>	General Electric Capital Corporation	GE Capital Trust III
<b>Trustee for Debentures</b>	The Bank of New York Mellon	Same
<b>Property Trustee of Trust</b>	N/A	The Bank of New York Mellon

	<b>GBP Debentures due 2067</b>	<b>GBP 2067 Trust Securities</b>
<b>Aggregate Amount Outstanding</b>	£600,000,000 aggregate principal amount	Up to £600,000,000 aggregate liquidation amount, in an amount to be determined, based on the principal amount of Debentures validly tendered in the Exchange Offer
<b>Maturity/Final Redemption Date</b>	September 15, 2067	The Trust Securities have no stated maturity but must be redeemed upon the maturity of the underlying Debentures or their earlier redemption.
<b>Interest Rate/Distribution Date</b>	6.500% to but excluding September 15, 2017; 3-month LIBOR plus 2.000% from and including September 15, 2017 to but excluding September 15, 2067	Same
<b>Interest/Distribution Payment Dates</b>	March 15 and September 15 of each year until and including September 15, 2017, and quarterly in arrears thereafter on March 15, June 15, September 15 and December 15 of each year, commencing September 15, 2017	Same
<b>Rating</b>	As of the date hereof, Aa3 by Moody's and A+ by S&P	We expect the Trust Securities to be assigned the same ratings as those assigned to the Debentures
<b>Ranking</b>	Our obligations under the Debentures will rank <i>pari passu</i> with each other series of debt securities established under the Indenture (unless otherwise provided with respect to such series of debt securities) and are subordinated to all of our Senior Indebtedness, including, without limitation, our Subordinated Notes, each as defined herein.	Same, with respect to the Debentures underlying the Trust Securities.  The Trust Securities will rank senior to the Common Securities with respect to the payment of distributions and amounts distributable upon liquidation of the Trust.
<b>Optional Redemption</b>	Subject to any then required approval by any Applicable Regulatory Authority, the Debentures are subject to redemption at the option of GE Capital prior to the Maturity Date as described under "Description of the Debentures—Redemption".	Subject to any then required approval by any Applicable Regulatory Authority, the Trust Securities will be subject to redemption upon any redemption of the Debentures.  In the Trust Agreement, we will agree not to redeem Debentures held by the Trust prior to the fifth anniversary of the date on which the Trust Securities are originally issued pursuant to the Exchange Offer.

**GBP Debentures due 2067****GBP 2067 Trust Securities****Dividend Restriction**

If GE Capital defers interest on the Debentures, it will be subject to the limitations on payments of dividends, interest and principal payments and guarantee payments described under "Description of the Debentures—Restrictions on Certain Payments".

Same as to the Debentures, except that this covenant is an Other Covenant that is enforceable solely by the Property Trustee. See "— Enforcement of Rights in Respect of Debentures".

**Limitations on Mergers and Sales of Assets**

The Indenture generally permits a consolidation or merger of GE Capital and the sale or transfer by GE Capital of all or substantially all of its assets if, among other requirements, (i) the resulting or acquiring entity, if other than GE Capital, is organized and existing under the laws of the United States of America or a State thereof and expressly assumes all of our obligations under the Indenture and (ii) immediately after the transaction, we or any successor company are not in default in the performance of any covenant or condition under the Indenture.

Same as to the Debentures, except that this covenant is an Other Covenant that is enforceable solely by the Property Trustee. See "— Enforcement of Rights in Respect of Debentures".

The Trust may merge into a trust organized under any state of the United States if, among the other conditions described under "Description of the Trust Securities —Mergers or Consolidations of the Trust", (i) the successor trust expressly assumes all of the Trust's obligations under the Trust Securities or issues substitute securities having substantially the same terms as the Trust Securities and we execute a guarantee with respect to the substitute securities and (ii) we have received a written opinion of nationally recognized tax counsel to the effect that, for U.S. federal income tax purposes, the merger will not (x) cause the Trust or cause or permit the successor trust to be treated as other than a domestic grantor trust or custodial arrangement, or (y) result in a deemed exchange of the Debentures for new Debentures.

**Events of Default**

Events of Default in respect of the Debentures are limited to (i) default in the payment of any installment of interest, including any Additional Interest, due and payable (subject to deferral during any Extension Period) and the continuance of such non-payment for 30 days, (ii) default in the payment of principal of any Debenture upon the Maturity Date and (iii) certain events involving the bankruptcy, insolvency, or reorganization of GE Capital.

Same as to the Debentures. If there is an Event of Default under the Indenture, the Trust Securities will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for Debentures, so that the former holders of Trust Securities will be able to exercise their rights of acceleration and other remedies following such Event of Default as holders of Debentures.

The occurrence of an Event of Default

## **GBP Debentures due 2067**

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### **Enforcement of Rights In Respect of Debentures**

A holder of Debentures is entitled to take such actions in respect of remedies afforded by the Indenture as are authorized by the Indenture. In general, the holders of a majority in aggregate principal amount of the Debentures have the right to direct the time, method, and place of conducting any proceeding for any remedy available to or exercising any power of the Indenture Trustee under the Indenture. In more limited circumstances involving a payment default, each holder of Debentures is generally entitled to bring an action seeking enforcement of the relevant payment without first having to bring an action against any other party.

## **GBP 2067 Trust Securities**

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under the Indenture with respect to the Debentures will constitute an event of default under the Trust Agreement.

See "– Events of Default" above with respect to the exercise of rights and remedies following the occurrence of an Event of Default under the Debentures. In all other circumstances, for so long as the Debentures are held by the Trust, rights of the holders of Trust Securities under the Indenture in respect of the Debentures, including the right to enforce Other Covenants may be exercised solely by the Property Trustee. Furthermore, the Trust Agreement will not afford holders of the Trust Securities with any right to direct the Property Trustee to exercise any rights that it has under the Indenture as holder of the Debentures or to remove the Property Trustee.

However, the Trust Agreement will provide that any holder of a Trust Security may request the Property Trustee to take such action. In addition, any such holder may offer the Property Trustee indemnity for taking such action at the holder's request provided that it is a "**Qualified U.S. Holder**". The Property Trustee will not be obligated to take any action requested by any or even all of the holders of the Trust Securities, and may require indemnity satisfactory to it from one or more Qualified U.S. Holders should it choose to act pursuant to any such request. The Property Trustee has no obligations to enforce Other Covenants, but if it chooses to do so, it will incur no liability to any person except for its bad faith or willful misconduct.

### **Guarantee**

N/A

We will irrevocably guarantee, on a subordinated basis, the timely payment by the Trust in full of (i) any accumulated and unpaid distributions on the Trust Securities to the extent we have paid such amounts to the Trust pursuant to the Debentures, and (ii) the amount payable upon redemption of the Trust Securities to

	<b>GBP Debentures due 2067</b>	<b>GBP 2067 Trust Securities</b>
		the extent we have paid such amounts to the Trust pursuant to the Debentures
<b>Trust Agreement</b>	N/A	Rights and obligations in respect of the Trust Securities will be governed by the Trust Agreement.
<b>Governing Law</b>	The Debentures and the Indenture are governed by, and construed in accordance with, the laws of the State of New York.	Same as to the Debentures held by the Trust. The Trust Securities and the Trust Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware.
<b>Authorized Denominations</b>	£50,000 and integral multiples of £1,000 in excess thereof	Same
<b>Transfer Restrictions</b>	The Debentures are subject to transfer restrictions.	The Trust Securities are subject to transfer restrictions. See "Notice to Investors".
	<b>EUR Debentures due 2066</b>	<b>EUR 2066 Trust Securities</b>
<b>Issuer</b>	General Electric Capital Corporation	GE Capital Trust IV
<b>Trustee for Debentures</b>	The Bank of New York Mellon	Same
<b>Property Trustee of Trust</b>	N/A	The Bank of New York Mellon
<b>Aggregate Amount Outstanding</b>	€950,000,000 aggregate principal amount	Up to €950,000,000 aggregate liquidation amount, in an amount to be determined, based on the principal amount of Debentures validly tendered in the Exchange Offer
<b>Maturity/Final Redemption Date</b>	September 15, 2066	The Trust Securities have no stated maturity but must be redeemed upon the maturity of the underlying Debentures or their earlier redemption.
<b>Interest Rate/Distribution Date</b>	4.625% to but excluding September 15, 2016; 3-month LIBOR plus 1.600% from and including September 15, 2016 to but excluding September 15, 2066.	Same
<b>Interest/Distribution Payment Dates</b>	September 15 of each year until and including September 15, 2016, and quarterly in arrears thereafter on March 15, June 15, September 15 and December 15 of each year, commencing December	Same

**EUR Debentures due 2066**

15, 2016

**EUR 2066 Trust Securities**

<b>Rating</b>	As of the date hereof, Aa3 by Moody's and A+ by S&P	We expect the Trust Securities to be assigned the same ratings as those assigned to the Debentures
<b>Ranking</b>	Our obligations under the Debentures will rank <i>pari passu</i> with each other series of debt securities established under the Indenture (unless otherwise provided with respect to such series of debt securities) and are subordinated to all of our Senior Indebtedness, including, without limitation, our Subordinated Notes, each as defined herein.	Same, with respect to the Debentures underlying the Trust Securities.  The Trust Securities will rank senior to the Common Securities with respect to the payment of distributions and amounts distributable upon liquidation of the Trust.
<b>Optional Redemption</b>	Subject to any then required approval by any Applicable Regulatory Authority, the Debentures are subject to redemption at the option of GE Capital prior to the Maturity Date as described under "Description of the Debentures—Redemption".	Subject to any then required approval by any Applicable Regulatory Authority, the Trust Securities will be subject to redemption upon any redemption of the Debentures.  In the Trust Agreement, we will agree not to redeem Debentures held by the Trust prior to the fifth anniversary of the date on which the Trust Securities are originally issued pursuant to the Exchange Offer.
<b>Dividend Restriction</b>	If GE Capital defers interest on the Debentures, it will be subject to the limitations on payments of dividends, interest and principal payments and guarantee payments described under "Description of the Debentures—Restrictions on Certain Payments".	Same as to the Debentures, except that this covenant is an Other Covenant that is enforceable solely by the Property Trustee. See "— Enforcement of Rights in Respect of Debentures".
<b>Limitations on Mergers and Sales of Assets</b>	The Indenture generally permits a consolidation or merger of GE Capital and the sale or transfer by GE Capital of all or substantially all of its assets if, among other requirements, (i) the resulting or acquiring entity, if other than GE Capital, is organized and existing under the laws of the United States of America or a State thereof and expressly assumes all of our obligations under the Indenture and (ii) immediately after the transaction, we or any successor company are not in default in the performance of any covenant or	Same as to the Debentures, except that this covenant is an Other Covenant that is enforceable solely by the Property Trustee. See "— Enforcement of Rights in Respect of Debentures".  The Trust may merge into a trust organized under any state of the United States if, among the other conditions described under "Description of the Trust Securities —Mergers or Consolidations of the Trust", (i) the successor trust expressly assumes all of the Trust's obligations under the Trust Securities or issues

## **EUR Debentures due 2066**

condition under the Indenture.

## **EUR 2066 Trust Securities**

substitute securities having substantially the same terms as the Trust Securities and we execute a guarantee with respect to the substitute securities and (ii) we have received a written opinion of nationally recognized tax counsel to the effect that, for U.S. federal income tax purposes, the merger will not (x) cause the Trust or cause or permit the successor trust to be treated as other than a domestic grantor trust or custodial arrangement, or (y) result in a deemed exchange of the Debentures for new Debentures.

### **Events of Default**

Events of Default in respect of the Debentures are limited to (i) default in the payment of any installment of interest, including any Additional Interest, due and payable (subject to deferral during any Extension Period) and the continuance of such non-payment for 30 days, (ii) default in the payment of principal of any Debenture upon the Maturity Date and (iii) certain events involving the bankruptcy, insolvency, or reorganization of GE Capital.

Same as to the Debentures. If there is an Event of Default under the Indenture, the Debentures will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for the outstanding Trust Securities, so that the former holders of Trust Securities will be able to exercise their rights of acceleration and other remedies following such Event of Default as holders of Debentures.

The occurrence of an Event of Default under the Indenture with respect to the Debentures will constitute an event of default under the Trust Agreement.

### **Enforcement of Rights In Respect of Debentures**

A holder of Debentures is entitled to take such actions in respect of remedies afforded by the Indenture as are authorized by the Indenture. In general, the holders of a majority in aggregate principal amount of the Debentures have the right to direct the time, method, and place of conducting any proceeding for any remedy available to or exercising any power of the Indenture Trustee under the Indenture. In more limited circumstances involving a payment default, each holder of Debentures is generally entitled to bring an action seeking enforcement of the relevant payment without first having to bring an action against any other party.

See "– Events of Default" above with respect to the exercise of rights and remedies following the occurrence of an Event of Default under the Debentures. In all other circumstances, for so long as the Debentures are held by the Trust, rights of the holders of Trust Securities under the Indenture in respect of the Debentures, including the right to enforce Other Covenants may be exercised solely by the Property Trustee. Furthermore, the Trust Agreement will not afford holders of the Trust Securities with any right to direct the Property Trustee to exercise any rights that it has under the Indenture as holder of the Debentures or to remove the Property Trustee.

**EUR Debentures due 2066****EUR 2066 Trust Securities****Guarantee**

N/A

However, the Trust Agreement will provide that any holder of a Trust Security may request the Property Trustee to take such action. In addition, any such holder may offer the Property Trustee indemnity for taking such action at the holder's request provided that it is a "**Qualified U.S. Holder**". The Property Trustee will not be obligated to take any action requested by any or even all of the holders of the Trust Securities, and may require indemnity satisfactory to it from one or more Qualified U.S. Holders should it choose to act pursuant to any such request. The Property Trustee has no obligations to enforce Other Covenants, but if it chooses to do so, it will incur no liability to any person except for its bad faith or willful misconduct.

We will irrevocably guarantee, on a subordinated basis, the timely payment by the Trust in full of (i) any accumulated and unpaid distributions on the Trust Securities to the extent we have paid such amounts to the Trust pursuant to the Debentures, and (ii) the amount payable upon redemption of the Trust Securities to the extent we have paid such amounts to the Trust pursuant to the Debentures

**Trust Agreement**

N/A

Rights and obligations in respect of the Trust Securities will be governed by the Trust Agreement.

**Governing Law**

The Debentures and the Indenture are governed by, and construed in accordance with, the laws of the State of New York.

Same as to the Debentures held by the Trust. The Trust Securities and the Trust Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware.

**Authorized Denominations**

€50,000 and integral multiples of €1,000 in excess thereof

Same

**Transfer Restrictions**

The Debentures are subject to transfer restrictions.

The Trust Securities are subject to transfer restrictions. See "Notice to Investors".

**GBP Debentures due 2066****GBP 2066 Trust Securities**

	<b>GBP Debentures due 2066</b>	<b>GBP 2066 Trust Securities</b>
<b>Issuer</b>	General Electric Capital Corporation	GE Capital Trust V
<b>Trustee for Debentures</b>	The Bank of New York Mellon	Same
<b>Property Trustee of Trust</b>	N/A	The Bank of New York Mellon
<b>Aggregate Amount Outstanding</b>	£400,000,000 aggregate principal amount	Up to £400,000,000 aggregate liquidation amount, in an amount to be determined, based on the principal amount of Debentures validly tendered in the Exchange Offer
<b>Maturity/Final Redemption Date</b>	September 15, 2066	The Trust Securities have no stated maturity but must be redeemed upon the maturity of the underlying Debentures or their earlier redemption.
<b>Interest Rate/Distribution Date</b>	5.500% to but excluding September 15, 2016; 3-month LIBOR plus 1.615% from and including September 15, 2016 to but excluding September 15, 2066	Same
<b>Interest/Distribution Payment Dates</b>	March 15 and September 15 of each year until and including September 15, 2016, and quarterly in arrears thereafter on March 15, June 15, September 15 and December 15 of each year, commencing December 15, 2016	Same
<b>Rating</b>	As of the date hereof, Aa3 by Moody's and A+ by S&P	We expect the Trust Securities to be assigned the same ratings as those assigned to the Debentures
<b>Ranking</b>	Our obligations under the Debentures will rank <i>pari passu</i> with each other series of debt securities established under the Indenture (unless otherwise provided with respect to such series of debt securities) and are subordinated to all of our Senior Indebtedness, including, without limitation, our Subordinated Notes, each as defined herein.	Same, with respect to the Debentures underlying the Trust Securities.  The Trust Securities will rank senior to the Common Securities of the Trust with respect to the payment of distributions and amounts distributable upon liquidation of the Trust.
<b>Optional Redemption</b>	Subject to any then required approval by any Applicable Regulatory Authority, the Debentures are subject to redemption at the option of GE Capital prior to the Maturity Date as described under "Description of the Debentures—	Subject to any then required approval by any Applicable Regulatory Authority, the Trust Securities will be subject to redemption upon any redemption of the Debentures.  In the Trust Agreement, we will agree not

## **GBP Debentures due 2066**

Redemption".

## **GBP 2066 Trust Securities**

to redeem Debentures held by the Trust prior to the fifth anniversary of the date on which the Trust Securities are originally issued pursuant to the Exchange Offer.

### **Dividend Restriction**

If GE Capital defers interest on the Debentures, it will be subject to the limitations on payments of dividends, interest and principal payments and guarantee payments described under "Description of the Debentures—Restrictions on Certain Payments".

Same as to the Debentures, except that this covenant is an Other Covenant that is enforceable solely by the Property Trustee. See "— Enforcement of Rights in Respect of Debentures".

### **Limitations on Mergers and Sales of Assets**

The Indenture generally permits a consolidation or merger of GE Capital and the sale or transfer by GE Capital of all or substantially all of its assets if, among other requirements, (i) the resulting or acquiring entity, if other than GE Capital, is organized and existing under the laws of the United States of America or a State thereof and expressly assumes all of our obligations under the Indenture and (ii) immediately after the transaction, we or any successor company are not in default in the performance of any covenant or condition under the Indenture.

Same as to the Debentures, except that this covenant is an Other Covenant that is enforceable solely by the Property Trustee. See "— Enforcement of Rights in Respect of Debentures".

The Trust may merge into a trust organized under any state of the United States if, among the other conditions described under "Description of the Trust Securities —Mergers or Consolidations of the Trust", (i) the successor trust expressly assumes all of the Trust's obligations under the Trust Securities or issues substitute securities having substantially the same terms as the Trust Securities and we execute a guarantee with respect to the substitute securities and (ii) we have received a written opinion of nationally recognized tax counsel to the effect that, for U.S. federal income tax purposes, the merger will not (x) cause the Trust or cause or permit the successor trust to be treated as other than a domestic grantor trust or custodial arrangement, or (y) result in a deemed exchange of the Debentures for new Debentures.

### **Events of Default**

Events of Default in respect of the Debentures are limited to (i) default in the payment of any installment of interest, including any Additional Interest, due and payable (subject to deferral during any Extension Period) and the continuance of such non-payment for 30 days, (ii) default in the payment of principal of any Debenture upon the

Same as to the Debentures. If there is an Event of Default under the Indenture, the Debentures will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for the outstanding Trust Securities, so that the former holders of Trust Securities will be able to exercise their rights of

**GBP Debentures due 2066**

Maturity Date and (iii) certain events involving the bankruptcy, insolvency, or reorganization of GE Capital.

**GBP 2066 Trust Securities**

acceleration and other remedies following such Event of Default as holders of Debentures.

**Enforcement of Rights In Respect of Debentures**

A holder of Debentures is entitled to take such actions in respect of remedies afforded by the Indenture as are authorized by the Indenture. In general, the holders of a majority in aggregate principal amount of the Debentures have the right to direct the time, method, and place of conducting any proceeding for any remedy available to or exercising any power of the Indenture Trustee under the Indenture. In more limited circumstances involving a payment default, each holder of Debentures is generally entitled to bring an action seeking enforcement of the relevant payment without first having to bring an action against any other party.

The occurrence of an Event of Default under the Indenture with respect to the Debentures will constitute an event of default under the Trust Agreement.

See "– Events of Default" above with respect to the exercise of rights and remedies following the occurrence of an Event of Default under the Debentures. In all other circumstances, for so long as the Debentures are held by the Trust, rights of the holders of Trust Securities under the Indenture in respect of the Debentures, including the right to enforce Other Covenants may be exercised solely by the Property Trustee. Furthermore, the Trust Agreement will not afford holders of the Trust Securities with any right to direct the Property Trustee to exercise any rights that it has under the Indenture as holder of the Debentures or to remove the Property Trustee.

However, the Trust Agreement will provide that any holder of a Trust Security may request the Property Trustee to take such action. In addition, any such holder may offer the Property Trustee indemnity for taking such action at the holder's request provided that it is a "**Qualified U.S. Holder**". The Property Trustee will not be obligated to take any action requested by any or even all of the holders of the Trust Securities, and may require indemnity satisfactory to it from one or more Qualified U.S. Holders should it choose to act pursuant to any such request. The Property Trustee has no obligations to enforce Other Covenants, but if it chooses to do so, it will incur no liability to any person except for its bad faith or willful misconduct.

**Guarantee**

N/A

We will irrevocably guarantee, on a subordinated basis, the timely payment by the Trust in full of (i) any accumulated

**GBP Debentures due 2066****GBP 2066 Trust Securities**

	<b>GBP Debentures due 2066</b>	<b>GBP 2066 Trust Securities</b>
<b>Trust Agreement</b>	N/A	and unpaid distributions on the Trust Securities to the extent we have paid such amounts to the Trust pursuant to the Debentures, and (ii) the amount payable upon redemption of the Trust Securities to the extent we have paid such amounts to the Trust pursuant to the Debentures  Rights and obligations in respect of the Trust Securities will be governed by the Trust Agreement.
<b>Governing Law</b>	The Debentures and the Indenture are governed by, and construed in accordance with, the laws of the State of New York.	Same as to the Debentures held by the Trust. The Trust Securities and the Trust Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware.
<b>Authorized Denominations</b>	£50,000 and integral multiples of £1,000 in excess thereof	Same
<b>Transfer Restrictions</b>	The Debentures are subject to transfer restrictions.	The Trust Securities are subject to transfer restrictions. See "Notice to Investors".

## DESCRIPTION OF THE TRUSTS

Each of the Trusts is a statutory trust formed under the Delaware Statutory Trust Act, as amended (the "**Delaware Statutory Trust Act**"), pursuant to a Trust Agreement and the filing of a certificate of trust with the Secretary of State of the State of Delaware on January 26, 2010. Copies of the Trust Agreements are available for inspection by the holders of Trust Securities as set forth under "General Information – Documents Available".

Except as provided in the last paragraph under "Description of the Trust Securities – General", the Trust Securities issued by a Trust and the Common Securities issued by it to GE Capital will be the only series of securities that a Trust may issue. See "Description of the Trust Securities". A Trust exists for the sole purpose of:

- issuing its Trust Securities and Common Securities representing undivided beneficial ownership interests in the assets of the Trust, consisting of the underlying Debentures of GE Capital; and
- engaging in only those other activities necessary or incidental to the above purpose.

Under its Trust Agreement, a Trust will initially have five trustees:

- a Property Trustee;
- a Delaware Trustee; and
- three Administrative Trustees, who are employees or officers of or affiliated with GE Capital.

Initially, The Bank of New York Mellon, will act as the Property Trustee and BNY Mellon Trust of Delaware will act as Delaware Trustee of each Trust. The Property Trustee for each Trust will hold the underlying Debentures for the benefit of the Trust and the holders of the related Trust Securities. The Property Trustee will have the power to exercise all rights, powers and privileges with respect to the Debentures under the Trust Agreement. In addition, the Property Trustee will maintain exclusive control of the property account of the Trust, which is a segregated non-interest bearing trust account, to hold all cash received under the Debentures for the benefit of the Trust and the holders of the Trust Securities.

GE Capital will hold all of the Common Securities issued by each Trust and, as such, will generally have the right to appoint, remove or replace any of the trustees and to increase or decrease the number of Administrative Trustees, provided that (i) each trustee shall be a "United States person", within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended, (ii) the Property Trustee shall at all times satisfy the requirements of Section (a)(4)(i) of Rule 3a-7 under the Investment Company Act and (iii) at least one trustee will be a Delaware Trustee, at least one trustee will be the Property Trustee and at least three trustees will be Administrative Trustees.

GE Capital will fund or reimburse each Trust for all fees and expenses incurred by such Trust relating to the organization and operations of the Trust, including any taxes, assessments or other governmental charges of whatever nature imposed by any relevant jurisdiction or any other taxing authority upon the Trust, other than withholding taxes with respect to which GE Capital is not obligated to pay Trust Debenture Additional Amounts.

The principal executive office of each Trust is located at 3135 Easton Turnpike, Fairfield, Connecticut 06828-0001, telephone number (203) 373-2211.

## DESCRIPTION OF GE CAPITAL

### The Company

General Electric Capital Corporation was incorporated in 1943 in the State of New York under the provisions of the New York Banking Law relating to investment companies, as successor to General Electric Contracts Corporation, which was formed in 1932. Until November 1987, our name was General Electric Credit Corporation. On July 2, 2001, we changed our state of incorporation to Delaware. All of our outstanding common stock is owned by General Electric Capital Services, Inc., formerly General Electric Financial Services, Inc., the common stock of which is in turn wholly-owned by GE Company. Financing and services offered by us are diversified, a significant change from the original business of GE Capital, which was financing distribution and sale of consumer and other GE Company products. Currently, GE Company manufactures few of the products financed by us.

We operate in five segments: Commercial Leasing and Lending (CLL), Consumer (formerly GE Money), Real Estate, Energy Financial Services and GE Commercial Aviation Services (GECAS). These operations are subject to a variety of regulations in their respective jurisdictions. Our services are offered primarily within North America, Europe and Asia. At December 31, 2008, our employment totaled approximately 73,000.

The principal executive offices of GE Capital are at 3135 Easton Turnpike, Fairfield, Connecticut 06828-0001 (telephone number (203) 373-2211).

### Subsidiaries

At December 31, 2008, GE Capital had approximately 6,300 subsidiaries. The principal subsidiaries of GE Capital are GE Capital Financial Holdings USA, Inc., GE Capital International Holdings Corporation and GE Capital Global Financial Holdings, Inc., each of which is a financial services holding company holding shares of financial services subsidiaries.

### Management

The Directors of GE Capital, their respective business addresses, their position in GE Capital or its affiliates and their principal activities are:

<u>Name</u>	<u>Business Address</u>	<u>Principal Activities</u>
Jeffrey S. Bornstein	GE Capital Corporation 901 Main Avenue Norwalk, CT 06851	Chief Financial Officer
William H. Cary	GE Capital Corporation 901 Main Street Norwalk, CT 06851	President
Kathryn A. Cassidy	General Electric Company 201 High Ridge Road Stamford, CT 06927	Senior Vice President, Treasurer

<b><u>Name</u></b>	<b><u>Business Address</u></b>	<b><u>Principal Activities</u></b>
James A. Colica	GE Capital Corporation 901 Main Avenue Norwalk, CT 06851	Senior Vice President, Global Risk Management
Richard D'Avino	GE Capital Corporation & NBC Universal 800 Long Ridge Road Stamford, CT 06927	Vice President & Senior Tax Counsel, Taxes
Pamela Daley	General Electric Company 3135 Easton Turnpike Fairfield, CT 06828	Senior Vice President, Corporate Business Development
Brackett B. Denniston, III	General Electric Company 3135 Easton Turnpike Fairfield, CT 06828	Senior Vice President, General Counsel
Jeffrey R. Immelt	General Electric Company 3135 Easton Turnpike Fairfield, CT 06828	Chairman and Chief Executive Officer
Mark J. Krakowiak	General Electric Company 3135 Easton Turnpike Fairfield, CT 06828	Vice President and Chief Risk Officer
John Krenicki, Jr.	GE Energy Infrastructure 4200 Wildwood Parkway Atlanta, GA 30339	Vice Chairman, GE Company; President and Chief Executive Officer, GE Energy Infrastructure
Keith Morgan	GE Capital Corporation 901 Main Street Norwalk, CT 06851	General Counsel
Michael A. Neal	GE Capital Corporation 901 Main Avenue Norwalk, CT 06851	Vice Chairman, GE; President and Chief Executive Officer, GE Capital

<u>Name</u>	<u>Business Address</u>	<u>Principal Activities</u>
Ronald R. Pressman	GE Real Estate 901 Main Avenue Norwalk, CT 06851	President and Chief Executive Officer
John G. Rice	GE Technology Infrastructure 4200 Wildwood Parkway Atlanta, GA 30339	Vice Chairman, GE President and Chief Executive Officer, GE Technology Infrastructure
John M. Samuels	General Electric Company 3135 Easton Turnpike Fairfield, CT 06828	Vice President and Senior Tax Counsel, Tax Policy and Planning
Keith S. Sherin	General Electric Company 3135 Easton Turnpike Fairfield, CT 06828	Vice Chairman and Chief Financial Officer

All of the directors of GE Capital are officers of GE Capital, GE Capital Services or GE Company. The Secretary of GE Capital is Craig T. Beazer, whose business address is 3135 Easton Turnpike, Fairfield, CT 06828-0001.

There are no existing or potential conflicts of interest between any duties to GE Capital and their private interests or other duties of the directors of GE Capital.

#### **Audit committee**

As a consolidated affiliate of GE Company, oversight of audit functions at GE Capital is carried out by the Audit Committee of the Board of Directors of GE Company<sup>1</sup>. The following independent directors of GE Company members of the GE Company Audit Committee:

Douglas A. Warner III (Chairman)	Robert W. Lane
W. Geoffrey Beattie	James J. Mulva
James I. Cash, Jr.	Robert J. Swieringa

The Board of Directors of GE Company (the "GE Company Board") has determined that Messrs. Lane, Mulva, Swieringa and Warner are "audit committee financial experts", as defined under Commission rules.

The Audit Committee is primarily concerned with the integrity of GE Company's financial statements, GE Company's compliance with legal and regulatory requirements, the independence and qualifications of the independent auditor and the performance of GE Company's internal audit function and independent auditor.

The Audit Committee's duties include: (1) selecting and overseeing the independent auditor; (2) reviewing the scope of the audit to be conducted by it, as well as the results of its audit; (3) overseeing GE Company's financial

<sup>1</sup> In this section "GE Company" means General Electric Company and its consolidated subsidiaries.

reporting activities, including its annual report, and the accounting standards and principles followed; (4) approving audit and non-audit services provided to GE Company by the independent auditor; (5) reviewing the organisation and scope of GE Company's internal audit function and its disclosure and internal controls; and (6) conducting other reviews relating to compliance by employees with GE Company policies and applicable laws. The Audit Committee met 17 times during 2008.

## **Corporate Governance**

The GE Company Board, through its Nominating and Corporate Governance Committee, operates corporate governance practices in accordance with U.S. Federal and State legislation.

### *Governance Principles*

All of GE Company's governance materials, including the Governance Principles and board committee charters and key practices, are published in the Citizenship section of GE Company's website ([www.ge.com/company/citizenship/index.html](http://www.ge.com/company/citizenship/index.html)). The GE Company Board regularly reviews corporate governance developments and modifies its Governance Principles, committee charters and key practices as required. Details of any such modifications will be reflected on GE Company's website.

### *Director Independence*

With 13 independent directors out of 16, the GE Company Board has satisfied its objective that at least two-thirds of the GE Company Board should consist of independent directors. For a director to be considered independent, the Board must determine that the director does not have any direct or indirect material relationship with GE Company. The GE Company Board has established guidelines to assist it in determining director independence, which conform to, or are more exacting than, the independence requirements in the New York Stock Exchange listing standards. GE Company's independence guidelines are set forth in Section 4 of its Governance Principles. In addition to applying these guidelines, the GE Company Board will consider all relevant facts and circumstances in making an independence determination.

All members of GE Company's Audit, Management Development and Compensation, and Nominating and Corporate Governance Committees must be independent directors as defined by GE Company's Governance Principles. Members of the Audit Committee must also satisfy a separate independence requirement imposed by the Commission, which provides that they may not accept directly or indirectly any consulting, advisory or other compensatory fee from GE Company or any of its subsidiaries other than their directors' compensation. In addition, as a matter of policy, the GE Company Board has determined to apply a separate, heightened independence standard to members of both the Management Development and Compensation Committee and the Nominating and Corporate Governance Committee. No member of either committee may be a partner, member or principal of a law firm, accounting firm or investment banking firm that accepts consulting or advisory fees from GE Company or any of its subsidiaries. This additional voluntary independence requirement for members of the Management Development and Compensation and Nominating and Corporate Governance Committees is intended to remove even the appearance of a conflict of interest.

### *Code of Conduct*

All directors, officers and employees of GE Company (including all of its consolidated subsidiaries) must act ethically at all times and in accordance with the policies comprising GE Company's code of conduct set forth in the company's integrity manual, *Integrity: The Spirit & The Letter*, which is published in the Citizenship section of GE Company's website. Under the GE Company Board's Governance Principles, the GE Company Board will not permit any waiver of any ethics policy for any director or executive officer. If an actual or potential conflict of interest should arise for a director, the director will promptly inform the CEO and the presiding director. If a significant conflict exists that cannot be resolved, the director should resign. All directors are required to excuse themselves from any discussions or decisions affecting their personal, business or professional interests.

**Principal Investments**

Since December 31, 2008, there have been no principal investments made by GE Capital.

**Share Capital**

As at December 31, 2008 the authorised share capital of GE Capital comprised 4,166,000 shares of common of U.S.\$14.00 par value, of which 3,985,403 shares were outstanding and fully paid up.

All outstanding common stock of GE Capital is owned by GE Capital Services, the common stock of which is in turn wholly owned, directly by GE Company.

**Selected Financial Information**

The selected financial data set forth below has been extracted from and should be read in conjunction with the Annual Report of GE Capital on Form 10-K, for the fiscal year ended December 31, 2008, copies of which may be obtained as described under "Documents Incorporated By Reference".

As set out in the section entitled "General Electric Capital Corporation and consolidated affiliates Statement of Earnings" on page 45 of GE Capital's Annual Report on Form 10-K for the fiscal year ended December 31, 2008, net earnings for GE Capital and consolidated subsidiaries for the year ended December 31, 2008 equalled U.S.\$7,310 million and, for the year ended December 31, 2007, equalled U.S.\$9,815 million.

## General Electric Capital Corporation and Consolidated Affiliates Statement of Financial Position

At December 31 (In millions, except share amounts)

	<u>2008</u>	<u>2007</u>
<b>Assets</b>		
Cash and equivalents	\$ 36,430	\$ 8,607
Investment securities <sup>1</sup>	19,318	20,588
Inventories	77	63
Financing receivables – net <sup>2</sup>	370,592	378,467
Other receivables	22,175	28,708
Property, plant and equipment – net <sup>3</sup>	64,043	63,685
Goodwill <sup>4</sup>	25,204	25,251
Other intangible assets – net <sup>4</sup>	3,174	4,038
Other assets <sup>5</sup>	84,201	82,502
Assets of businesses held for sale <sup>6</sup>	10,556	–
Assets of discontinued operations <sup>7</sup>	1,640	8,823
Total assets	<u>\$ 637,410</u>	<u>\$ 620,732</u>
<b>Liabilities and equity</b>		
Short-term borrowings <sup>8</sup>	\$ 188,601	\$ 186,769
Accounts payable	14,863	14,515
Long-term borrowings <sup>8</sup>	321,755	309,231
Investment contracts, insurance liabilities and insurance annuity benefits <sup>9</sup>	11,403	12,311
Other liabilities	30,629	25,580
Deferred income taxes <sup>10</sup>	8,112	7,983
Liabilities of businesses held for sale <sup>11</sup>	636	–
Liabilities of discontinued operations <sup>12</sup>	799	1,506
Total liabilities	<u>\$ 576,798</u>	<u>\$ 557,895</u>
Minority interest in equity of consolidated affiliates <sup>13</sup>	<u>2,383</u>	<u>1,607</u>
Common stock, \$14 par value (4,166,000 shares authorized at December 31, 2008 and 2007, and 3,985,403 shares issued and outstanding at December 31, 2008 and 2007)	56	56
Accumulated gains (losses) – net		
Investment securities	(2,013)	(25)
Currency translation adjustments	(1,337)	7,368
Cash flow hedges	(3,253)	(749)
Benefit plans	(367)	(105)
Additional paid-in capital	19,671	14,172
Retained earnings	45,472	40,513
Total shareowner's equity <sup>14</sup>	<u>58,229</u>	<u>61,230</u>
Total liabilities and equity	<u>\$ 637,410</u>	<u>\$ 620,732</u>

<sup>1</sup> See Note 5 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 55 thereof.

<sup>2</sup> See Notes 6 and 7 of the Notes to Consolidated Financial Statements on Form 10-K as set out on pages 57 and 60 thereof.

<sup>3</sup> See Note 8 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 63 thereof.

<sup>4</sup> See Note 9 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 63 thereof.

<sup>5</sup> See Note 10 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 65 thereof.

<sup>6</sup> See Note 11 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 66 thereof.

<sup>7</sup> See Note 2 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 52 thereof.

<sup>8</sup> See Note 12 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 67 thereof.

<sup>9</sup> See Note 13 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 69 thereof.

<sup>10</sup> See Note 14 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 69 thereof.

<sup>11</sup> See Note 11 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 66 thereof.

<sup>12</sup> See Note 2 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 52 thereof.

<sup>13</sup> See Note 15 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 72 thereof.

<sup>14</sup> See Note 16 of the Notes to Consolidated Financial Statements on Form 10-K as set out on page 73 thereof.

The sum of accumulated gains (losses) on investment securities, currency translation adjustments, cash flow hedges and benefit plans constitutes "Accumulated other comprehensive income", as shown in note 16 in GE Capital's Annual Report on Form 10-K, and was \$(6,970) million and \$6,489 million at December 31, 2008 and 2007, respectively.

The notes to consolidated financial statements on pages 48-89 of GE Capital's Annual Report on Form 10-K are an integral part of this statement.

The selected financial data set forth below has been extracted from and should be read in conjunction with the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2009, a copy of which may be obtained as described under "Documents Incorporated By Reference".

As set out in the section entitled "General Electric Capital Corporation and consolidated affiliates Condensed Statement of Current and Retained Earnings (unaudited)" on page 3 of GE Capital's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2009, net earnings attributable to GE Capital and consolidated subsidiaries for the nine months ended September 30, 2009 equalled U.S.\$1,359 million and, for the three month period ended September 30, 2009, equalled U.S.\$171 million.

**General Electric Capital Corporation and Consolidated Affiliates**  
**Condensed Statement of Financial Position**

<i>(In millions)</i>	<b>September 30, 2009</b>	<b>December 31, 2008</b>
	<b>(Unaudited)</b>	
<b>Assets</b>		
Cash and equivalents	\$ 56,250	\$ 36,430
Investment securities <sup>1</sup>	26,325	19,318
Inventories	79	77
Financing receivables – net <sup>2</sup>	347,356	370,592
Other receivables	20,748	22,175
Property, plant and equipment, less accumulated amortization of \$26,458 and \$29,026	58,685	64,043
Goodwill <sup>3</sup>	28,043	25,204
Other intangible assets – net <sup>4</sup>	3,371	3,174
Other assets	87,133	84,201
Assets of businesses held for sale	1,263	10,556
Assets of discontinued operations <sup>5</sup>	1,533	1,640
Total assets	<u>\$ 630,786</u>	<u>\$ 637,410</u>
<b>Liabilities and equity</b>		
Short-term borrowings <sup>6</sup>	\$ 155,722	\$ 188,601
Accounts payable	12,560	14,863
Long-term borrowings <sup>7</sup>	348,354	321,755
Investment contracts, insurance liabilities and insurance annuity benefits	9,640	11,403
Other liabilities	20,099	30,629
Deferred income taxes	8,128	8,112
Liabilities of businesses held for sale	143	636
Liabilities of discontinued operations <sup>8</sup>	843	799
Total liabilities	<u>555,489</u>	<u>576,798</u>
Capital stock	56	56
Accumulated other comprehensive income – net(a)		
Investment securities	(1,077)	(2,013)
Currency translation adjustments	1,266	(1,337)
Cash flow hedges	(1,954)	(3,253)
Benefit plans	(374)	(367)
Additional paid-in capital	28,418	19,671
Retained earnings	46,833	45,472
Total GECC shareowner's equity	<u>73,168</u>	<u>58,229</u>
Noncontrolling interests(b)	2,129	2,383
Total equity	<u>75,297</u>	<u>60,612</u>
Total liabilities and equity	<u>\$ 630,786</u>	<u>\$ 637,410</u>

- (a) The sum of accumulated other comprehensive income – net was \$(2,139) million and \$(6,970) million at September 30, 2009 and December 31, 2008, respectively.
- (b) Included accumulated other comprehensive income attributable to noncontrolling interests of \$(97) million and \$(181) million at September 30, 2009 and December 31, 2008, respectively.

1. See Note 3 of the Notes to Condensed, Consolidated Financial Statements on Form 10-Q as set out on page 10 thereof.
2. See Note 4 of the Notes to Condensed, Consolidated Financial Statements on Form 10-Q as set out on page 13 thereof.
3. See Note 5 of the Notes to Condensed, Consolidated Financial Statements on Form 10-Q as set out on page 18 thereof.
4. See Note 5 of the Notes to Condensed, Consolidated Financial Statements on Form 10-Q as set out on page 18 thereof.
5. See Note 2 of the Notes to Condensed, Consolidated Financial Statements on Form 10-Q as set out on page 8 thereof.
6. See Note 6 of the Notes to Condensed, Consolidated Financial Statements on Form 10-Q as set out on page 20 thereof.
7. See Note 6 of the Notes to Condensed, Consolidated Financial Statements on Form 10-Q as set out on page 20 thereof.
8. See Note 2 of the Notes to Condensed, Consolidated Financial Statements on Form 10-Q as set out on page 8 thereof.

The notes to Condensed, Consolidated Financial Statements are an integral part of this statement.

## DESCRIPTION OF THE TRUST SECURITIES

Trust Securities will be issued by each Trust under its Trust Agreement. We summarize the general terms and provisions of the Trust Securities of each series in this section. The following summary is not intended to be complete and is subject to, and qualified in its entirety by reference to, the Trust Agreements and Delaware law.

You should read the Trust Agreements for additional information before you exchange your Debentures for Trust Securities. Copies of the Trust Agreements will be available from the office specified under "General Information – Documents Available".

### General

Each Trust Agreement will authorize the Trust created thereby to issue its Trust Securities and Common Securities (collectively referred to as the "**Securities**"). Each Trust will be permitted to issue only one series of Trust Securities and only one series of Common Securities. Except as otherwise provided herein, the Trust Agreements will not permit the Trusts to issue any securities other than the Trust Securities and the Common Securities or to incur any indebtedness or to conduct any business other than the issuance of the Trust Securities in exchange for Debentures tendered in the Exchange Offer, the issuance of the Common Securities by each Trust to GE Capital in exchange for the Debentures deposited with the Trust by GE Capital as depositor of each Trust and any other activities necessary or incidental thereto.

The Trust Securities and Common Securities issued by each Trust will represent undivided beneficial interests in the assets of the Trust issuing such Securities. The only assets of each Trust will be the Debentures underlying the Trust Securities issued by such Trust and the Debentures deposited by GE Capital in exchange for the Common Securities. Each Trust will have a Property Trustee, which will be The Bank of New York Mellon, a Delaware Trustee, which will be BNY Mellon Trust of Delaware, and three Administrative Trustees. The Property Trustee for each Trust will hold the underlying Debentures issued by GE Capital for the benefit of the holders of the related Trust Securities issued by such Trust. If fewer than all of the outstanding Debentures of a series are validly tendered and accepted for exchange pursuant to the Exchange Offer, none of the Trusts, the trustees of the Trusts and the holders of the Trust Securities will have any rights in respect of, or interest in, any of the outstanding Debentures of such series that are not held by a Trust. Furthermore, holders of Debentures that are not held by a Trust will continue to have all of the rights provided by the Indenture under which they were issued, including rights with respect to consents to amendments and waivers of past defaults. If a majority, or with respect to certain amendments, 66 $\frac{2}{3}$ % of the outstanding principal amount Debentures of a series are not exchanged for related Trust Securities in the Exchange Offer, the holders of the Debentures of such series not held by a Trust would be able to take actions with respect to waivers or amendments under the Indenture which would affect all of the outstanding Debentures of such series, including the Debentures held by a Trust, without any action on the part of the Property Trustee for such Trust or the holders of its Trust Securities. Conversely, if a majority, or with respect to certain amendments 66 $\frac{2}{3}$ % of the outstanding principal amount of the Debentures of a series are not exchanged for Trust Securities in the Exchange Offer, the holders of the Debentures of such series not held by a Trust would be able to block waivers or amendments agreed to by the Property Trustee for such Trust.

As described under "– Voting Rights; Amendment of the Trust Agreement", the holders of the Trust Securities of a series will have no voting rights or control over the administration, operation or management of the Trust issuing such Trust Securities or the obligations of the parties to the Trust Agreement, including in respect of the Debentures held by such Trust. Accordingly, all legal rights under the Debentures and under the Indenture, including the right to enforce Other Covenants, will be exercisable solely by the Property Trustee of the Trust, as the holder of the Debentures, and not by the holders of Trust Securities or Common Securities. If the Property Trustee fails to take action with respect to the enforcement of any of those rights, holders of Trust Securities will be unable to do so because the right to take such action will be vested solely with the Property Trustee as the holder of the Debentures. Furthermore, the Trust Agreements will provide that holders of the Trust Securities issued by a Trust will not be able to direct the Property Trustee for such Trust, or otherwise bring any action to compel the Property Trustee, to take such action or to remove the Property Trustee.

However, the Trust Agreements will provide that any holder of a Trust Security may request the Property Trustee to take such action. In addition, any such holder may offer the Property Trustee indemnity for taking such action at the holder's request provided that it is a "Qualified U.S. Holder" as that term is defined under "Description of the Trust Securities – Voting Rights; Amendments of the Trust Agreement". The Property Trustee for a Trust will not be obligated to take any action requested by any or even all of the holders of the Trust Securities issued by such Trust, and may require indemnity satisfactory to it from one or more Qualified U.S. Holders should it choose to act pursuant to any such request. The Property Trustee has no obligations to enforce Other Covenants, but if it chooses to do so, it will incur no liability to any person except for its bad faith or willful misconduct. See "– Voting Rights; Amendment of the Trust Agreement" below.

The Trust Securities will be issued in denominations of €50,000 in the case of EUR denominated Trust Securities and £50,000 in the case of GBP denominated Trust Securities and integral multiples of €1,000 and £1,000, respectively, in excess thereof. The Trust Securities will be issued in global registered form, registered in the name of, and deposited with, The Bank of New York Depository (Nominees) Limited, as nominee for The Bank of New York Mellon, acting through its London branch, as common depositary (the "**Common Depositary**") for Euroclear and Clearstream.

## **Distributions**

For each Euro denominated Trust Security having a liquidation amount of €50,000, you will be entitled to receive periodic distributions in the same amounts and on the same dates as we pay interest, including Additional Interest, if any, on €50,000 principal amount of underlying Debentures. For each GBP denominated Trust Security having a liquidation amount of £50,000, you will be entitled to receive periodic distributions in the same amounts and on the same dates as we pay interest, including Additional Interest, if any, on £50,000 principal amount of underlying Debentures.

Subject to the terms of the Debentures described under "Description of the Debentures – Option to Defer Interest Payments", and to the business day convention described under "Description of the Debentures – Interest Payments", distribution payment dates (each a "**Distribution Payment Date**") for the Trust Securities will be as follows:

- ***The EUR 2067 Trust Securities:*** During the 2067 Debentures Fixed Rate Period, the Distribution Payment Date will be annually in arrears on September 15 of each year (or the next succeeding Business Day if not a Business Day, without any interest or other payment in respect of such delay), commencing September 15, 2010 until and including September 15, 2017, and thereafter during the 2067 Debentures Floating Rate Period, the Distribution Payment Date will be quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (or the next succeeding Business Day if not a Business Day unless such a Business Day is in the next calendar month in which case such Distribution Payment Date shall be the Business Day immediately preceding such day), commencing December 15, 2017.
- ***The GBP 2067 Trust Securities:*** During the 2067 Debentures Fixed Rate Period, the Distribution Payment Date will be semi-annually in arrears, in equal installments, on March 15 and September 15 of each year (or the next succeeding Business Day if not a Business Day, without any interest or other payment in respect of such delay), commencing March 15, 2010 until and including September 15, 2017, and thereafter during the 2067 Debentures Floating Rate Period, the Distribution Payment Date will be quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (or the next succeeding Business Day if not a Business Day unless such a Business Day is in the next calendar month in which case such Distribution Payment Date shall be the Business Day immediately preceding such day), commencing December 15, 2017.
- ***The EUR 2066 Trust Securities:*** During the 2066 Debentures Fixed Rate Period, the Distribution Payment Date will be annually in arrears on September 15 of each year (or the next succeeding Business Day if not a Business Day, without any interest or other payment in respect of such delay), commencing September 15, 2010 until and including September 15, 2016, and thereafter, during the 2066 Debentures Floating Rate Period, the Distribution Payment Date will be quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (or the next succeeding Business Day if not a Business Day unless such a Business Day is in the next calendar month

in which case such Distribution Payment Date shall be the Business Day immediately preceding such day), commencing December 15, 2016.

- **The GBP 2066 Trust Securities:** During the 2066 Debentures Fixed Rate Period, the Distribution Payment Date will be semi-annually in arrears, in equal installments, on March 15 and September 15 of each year (or the next succeeding Business Day if not a Business Day, without any interest or other payment in respect of such delay), commencing March 15, 2010 until and including September 15, 2016, and thereafter, during the 2066 Debentures Floating Rate Period, the Distribution Payment Date will be quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (or the next succeeding Business Day if not a Business Day unless such a Business Day is in the next calendar month in which case such Distribution Payment Date shall be the Business Day immediately preceding such day), commencing December 15, 2016.

The period beginning on and including the Interest Payment Date for the Debentures of each series next preceding the Settlement Date and ending on but excluding the first Distribution Payment Date and each period after that period beginning on and including a Distribution Payment Date and ending on but excluding the next Distribution Payment Date is called a "**Distribution Period**".

Subject to its receipt of funds in respect of the Debentures held by it, on each Distribution Payment Date each Trust will pay the distribution in respect of the applicable Distribution Period to the holders of its Trust Securities on the record date for that Distribution Payment Date. The record date for a distribution to the Trust Securities for a Distribution Payment Date will be the same as the record date for a payment of interest on the corresponding Debentures for the Interest Payment Date that corresponds to that Distribution Payment Date. Specifically, as long as the Trust Securities remain in book-entry form, the record dates for the Trust Securities will be one Business Day prior to the relevant Distribution Payment Date. If Trust Securities are not in book-entry form, the record date will be the 15th calendar day prior to the relevant Distribution Payment Date (whether or not a Business Day).

The first distribution payment following the Settlement Date payable on each series of Trust Securities will include the amount of interest accrued on the related series of Debentures from and including the Interest Payment Date on such Debentures next preceding the Settlement Date to but excluding the Interest Payment Date coinciding with such Distribution Payment Date.

Funds available for distribution on such dates will be equal to payments received by each Property Trustee from GE Capital on the Debentures held by it. Distributions on the Trust Securities by a Trust will only be paid to the extent that each Trust receives interest payments on the Debentures held by it.

The term "**Business Day**" means any day other than a Saturday or Sunday or any other day on which banking institutions are generally authorized or obligated by law or regulation to close in The City of New York or London, England and, in the case of EUR denominated Debentures, is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

#### **Deferral of Distributions**

We have the right, on one or more occasions, to defer payment of interest on the Debentures of a series for one or more consecutive Interest Periods that do not exceed 10 years each. If we exercise or are deemed to exercise this right, the Trust holding such Debentures will be required to defer payment of a corresponding amount of distributions on the related Trust Securities issued by it for so long as the period of deferral on such Debentures, referred to as an Extension Period, continues. See "Description of the Debentures – Option to Defer Interest Payments".

Interest on the Debentures will continue to accrue during an Extension Period and interest that is not paid on any Debentures during an Extension Period will bear Additional Interest at the then applicable rate per annum for such series of Debentures, compounded periodically based upon the then applicable Interest Period for such Debentures.

References to "accumulated and unpaid distributions" herein include all accumulated and unpaid distributions, including compounded amounts thereon. Accumulated and unpaid distributions will be paid on the Trust Securities when, and in the same amounts, as accrued and unpaid interest, including Additional Interest, is paid on a like principal amount of Debentures.

Currently, we do not intend to exercise our right to defer interest payments on the Debentures.

## Payments

Distributions on Trust Securities on any Distribution Payment Date will be made to the extent that the relevant Trust has received funds from GE Capital as interest payments on the Debentures held by it on such dates. If GE Capital does not make interest payments on a series of Debentures to a Trust, such Trust will not have funds available to pay, and will not pay distributions on the related Trust Securities. To the extent that a Trust has received funds from GE Capital on the Debentures held by it and therefore has funds available for the payment of distributions on its Trust Securities, GE Capital will guarantee the payment of such distributions on the basis set forth under "Description of Guarantee".

Each Trust generally will pay distributions on its Trust Securities to The Bank of New York Mellon, as Property Trustee, or its Paying Agent, for remittance to Euroclear and Clearstream. Euroclear and Clearstream then will credit the relevant accounts at Euroclear and Clearstream on the applicable payment dates. The Property Trustee for each Trust will hold or cause to be held payments received on the Debentures held by such Trust in its property account for the benefit of the holders of the Trust Securities and Common Securities issued by such Trust.

## Payment of Trust Security Additional Amounts

Pursuant to each Trust Agreement, which we will enter into at or prior to the consummation of the Exchange Offer, and subject to certain exceptions-and limitations provided in each Trust Agreement as described below, each Trust will pay additional amounts ("**Trust Security Additional Amounts**") in respect of a Trust Security that is beneficially owned by a non-U.S. person to ensure that each net payment to that non-U.S. person will not be less, after reduction for or on account of U.S. withholding tax, than the amount then otherwise due and payable. No Trust will be obligated to make additional payments that exceed the amount required to do so. For this purpose, a "**net payment**" on a Trust Security means a payment by any Trust or any paying agent, including payment of liquidation amount and distributions, after reduction for or on account of any present or future tax, assessment, or other governmental charge of the United States.

A Trust will not be required to pay Trust Security Additional Amounts, however, in any of the circumstances described in items (1) through (14) below.

(1) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:

- having a relationship with the U.S. as a citizen, resident, or otherwise;
- having had such a relationship in the past; or
- being considered as having had such a relationship.

(2) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:

- being treated as present in or engaged in a trade or business in the U.S.;
- being treated as having been present in or engaged in a trade or business in the U.S. in the past;
- having or having had a permanent establishment in the U.S.; or

- having or having had a qualified business unit which has the U.S. dollar as its functional currency.

(3) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being or having been a:

- personal holding company;
- foreign private foundation or other foreign tax-exempt organization;
- passive foreign investment company;
- controlled foreign corporation; or
- corporation that has accumulated earnings to avoid U.S. federal income tax.

(4) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner owning or having owned, actually or constructively, 10% or more of the total combined voting power of all classes of our stock entitled to vote.

(5) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being a bank extending credit under a loan agreement entered into in the ordinary course of business.

For purposes of items (1) through (5) above, "beneficial owner" includes a fiduciary, settlor, partner, member, shareholder, or beneficiary of the holder if the holder is an estate, trust, partnership, limited liability company, corporation, or other entity, or a person holding a power over an estate or trust administered by a fiduciary holder.

(6) Trust Security Additional Amounts will not be payable to any beneficial owner of a Trust Security that is:

- a fiduciary;
- a partnership;
- a limited liability company;
- another fiscally transparent entity; or
- not the sole beneficial owner of the Trust Security, or any portion of the Trust Security.

However, this exception to the obligation to pay Trust Security Additional Amounts will apply only to the extent that a beneficiary or settlor in relation to the fiduciary, or a beneficial owner, partner, or member of the partnership, limited liability company, or other fiscally transparent entity, would not have been entitled to the payment of Trust Security Additional Amounts had the beneficiary, settlor, beneficial owner, partner, or member received directly its beneficial or distributive share of the payment.

(7) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld by reason of the failure of the beneficial owner or any other person to comply with applicable certification, identification, documentation, or other information reporting requirements. This exception to the obligation to pay Trust Security Additional Amounts will apply only if compliance with these reporting requirements is required as a precondition to exemption from such tax, assessment, or other governmental charge by statute or regulation of the U.S. or by an applicable income tax treaty to which the U.S. is a party.

(8) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is collected or imposed by

any method other than by withholding from a payment on the applicable security by the Trust or any paying agent.

- (9) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later.
- (10) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld by reason of the presentation by the beneficial owner for payment more than 30 days after the date on which such payment becomes due or is duly provided for, whichever occurs later.
- (11) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any:
- estate tax;
  - inheritance tax;
  - gift tax;
  - sales tax;
  - excise tax;
  - transfer tax;
  - wealth tax;
  - personal property tax; or
  - similar tax, assessment, withholding, deduction or other governmental charge.
- (12) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge required to be withheld by any paying agent from a payment on the applicable Trust Security if that payment can be made without such withholding by any other paying agent.
- (13) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any tax, assessment, or other governmental charge that is required to be made pursuant to any EU Directive on the taxation of savings income or any law implementing or complying with, or introduced to conform to, any such Directive. See "European Union Savings Tax Directive".
- (14) Trust Security Additional Amounts will not be payable with respect to a payment on a Trust Security that is reduced as a result of any combination of items (1) through (13) above.

Except as specifically provided above, a Trust will not be required to make any payment of any tax, assessment, or other governmental charge imposed by any government, political subdivision, or taxing authority of that government.

As used in this Prospectus, a "non-U.S. person" is a person other than a U.S. person, as that term is defined in "Certain U.S. Federal Income Tax Consequences — U.S. Holders".

## **Redemption**

If we repay or redeem the Debentures of any series, in whole or in part, whether at or prior to the Maturity Date, the Property Trustee for the Trust holding such Debentures will use the proceeds of that repayment or redemption to

redeem *pro rata* Trust Securities and Common Securities (except as described under "-Subordination of Common Securities"). The redemption of Trust Securities and Common Securities will occur upon the receipt by the Property Trustee of the proceeds from the redemption or repayment of Debentures. Any redemption or purchase of the Debentures or Trust Securities by us or our Subsidiaries will be subject to the limitations described under "Certain Terms of the Replacement Covenant".

The Trust Securities have no stated maturity but must be redeemed upon the maturity of the underlying Debentures or their earlier redemption. The Trust Securities will not be redeemed in any other circumstances. A redemption of a series of Trust Securities will occur on the same date that the related Debentures are redeemed. The redemption amount payable upon any redemption of a series of Debentures will be equal to the principal amount thereof plus accrued and unpaid interest, including Additional Interest and Additional Amounts, if any, or, in certain cases prior to September 15, 2017 for the EUR 2067 Trust Securities and GBP 2067 Trust Securities and in certain cases prior to September 15, 2016 for the EUR 2066 Trust Securities and GBP 2066 Trust Securities, the applicable Make-Whole Redemption Amount. See "Description of Debentures—Redemption Amount".

Any redemption of the Trust Securities in connection with a redemption of the applicable series of Debentures at the option of GE Capital prior to the Maturity Date of the applicable series of Debentures as described under "Description of the Debentures – Redemption" will be subject to any required approval by any Applicable Regulatory Authority.

#### *Redemption Procedures*

The Property Trustee for a Trust will mail written notice of any redemption of the Trust Securities issued by such Trust to the registered holders at least 30 but not more than 60 days before the date fixed for redemption. If a Trust gives a redemption notice, then if the funds are available for payment, the Property Trustee will, for Trust Securities held in global book-entry only form:

- irrevocably deposit with The Bank of New York Mellon, as Common Depositary or its nominee, for remittance to Euroclear and Clearstream funds sufficient to pay the applicable redemption amount; and
- give The Bank of New York Mellon, as Common Depositary or its nominee, for remittance to Euroclear and Clearstream irrevocable instructions and authority to pay the redemption amount to the holders of the Trust Securities.

If the Trust Securities are no longer held in global book-entry only form, and the funds are available for payment, then the Property Trustee will pay the redemption amount by check mailed to the addresses of the holders of the Trust Securities as they appear in the register.

Once a redemption notice is given and funds are deposited, then distributions on the Trust Securities being redeemed will cease to accrue, and all rights of the holders of the Trust Securities being redeemed will cease, except the right to receive the redemption amount, but without any interest for any delay in receiving it. If payment of the redemption amount for the Trust Securities called for redemption is improperly withheld or refused and not paid because we have not paid the corresponding redemption amount on the Debentures held by the Trust, then interest on a like principal amount of underlying Debentures, and therefore distributions on those Trust Securities, will continue to accumulate at the then applicable rate per annum on the Debentures, compounded periodically based on the then applicable Interest Period on such Debentures, from and including the original date scheduled for redemption to but excluding the date of actual payment. In this case, the actual payment date will be the date fixed for redemption for purposes of calculating the redemption amount.

In the event that the redemption date shall be a distribution payment date, the related distribution will be payable to the person to whom the liquidation amount or other amount in respect thereof is payable.

As in the case of the Debentures, if any date fixed for redemption is not a Business Day, then payment of the redemption amount on the Trust Securities will be made on the next day that is a Business Day, without any interest or other payment for the delay.

If less than all of the Debentures of a series are to be prepaid on a redemption date, the proceeds from the prepayment will be allocated *pro rata* to the redemption of the Trust Securities and Common Securities based on their relative liquidation amounts, except as set forth below under the heading "– Subordination of Common Securities". The Property Trustee holding such Debentures will select the particular Trust Securities to be redeemed on a *pro rata* basis or by any other method (including by lot) such Property Trustee deems fair and appropriate; *provided that*, if such Trust Securities are then held in book-entry form, such selection will be made by Euroclear and Clearstream in accordance with their customary procedures.

We may purchase at any time and from time to time, directly or through a Subsidiary or affiliate, outstanding Trust Securities by tender, in the open market or by private agreement, subject to the Replacement Covenant and any then required approval by any Applicable Regulatory Authority.

If at any time GE Capital or any of its affiliates is a holder of any Trust Securities, it or its affiliate, as the case may be, will have the right to deliver to the Property Trustee for the issuing Trust all or the portion of such Trust Securities as it elects and receive, in exchange therefore, underlying Debentures in an aggregate principal amount equal to the aggregate stated liquidation amount of, with an interest rate identical to the distribution rate of, and accrued and unpaid interest equal to accumulated and unpaid distributions on, the Trust Securities.

### **Subordination of Common Securities**

The holder of the Common Securities of each Trust will be entitled to receive distributions upon any liquidation or redemption on a proportionate basis with the holders of the Trust Securities issued by such Trust, except that if a Trust Event of Default has occurred and is continuing with respect to a Trust, such Trust will pay the total amounts due on its Trust Securities before making any distribution on its Common Securities. If upon liquidation a Trust cannot pay the full amount due on its Trust Securities and Common Securities because it has insufficient assets for payment, then the amounts such Trust owes on its Trust Securities will be allocated first, proportionately, to the Trust Securities and only thereafter to the aggregate liquidation amount of the Common Securities (€50,000 in the case of a Trust issuing Euro denominated Trust Securities and £50,000 in the case of a Trust issuing GBP denominated Trust Securities).

### **Exchange Event**

The Trust Agreement for each Trust will provide that the series of Trust Securities issued by such Trust will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for the series of related Debentures and thereafter such Trust will terminate upon the occurrence of an Event of Default under the Indenture with respect to the Debentures (such event, an "Exchange Event").

If at the time of any Exchange Event there are funds in the relevant Trust attributable to the payment by GE Capital of amounts owing in respect of interest on, or principal of, the Debentures held by such Trust that have not been distributed to holders of Trust Securities and Common Securities, such funds will also be distributed *pro rata* to holders in connection with such Exchange Event.

### **Liquidation Distribution upon Dissolution**

This Prospectus describes any voluntary or involuntary dissolution, winding up, or termination of a Trust as a "liquidation".

A Trust will terminate upon the first to occur of the following:

- subject to GE Capital having received any then required approval of any Applicable Regulatory Authority upon the written direction from GE Capital, as holder of the Common Securities, to the Property Trustee to dissolve the Trust and distribute a like principal amount of Debentures held by such Trust to the holders of its Trust Securities and Common Securities;
- the redemption or repayment of all of the Trust Securities and Common Securities issued by such Trust; or
- the entry of an order for the dissolution of the Trust by a court of competent jurisdiction.

Except as set forth in the next sentence, if an early dissolution occurs as described in this paragraph, the Property Trustee for a Trust will liquidate the Trust as expeditiously as possible by distributing, the Debentures held by such Trust to the holders of its Trust Securities and Common Securities on a proportionate basis. If the Property Trustee determines that such distribution is not possible or if the early dissolution occurs as a result of the redemption of Trust Securities, then, except with respect to an early dissolution as a result of a distribution of Debentures, the holders of the Trust Securities will be entitled to receive, out of the assets of such Trust, cash in an amount equal to the aggregate liquidation amount of the Trust Securities plus accrued and unpaid distributions to the date of payment. If a liquidation distribution can be paid only in part because the Trust has insufficient assets available to pay the distribution in full, then the amounts payable directly by such Trust on the Securities will be allocated proportionately. Under such circumstances, the holders of the Trust's Common Securities will be entitled to receive distributions upon liquidation on a *pro rata* basis with the holders of the Trust Securities, except in circumstances described above under the heading "– Subordination of Common Securities". We will be solely responsible for payment of all debts and other obligations of the Trust (other than with respect to amounts owing in respect of the Trust Securities).

### **Distribution of Debentures**

If, an Exchange Event occurs, or if the relevant Trust otherwise dissolves as provided above and distributes its Debentures to the holders of its Trust Securities and Common Securities, then, immediately following the occurrence of the Exchange Event or the distribution date of such Debentures and dissolution of such Trust, as the case may be:

- such Trust Securities and Common Securities will no longer be deemed to be outstanding;
- any certificates representing such Trust Securities not held by The Bank of New York Mellon, as Common Depository, or its nominee, will be deemed to represent the corresponding Debentures that had been held by the Trust having an aggregate principal amount equal to the aggregate stated liquidation amount of those Trust Securities, with an interest rate equivalent to the distribution rate applicable to such Trust Securities, and bearing accrued and unpaid interest in an amount equal to accrued and unpaid distributions on the Trust Securities, until those certificates are surrendered for transfer or reissuance; and
- all rights of holders of such Trust Securities will cease, except the right to receive the corresponding Debentures (and, to the extent applicable in connection with an Exchange Event, funds in the relevant Trust attributable to the payment by GE Capital of amounts owing in respect of interest on, or principal of, the relevant Debentures held by such Trust that have not been distributed to holders of Trust Securities and Common Securities) upon surrender.

Under current United States federal income tax law, and assuming, as expected, the Trust is treated as a grantor trust, a distribution of Trust Debentures in exchange for the Trust Securities would not be a taxable event to you. See "Certain U.S. Federal Income Tax Consequences—Ownership of Trust Securities—United States Holders—Automatic Exchange of Trust Securities" and "Certain U.S. Federal Income Tax Consequences—Ownership of Trust Securities—United States Holders—Liquidation of the Trust" below.

### **Event of Default under the Trust Agreements**

The occurrence of an Event of Default under the Indenture with respect to the Debentures of a series held by a Trust will constitute an event of default under the Trust Agreement for such Trust (a "**Trust Event of Default**"). As described above under "– Exchange Events", upon the occurrence of an Event of Default with respect to a series of

Debentures under the Indenture, such Debentures will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for the related outstanding Trust Securities. Thereafter, the former holders of such Trust Securities will be able to exercise their rights of acceleration and other remedies following such Event of Default as holders of Debentures of such series.

Within 30 days after any Trust Event of Default with respect to a Trust actually known to the Property Trustee for such Trust occurs, the Property Trustee will transmit notice of such Trust Event of Default to the holders of the Trust Securities issued by such Trust.

We, as holder of the Common Securities, and the Administrative Trustees are required to file annually with the Property Trustee for each Trust a certificate as to whether or not we or they are in compliance with all the conditions and covenants applicable to us and to them under the Trust Agreements.

The Indenture Trustee or the holders of at least 25% in aggregate principal amount of the outstanding Debentures of a series may declare such series of Debentures due and payable under the Indenture if an Event of Default occurs and is continuing. Not all breaches of our agreements and obligations in respect of the Debentures of a series constitute Events of Default. For a description of what constitutes an Event of Default, and of remedies available upon the occurrence of an Event of Default with respect to a series of Debentures, see "Description of the Debentures – Events of Default; Waiver and Notice; Enforcement of Other Covenants".

Holders of a series of Debentures that are not held by a Trust will continue to have all of the rights provided by the Indenture under which they were issued, including the right to declare such Debentures payable as described in the preceding paragraph. If at least 25% in aggregate principal amount of a series of Debentures outstanding are not exchanged for Trust Securities in the Exchange Offer, the holders of such series of Debentures not held by the Trust would be able to accelerate such Debentures without any action on the part of the Property Trustee or the holders of the Trust Securities.

#### **Voting Rights; Amendment of a Trust Agreement**

The holders of the Trust Securities issued by a Trust will have no voting rights or control over the administration, operation or management of such Trust or the obligations of the parties to the Trust Agreement, including in respect of the Debentures held by such Trust. Under each Trust Agreement, the Property Trustee will be entitled, to the extent described below and in the absence of any direction or consent of holders of the Trust Securities, to:

- make certain amendments to such Trust Agreement; and
- exercise its rights in respect of the Trust Securities or Debentures on behalf of such Trust.

*Trust Agreement.* We and the Administrative Trustees may amend the Trust Agreement governing a Trust, without the consent of the holders of the Trust Securities issued by such Trust, its Property Trustee or its Delaware Trustee, to do any of the following, *provided* (i) such amendment will not materially adversely affect the interests of any holder of Trust Securities issued by such Trust, its Property Trustee or its Delaware Trustee or impose any additional duty or obligation on the Property Trustee or the Delaware Trustee; (ii) we have received a written opinion of nationally recognized tax counsel to the effect that the amendment or the exercise of any power granted to any trustee of such Trust in accordance with the amendment will not result in a deemed exchange of the Debentures held by such Trust for new Debentures for U.S. federal income tax purposes; (iii) we have received a written opinion of nationally recognized tax counsel to the effect that such amendment will not cause the Trust to be treated for U.S. federal income tax purposes as other than (x) a domestic grantor trust or custodial arrangement, or (y) a foreign trust provided that such treatment would not have any adverse U.S. federal income tax consequences to us, the Trust or beneficial owners of the Trust Securities; and (iv) such amendment will not cause the Trust to be required to register as an "investment company" under the Investment Company Act:

- cure any ambiguity or correct or supplement any provisions in such Trust Agreement that may be inconsistent with any other provision;
- make any other provisions with respect to matters or questions arising under, or make any other modification or amendment with respect to, the Trust Agreement, including, without limitation, to confer additional rights upon holders of the Trust Securities with respect to the Trust Securities or the Debentures;
- modify, eliminate or add to any provisions of the Trust Agreement to such extent as shall be necessary to ensure that the Trust will be classified for U.S. federal income tax purposes as a grantor trust at all times that any Trust Securities are outstanding, to ensure that the Trust will not be required to register as an "investment company" under the Investment Company Act, or to ensure the treatment of the Trust Securities as any particular category of regulatory capital under prevailing rules and regulations of any Applicable Regulatory Authority;
- modify, eliminate or add to any provisions of the Trust Agreement following a "Change in Law", as defined below, to provide, to the extent possible, that the holders of the Trust Securities will have the same legal rights with respect to the Debentures as if they held those Debentures directly provided that such Change in Law permits such amendment without adverse U.S. federal income tax consequences to us, the Trust or beneficial owners of Trust Securities; or
- conform the terms of the Trust Agreement to the description of the Trust Agreement, the Trust Securities and the Trust's Common Securities in this Prospectus (which will be deemed to not materially adversely affect the interests of any holder of Trust Securities, the Property Trustee or the Delaware Trustee, or impose any additional duty or obligation on the Property Trustee or the Delaware Trustee).

Any such amendment shall become effective when written notice thereof is given to the Property Trustee, the Delaware Trustee and the holders of the Trust Securities.

A "Change in Law" means a change in the U.S. federal income tax laws or the release of an administrative pronouncement that represents an official position of a U.S. federal government authority, including a clarification of an official position of such authority, in each case after the closing of the Exchange Offer.

Other than to the extent set forth above (or as may otherwise be provided in an amendment in connection with a Change in Law), the Trust Agreement may not be amended.

*Indenture and Debentures.* With respect to certain actions to be taken under the Indenture and a series of Debentures, the Indenture and the Debentures of each series contain provisions requiring that such action be taken by the holders of a minimum specified percentage of the outstanding Debentures of such series and, in certain instances, requires the consent of each holder of Debentures of such series. These actions include, without limitation, the ability to:

- direct the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee for the Debentures of such series, or exercising any trust or power conferred on the Indenture Trustee with respect to the Debentures of such series;
- waive any past default that is waivable under the Indenture;
- exercise any right to rescind or annul a declaration that the principal of all the Debentures of such series is due and payable; or
- consent to any amendment, modification or termination of the Indenture or the Debentures of such series, where such consent by the holders of the Debentures shall be required.

The Trust Agreement will provide that all legal rights of holders of Trust Securities under the Debentures and under the Indenture, including the right to enforce the Other Covenants, will be exercisable solely by the Property Trustee of the Trust and not by the holders of Trust Securities or Common Securities. If the Property Trustee fails to take action

with respect to the enforcement of any of those rights, holders of Trust Securities will be unable to do so (other than following the automatic exchange of the Debentures for Trust Securities following the occurrence of an Event of Default) because the right to take such action will be vested solely in the Property Trustee on behalf of holders of Trust Securities. Furthermore, the Trust Agreement will provide that holders of the Trust Securities will not be able to direct the Property Trustee, or otherwise bring any action to compel the Property Trustee, to take such action or to remove the Property Trustee. However, the Trust Agreements will provide that any holder of a Trust Security may request the Property Trustee to take such action. In addition, any such holder may offer the Property Trustee indemnity for taking such action at the holder's request provided that it is a "Qualified U.S. Holder" as that term is defined below. The Property Trustee will not be obligated to take any action requested by any or even all of the holders of the Trust Securities and may require indemnity satisfactory to it from one or more Qualified U.S. Holders should it choose to act pursuant to any such request. The Property Trustee has no obligations to enforce Other Covenants, but if it chooses to do so, it will incur no liability to any person except for its bad faith or willful misconduct.

For purposes of the foregoing, a "Qualified U.S. Holder" is a beneficial owner of Trust Securities that has provided identifying information and certified that (i) the identifying information is true, correct and complete, and (ii) the beneficial owner is (x) a United States person within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended, (y) acting solely for its own account, and (z) not acting in connection with any understanding or arrangement, including a reimbursement agreement, that has a purpose to enable any other person to provide indirect indemnification to the Property Trustee.

The Trust Agreements will provide that if an Event of Default under the Indenture with respect to a series of Debentures or another Exchange Event occurs, the related Trust Securities will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for such Debentures as described under "– Exchange Events". The Trust Agreements will also provide that the Trust will dissolve and distribute the Debentures held by it to holders of its Trust Securities as described above under "– Liquidation Distribution upon Dissolution". In the event of any such exchange or dissolution and distribution, the former holders of Trust Securities will be able to exercise their rights under the Indenture as holders of Debentures.

The Trust Agreements will further provide that GE Capital will not solicit a consent to a proposed amendment to a series of Debentures or the Indenture, or seek a waiver of a past default under such Debentures, for so long as the Property Trustee is the holder of such Debentures on behalf of a Trust.

*Waiver of Derivative Rights.* The Trust Agreements will provide that each holder of Trust Securities will be deemed to have waived any right to bring an action under or pursuant to any law of the State of Delaware pertaining to trusts or any other law of the State of Delaware providing for a derivative action by a beneficiary on behalf of a trust or trustee. To the extent, if any, a holder of Trust Securities is by operation of law entitled to bring any such action notwithstanding the provisions of the Trust Agreements described in the immediately preceding sentence, then, to the fullest extent permitted by law, such holder may do so only (i) in the name of the beneficial owner(s) of the holder's interest if each such beneficial owner is a "United States person" as defined in Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended (a "U.S. Person"), or (ii) through a Qualified Agent if any such beneficial owner is not a U.S. Person. The Trust Agreements will further provide that each holder of Trust Securities is deemed to acknowledge reliance by the other holders of the Trust Securities upon the provisions of the Trust Agreement described in this paragraph.

For purposes of the foregoing, a "**Qualified Agent**" is a person that meets all of the following requirements and provides a certification to such effect to the Property Trustee:

- such person is a U.S. Person;
- the beneficial owner(s) must irrevocably appoint such U.S. Person with full discretionary powers to act as its agent with respect to whether to initiate, and the conduct or settlement of, the action in question; and

- such U.S. Person must be independent of the beneficial owner(s) and be disinterested in the outcome of the action.

Without limiting the foregoing, any such action will be deemed to be subject to the same procedural and substantive requirements as a derivative action by a stockholder of a private for-profit corporation organized under the General Corporation Law of the State of Delaware (the "**General Corporation Law**"). For such purposes, Delaware Court of Chancery Rule 23.1, as amended, or any similar procedural rule applicable to the action, will be deemed to apply, and the same deference will be accorded to any decision or action by the Property Trustee as is accorded to any decision or action by a board of directors or committee thereof under Section 141 of the General Corporation Law, as amended.

In the event that the Property Trustee determines that it is not, or is determined by any court of competent jurisdiction not to be, either independent or disinterested for the purpose of making any decision or taking any action with respect to a derivative or similar cause of action in the name of the Trust or one or more of the trustees of the Trust, GE Capital will appoint an additional trustee deemed to be both independent and disinterested. That additional trustee will, to the fullest extent permitted by law, (i) be empowered to act solely for the purposes of making such decision(s) and/or taking such action(s), and (ii) have the exclusive authority to make such decisions and/or take such actions.

### **Mergers or Consolidations of a Trust**

A Trust may not consolidate, amalgamate, or merge with or into, or be replaced by, or convey, transfer, or lease its properties and assets substantially as an entirety, to us or any other person, except as described below. At the request of the holder of the Common Securities issued by a Trust, the Trust may, with the consent of its Administrative Trustees but without the consent of the holders of its Trust Securities, its Property Trustee, or its Delaware Trustee, consolidate, amalgamate, or merge with or into, or be replaced by, or convey, transfer or lease its property and assets substantially as an entirety to, a trust organized under the laws of any state if:

- the successor entity, if not such Trust, either:
  - expressly assumes all of the obligations of such Trust with respect to the Securities, or
  - substitutes for the Securities other securities having substantially the same terms as the Securities, so long as the successor securities rank the same as the Securities in priority with respect to distributions and payments upon liquidation, redemption, and otherwise;
- we, as issuer of the Debentures held by such Trust, expressly acknowledge a trustee of the successor entity possessing the same powers and duties as the Property Trustee as the holder of the corresponding Trust's Debentures;
- the Trust Securities issued by such Trust or any successor securities are listed, or any successor securities will be listed upon notification of issuance, on the London Stock Exchange or with another organization, if any, on which the Trust Securities issued by such Trust are then, or had been, listed or quoted;
- the merger, consolidation, amalgamation, replacement, conveyance, transfer or lease does not cause the Trust Securities issued by such Trust, including any successor securities, to be downgraded by any nationally recognized statistical rating organization which has assigned ratings to the Trust Securities;
- the merger, consolidation, amalgamation, replacement, conveyance, transfer or lease does not adversely affect the rights, preferences, and privileges of the holders of the Securities issued by such Trust, including any successor securities, in any material respect;
- the successor entity has a purpose substantially identical to that of such Trust;
- prior to the merger, consolidation, amalgamation, replacement, conveyance, transfer or lease we have received an opinion of counsel to such Trust to the effect that:

- the merger, consolidation, amalgamation, replacement, conveyance, transfer or lease does not adversely affect the rights, preferences, and privileges of the holders of the Securities issued by such Trust, including any successor securities, in any material respect; and
- following the merger, consolidation, amalgamation replacement, conveyance, transfer or lease neither Trust nor the successor entity will be required to register as an investment company under the Investment Company Act;
- prior to the merger, consolidation, amalgamation replacement, conveyance, transfer or lease, we have received a written opinion of nationally recognized tax counsel to the effect that the merger, consolidation, amalgamation, replacement, conveyance, transfer or lease will not:
  - result in a deemed exchange of the Debentures for new Debentures for U.S. federal income tax purposes; or
  - cause the Trust or cause or permit the successor entity to be classified as other than a domestic grantor trust or custodial arrangement for U.S. federal income tax purposes; and
- we or a permitted successor or assignee of ours owns all of the common securities of such successor entity and the obligations of the successor entity with respect to the successor securities are guaranteed by us or our permitted successor or assignee at least to the extent provided by the Guarantee of the Trust Securities.

#### **Trust Expenses**

Pursuant to each Trust Agreement, we have agreed to pay:

- all debts and other obligations of each Trust (other than with respect to the Trust Securities);
- all costs and expenses of each Trust, including costs and expenses relating to the organization of each Trust, the fees, expenses and indemnities of the trustees and the cost and expenses relating to the operation of such Trust; and
- any and all taxes and costs and expenses with respect thereto to which a Trust might become subject, other than U.S. withholding taxes (except for withholding taxes with respect to which we are required to pay Trust Debenture Additional Amounts), to the extent that we would not have been obligated to pay such withholding taxes under the Indenture with respect to the Debentures held by such Trust.

#### **Book-Entry and Settlement**

Payment of the liquidation amount of, premium, if any, and any distributions on Trust Securities in global form registered in the name of or held by the Common Depositary or its nominee will be made in immediately available funds to the Common Depositary or its nominee, as the case may be, as the registered holder of such global Trust Security.

Book-Entry Interests (as defined hereafter under "Global Clearance and Settlement") in the Trust Securities owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional Eurobonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the Business Day following the settlement date against payment for value on the settlement date. The Book-Entry Interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. See "Global Clearance and Settlement".

Except in limited circumstances, owners of beneficial interests in a global Trust Security will not be entitled to receive physical delivery of Trust Securities in certificated form and will not be considered the holders of that global security for any purpose.

A global Trust Security is only exchangeable for another global Trust Security of like denomination to be registered in the name of the Common Depositary or its nominee or to a successor depository or its nominee. The global securities may not be transferred except by the Common Depositary to a nominee of the Common Depositary or by a nominee of the Common Depositary to the Common Depositary or another nominee of the Common Depositary or to a successor Common Depositary or its nominee. This means that each beneficial owner must rely on the procedures of the Common Depositary, or if that beneficial owner is not a participant, on the procedures of the participant through which the person owns its interest, to exercise any rights of a holder of Trust Securities.

### **Transfer and Exchange**

A holder may transfer or exchange Trust Securities in accordance with the applicable Trust Agreement. The registrar may require a holder of a Trust Security, among other things, to furnish appropriate endorsements and transfer documents. No service charge will be imposed by GE Capital or the registrar for any registration of transfer or exchange of Trust Securities, but GE Capital may require a holder to pay a sum sufficient to cover any transfer tax or other governmental taxes and fees required by law or permitted by the Trust Agreement. GE Capital is not required to transfer or exchange any Trust Security selected for redemption. Also, GE Capital is not required to transfer or exchange any Trust Security for a period of 15 days before a selection of Trust Securities to be redeemed.

Ownership of interests in the Trust Securities in global form and interests therein will be subject to restrictions on transfer and certification requirements summarized under "Notice to Investors".

### **Notices**

Notices regarding the Trust Securities will be published in a leading newspaper having general circulation in London (which is expected to be *The Financial Times*) and through the newswire service of Bloomberg (or if Bloomberg does not then operate, any similar agency). Additionally, in the event the Trust Securities are in the form of definitive Trust Securities, notices will be sent, by first-class mail to each holder at such holder's address as it appears on the registration books of the registrar. If and so long as the Trust Securities are listed on any securities exchange, notices will also be given in accordance with any applicable requirements of such securities exchange. If and so long as any Trust Securities are represented by one or more global Trust Securities and ownership of Book-Entry Interests therein are shown on the records of Euroclear, Clearstream or any successor clearing agency appointed by the Common Depositary at the request of GE Capital, notices will be delivered to such clearing agency for communication to the owners of such Book-Entry Interests. Notices given by publication will be deemed given on the first date on which publication is made and notices given by first-class mail, postage prepaid, will be deemed given five calendar days after mailing.

### **The Property Trustee**

We and certain of our affiliates from time to time have maintained deposit accounts and conducted other banking transactions with the Property Trustee for the Trusts and its affiliates in the ordinary course of business. We expect to continue those business transactions. The Property Trustee for the Trusts also serves as trustee for certain series of our outstanding indebtedness under other indentures, including the Debentures.

The Trust Agreements will provide that only the Property Trustee for a Trust may enforce the legal rights under the Debentures held by such Trust and the Indenture on behalf of holders of Trust Securities, including the right to enforce GE Capital's covenants under the Indenture on behalf of holders of Trust Securities. If the Property Trustee fails to take action with respect to the enforcement of any of those rights, holders of Trust Securities will be unable to do so (other than following the automatic exchange of the Debentures for Trust Securities following the occurrence of an Event of Default) because the right to take such action will be vested solely in the Property Trustee on behalf of holders of Trust Securities. Furthermore, the Trust Agreements will provide that holders of the Trust Securities will not be able to direct the Property Trustee, or otherwise bring any action to compel the Property Trustee, to take such action or remove the Property Trustee. However, the Trust Agreements will provide that any holder of a Trust Security may request the Property Trustee to take such action. In addition, any such holder may offer the Property Trustee indemnity for taking such action at the holder's

request provided that it is a "Qualified U.S. Holder" as that term is defined under "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement". The Property Trustee will not be obligated to take any action requested by any or even all of the holders of the Trust Securities and may require indemnity satisfactory to it from a Qualified U.S. Holder should it choose to act pursuant to any such request. The Property Trustee has no obligations to enforce Other Covenants, but if it chooses to do so, it will incur no liability to any person except for its bad faith or willful misconduct.

In general, only we, as the holder of the Common Securities, can replace or remove the Property Trustee. However, if a default in respect of an Other Covenant has occurred and is continuing, we will no longer be able to remove the Property Trustee.

#### **Paying Agent, Security Registrar, and Transfer Agent**

Until the Trust Securities of a series are paid, we will maintain a paying agent, security registrar, and transfer agent for such series of Trust Securities. Initially, The Bank of New York Mellon, will serve in each of those capacities for each series of Trust Securities.

#### **Governing Law**

Each Trust Agreement will be governed by and construed in accordance with the laws of the State of Delaware.

## DESCRIPTION OF THE DEBENTURES

The Debentures were issued pursuant to an Indenture, dated as of September 1, 2006, and as supplemented: (i) by a supplemental indenture, dated September 5, 2007, for the 2067 Debentures, and (ii) by a supplemental indenture, dated as of September 15, 2006, for the 2066 Debentures, in each case between GE Capital and The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.), as Indenture Trustee. Each series of the Debentures as to which the conditions of the Exchange Offer have been satisfied, will be further amended by a supplemental indenture dated as of the Settlement Date, (the Indenture and supplemental indentures are referred to collectively as the "**Indenture**") as further described below under "—Payment of Trust Debenture Additional Amounts" and "—Redemption".

The following summary is not intended to be complete and is subject to, and qualified in its entirety by reference to, the Indenture and the Debentures. You should read the Indenture, including the form of Debentures, for additional information concerning the Debentures. Copies of the Indenture, including the forms of Debentures, will be available from the office specified under "General Information—Documents Available".

All references in this section "Description of the Debentures" to "**GE Capital**", "**we**", "**us**", "**our**", or similar references, mean General Electric Capital Corporation excluding its subsidiaries.

### General

The Debentures are unsecured, subordinated obligations of GE Capital, originally issued in the following aggregate principal amounts:

- €1,500,000,000 aggregate principal amount of EUR 2067 Debentures;
- £600,000,000 aggregate principal amount of GBP 2067 Debentures;
- €950,000,000 aggregate principal amount of EUR 2066 Debentures;
- £400,000,000 aggregate principal amount of GBP 2066 Debentures;;

The Debentures will rank junior to our Senior Indebtedness, as defined herein, including our Subordinated Notes, as defined herein. See "— Subordination".

The entire principal amount of the Debentures will be due and payable, together with any accrued and unpaid interest, and Additional Interest, as defined below under "– Interest Payments", if any, on September 15, 2067 for the 2067 Debentures and on September 15, 2066 for the 2066 Debentures. In certain circumstances, a series of Debentures may be redeemed by GE Capital prior to its Maturity Date. The Debentures are not subject to repayment at the option of the holders. There is no sinking fund for the Debentures.

The Debentures are issued in denominations of €50,000 for the EUR 2067 Debentures and the EUR 2066 Debentures and £50,000 for the GBP 2067 Debentures and the GBP 2066 Debentures and integral multiples of €1,000 and £1,000, respectively, in excess thereof.

We may from time to time, without the consent of the existing holders, create and issue additional Debentures of a series having the same terms and conditions as the Debentures of such series in all respects, except for issue date, issue price and, if applicable, the date from which interest shall accrue or first be paid. Such additional Debentures will be consolidated with and will form a single series with such series of Debentures.

Interest accrues on the Debentures from and including the most recent Interest Payment Dates (as defined below) to but excluding the next Interest Payment Date (without regard to any permitted deferral as described under "— Option to

Defer Interest Payments") or other dates on which interest is due and payable in accordance with the terms of the Debentures upon redemption, acceleration, or maturity (each such period an "**Interest Period**").

## **Interest on the Debentures**

### *Interest on the EUR 2067 Debentures*

#### *Fixed Interest Period*

Interest on the EUR 2067 Debentures accrues at a fixed rate per annum of 5.500% of the principal amount, up to but excluding September 15, 2017 (the "**2067 Debentures Fixed Rate Period**"). Subject to "— Option to Defer Interest Payments" and to the business day convention described under "— Interest Payments" below, interest on the EUR 2067 Debentures is payable with respect to the 2067 Debentures Fixed Rate Period annually in arrears on September 15 of each year.

#### *Floating Interest Rate Period*

Commencing on September 15, 2017, interest on the EUR 2067 Debentures will accrue at a floating rate per annum equal to 3-month EURIBOR plus 2.000% (the "**2067 Debentures Floating Rate Period**"). Subject to "— Option to Defer Interest Payments" and to the business day convention described under "— Interest Payments" below, interest on the EUR 2067 Debentures during the 2067 Debentures Floating Rate Period will be payable in respect of each Interest Period quarterly in arrears on March 15, June 15, September 15 and December 15 of each year commencing December 15, 2017.

"**3-month EURIBOR**", with respect to an Interest Period for the EUR 2067 Debentures during the 2067 Debentures Floating Rate Period, will be the rate (expressed as a percentage per annum) for deposits in euro for a three-month period that appears on Reuters Page EURIBOR01 as of 11:00 a.m., Brussels time, on the second TARGET Settlement Day immediately preceding the first day of such Interest Period. If the Reuters Page EURIBOR01 does not include such a rate or is unavailable on such date, the Calculation Agent (as defined below) will request the principal London office of each of four major banks in the Euro-zone inter-bank market, as selected by the Calculation Agent (after consultation with GE Capital), to provide such bank's offered quotation (expressed as a percentage per annum) as of approximately 11:00 a.m., Brussels time, on such date, to prime banks in the Euro-zone inter-bank market for deposits in an amount in euro that is representative for a single transaction in such market and for a three-month period beginning on the day that is two TARGET Settlement Days after such date. If at least two such offered quotations are so provided, the rate for the Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, the Calculation Agent will request each of three major banks in London, as selected by the Calculation Agent (after consultation with GE Capital), to provide such bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m., London time, on such date. Rates quoted will be for loans in euro to leading European banks for a three-month period beginning on the day that is two TARGET Settlement Days after such date based on a principal amount that is representative of a single transaction. If at least two such rates are so provided, the rate for the Interest Period will be the arithmetic mean of such rates. If fewer than two such rates are so provided then the rate for the Interest Period will be the rate in effect with respect to the immediately preceding Interest Period, or, in the case of the first Interest Period on the EUR 2067 Debentures in the 2067 Debentures Floating Rate Period, 5.500% per annum.

The term "**Reuters Page EURIBOR01**" means the Capital Markets Report Screen EURIBOR01 of Reuters or any successor service or page for the purpose of displaying EURIBOR offered rates of major banks.

A "**Business Day**" is defined in the Indenture and the Debentures to mean any day other than a Saturday or Sunday or any other day on which banking institutions are generally authorized or obligated by law or regulation to close in The City of New York or London, England and, in the case of the EUR 2067 Debentures and the EUR 2066 Debentures, is also a TARGET Settlement Day.

A "**TARGET Settlement Day**" means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

### ***Interest on the GBP 2067 Debentures***

#### *Fixed Interest Period*

Interest on the GBP 2067 Debentures accrues at a fixed rate per annum of 6.500% of the principal amount, up to but excluding September 15, 2017. Subject to "— Option to Defer Interest Payments" and to the business day convention described under "— Interest Payments" below, interest on the GBP 2067 Debentures is payable with respect to the 2067 Debentures Fixed Rate Period semi-annually in arrears, in equal instalments, on March 15 and September 15 of each year, commencing March 15, 2008.

#### *Floating Interest Rate Period*

Commencing September 15, 2017, interest on the GBP 2067 Debentures will accrue at a floating rate per annum equal to 3-month Sterling LIBOR plus 2.000%. Subject to "— Option to Defer Interest Payments" and to the business day convention described under "— Interest Payments" below, interest on the GBP 2067 Debentures during the 2067 Debentures Floating Rate Period will be payable in respect of each Interest Period quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing December 15, 2017.

"**3-month Sterling LIBOR**", with respect to an Interest Period for the GBP 2067 Debentures during the 2067 Debentures Floating Rate Period, means the rate (expressed as a percentage per annum) for deposits in pounds sterling for a three-month period that appears on Reuters Page LIBOR01 as of 11:00 a.m., London time, on the first day of such Interest Period. If 3-month Sterling LIBOR cannot be determined as described above, the rate for such Interest Period will be determined on the basis of the rates at which deposits in pounds sterling are offered by four leading banks selected by the 2067 Debentures Calculation Agent (after consultation with GE Capital), at approximately 11:00 a.m., London time, on the first day of such Interest Period to prime banks in the London interbank market for a period of three months commencing on the first day of such Interest Period. These quotations will be based upon a principal amount that is representative of a single transaction in pounds sterling in such market at the time. If two or more quotations are provided, 3-month Sterling LIBOR for the Interest Period will be the arithmetic mean of the quotations. If fewer than two quotations are provided, 3-month Sterling LIBOR will be the arithmetic mean of the rates quoted by major banks in London, selected by the 2067 Debentures Calculation Agent (after consultation with GE Capital), at approximately 11:00 a.m., London time, on the first day of such Interest Period. The rates quoted will be for loans in pounds sterling for a three-month period to leading European banks commencing on the first day of such Interest Period. Rates quoted must be based on a principal amount that is representative of a single transaction in pounds sterling in such market at the time. If fewer than three banks are quoting rates, 3-month Sterling LIBOR for the applicable period will be the same as for the immediately preceding Interest Period, or, in the case of the first Interest Period on the GBP 2067 Debentures in the 2067 Debentures Floating Rate Period, the interest rate will be the rate of the preceding fixed rate period of 6.500% per annum.

The term "**Reuters Page LIBOR01**" means the Capital Markets Report Screen LIBOR01 of Reuters or any successor service or page for the purpose of displaying the London interbank offered rates of major banks.

### ***Interest on the EUR 2066 Debentures***

#### *Fixed Interest Period*

Interest on the EUR 2066 Debentures accrues at a fixed rate per annum of 4.625% of the principal amount, up to but excluding September 15, 2016 (the "**2066 Debentures Fixed Rate Period**"). Subject to "— Option to Defer Interest Payments" and to the business day convention described under "— Interest Payments" below, interest on the EUR 2066 Debentures is payable with respect to the 2066 Debentures Fixed Rate Period annually in arrears on September 15 of each year, commencing September 15, 2007.

### *Floating Interest Rate Period*

Commencing on September 15, 2016, interest on the EUR 2066 Debentures will accrue at a floating rate per annum equal to 3-month EURIBOR plus 1.600% (the "**2066 Debentures Floating Rate Period**"). Subject to "— Option to Defer Interest Payments" and to the business day convention described under "— Interest Payments" below, interest on the EUR 2066 Debentures during the 2066 Debentures Floating Rate Period will be payable in respect of each Interest Period quarterly in arrears on March 15, June 15, September 15 and December 15 of each year commencing December 15, 2016 (each such Payment Date for the Debentures is referred to as an "**Interest Payment Date**").

"**3-month EURIBOR**", with respect to an Interest Period in the 2066 Debentures Floating Rate Period, will be the rate (expressed as a percentage per annum) for deposits in euro for a three-month period that appears on the Reuters Screen EURIBOR01 Page as of 11:00 a.m., Brussels time, on the second TARGET Settlement Day immediately preceding the first day of such Interest Period. If the Reuters Screen EURIBOR01 Page does not include such a rate or is unavailable on such date, the Calculation Agent (as defined below) will request the principal London office of each of four major banks in the Euro-zone inter-bank market, as selected by the Calculation Agent (after consultation with GE Capital), to provide such bank's offered quotation (expressed as a percentage per annum) as of approximately 11:00 a.m., Brussels time, on such date, to prime banks in the Euro-zone inter-bank market for deposits in an amount in euro that is representative for a single transaction in such market and for a three-month period beginning on the day that is two TARGET Settlement Days after such date. If at least two such offered quotations are so provided, the rate for the Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, the Calculation Agent will request each of three major banks in London, as selected by the Calculation Agent (after consultation with GE Capital), to provide such bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m., London time, on such date. Rates quoted will be for loans in euro to leading European banks for a three-month period beginning on the day that is two TARGET Settlement Days after such date based on a principal amount that is representative of a single transaction. If at least two such rates are so provided, the rate for the Interest Period will be the arithmetic mean of such rates. If fewer than two such rates are so provided then the rate for the Interest Period will be the rate in effect with respect to the immediately preceding Interest Period, or, in the case of the first Interest Period on the EUR 2067 Debentures in the 2066 Debentures Floating Rate Period, 4.625% per annum.

The term "**Reuters Screen EURIBOR01 Page**" means Capital Markets Report Screen EURIBOR01 of Reuters, or any other page as may replace such page on such service.

A "**Business Day**" is defined in the Indenture and the Debentures to mean any day other than a Saturday or Sunday or any other day on which banking institutions are generally authorized or obligated by law or regulation to close in The City of New York or London, England and, in the case of the Euro Debentures, is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

A "**TARGET Settlement Day**" means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

### *Interest on the GBP Debentures due 2066*

#### *Fixed Interest Period*

Interest on the GBP 2066 Debentures will accrue at a fixed rate per annum of 5.500% of the principal amount, commencing on the Issue Date and continuing to but excluding September 15, 2016. Subject to "— Option to Defer Interest Payments" and to the business day convention described under "— Interest Payments" below, interest on the GBP 2066 Debentures will be payable with respect to the Fixed Rate Period semi-annually in arrears, in equal instalments, on March 15 and September 15 of each year, commencing March 15, 2007.

### *Floating Interest Rate Period*

Commencing September 15, 2016, interest on the GBP 2066 Debentures will accrue at a floating rate per annum equal to 3-month Sterling LIBOR plus 1.615%. Subject to "— Option to Defer Interest Payments" and to the business day convention described under "— Interest Payments" below, interest on the GBP 2066 Debentures during the 2066 Debentures Floating Rate Period will be payable in respect of each Interest Period quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing December 15, 2016.

"**3-month Sterling LIBOR**", with respect to an Interest Period in the 2066 Debentures Floating Rate Period, means the rate (expressed as a percentage per annum) for deposits in pounds sterling for a three-month period that appears on the Reuters Screen LIBOR01 Page as of 11:00 a.m., London time, on the first day of such Interest Period. If 3-month Sterling LIBOR cannot be determined as described above, the rate for such Interest Period will be determined on the basis of the rates at which deposits in pounds sterling are offered by four leading banks selected by the Calculation Agent (after consultation with GE Capital), at approximately 11:00 a.m., London time, on the first day of such Interest Period to prime banks in the London interbank market for a period of three months commencing on the first day of such Interest Period. These quotations will be based upon a principal amount that is representative of a single transaction in pounds sterling in such market at the time. If two or more quotations are provided, 3-month Sterling LIBOR for the Interest Period will be the arithmetic mean of the quotations. If fewer than two quotations are provided, 3-month Sterling LIBOR will be the arithmetic mean of the rates quoted by major banks in London, selected by the Calculation Agent (after consultation with GE Capital), at approximately 11:00 a.m., London time, on the first day of such Interest Period. The rates quoted will be for loans in pounds sterling for a three-month period to leading European banks commencing on the first day of such Interest Period. Rates quoted must be based on a principal amount that is representative of a single transaction in pounds sterling in such market at the time. If fewer than three banks are quoting rates, 3-month Sterling LIBOR for the applicable period will be the same as for the immediately preceding Interest Period, or, in the case of the first Interest Period on the GBP 2066 Debentures in the 2066 Debentures Floating Rate Period, the interest rate will be the rate of the preceding fixed rate period of 5.500% per annum.

The term "**Reuters Screen LIBOR01 Page**" means Capital Markets Report Screen LIBOR01 of Reuters, or any other page as may replace such page on such service.

### **Calculation Agent**

Calculations relating to 3-month EURIBOR and 3-month Sterling LIBOR for each series of Debentures will be made by a calculation agent (the "**Calculation Agent**"), an institution appointed by GE Capital as its agent for this purpose. The Calculation Agent currently is The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.), acting through its London branch. GE Capital may appoint a different institution to serve as Calculation Agent from time to time, pursuant to the calculation agent agreement (the "**Calculation Agreement**") with respect to the Debentures, dated as of September 15, 2006, between GE Capital, and The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.), acting through its London branch, without the consent of holders and without notifying holders of the change. Absent manifest error, the calculations made pursuant to the Calculation Agreement will be binding on GE Capital and each holder of Debentures.

### **Interest Payments**

Subject to the right of GE Capital to defer the payment of interest, as described below under "— Option to Defer Interest Payments", interest on the Debentures will be payable on each Interest Payment Date to the holders of record on the regular record date therefor (the "**Record Date**"). The Record Date will be one Business Day before the relevant Interest Payment Date, except that in the event that Debentures are issued in definitive fully registered form, the Record Date will be the fifteenth calendar day before the relevant Interest Payment Date.

With respect to interest accruing during the 2067 Debentures Fixed Rate Period and the 2066 Debentures Fixed Rate period, if any Interest Payment Date is not a Business Day, then payment of the interest payable on such date will be

made on the next succeeding day that is a Business Day, without any interest or other payment as a result of the delay, with the same force and effect as if made on the date that payment was originally payable. If a redemption date falling during the 2067 Debentures Fixed Rate Period or the 2066 Debentures Fixed Rate Period is not a Business Day, then payment of interest on such date will be made on the next succeeding Business Day with the same force and effect as it made on such redemption date (without any interest or other payment in respect of such delay).

With respect to interest accruing during 2067 Debentures Floating Rate Period and the 2066 Debentures Floating Rate period, if any Interest Payment Date is not a Business Day, then the Interest Payment Date will be the next succeeding Business Day unless such Business Day is in the next calendar month in which case such Floating Interest Payment Date shall be the Business Day immediately preceding such day. Notwithstanding the foregoing, if the Maturity Date or an earlier redemption date falling during the 2067 Debentures Floating Rate Period or the 2066 Debentures Floating Rate Period is not a Business Day, then payment of interest on such date will be made on the next succeeding Business Day with the same force and effect as if made on such Maturity Date or redemption date (without any interest or other payment in respect of such delay).

Interest that is not paid on any Debentures on the applicable Interest Payment Date will bear additional interest ("**Additional Interest**") at the rate per annum then applicable to the Debentures, compounded periodically based upon the then applicable Interest Period for the Debentures.

The amount of interest payable on the Debentures for any Interest Period will be computed on the basis of a 360-day year and the actual number of days elapsed in the relevant Interest Period.

The term "**interest**" as used in this Prospectus includes interest payments, together with Additional Interest and Trust Debenture Additional Amounts (if any).

### **Option to Defer Interest Payments**

With respect to any series of Debentures, so long as no Event of Default in respect of the Debentures of such series has occurred and is continuing, we may defer all payment of interest on outstanding Debentures of such series for a period (an "**Extension Period**") effective for interest accruing as of the first day of any Interest Period (the "**Start Date**") and extending not longer than the earlier of (a) the tenth anniversary of the Start Date, and (b) the Maturity Date for such series of Debentures (such final date being herein referred to as the "**Maximum Extension Date**"). No Extension Period shall end on a date other than an Interest Payment Date or the Maturity Date; provided that in connection with a redemption of the Debentures in whole, we may elect to end an Extension Period on the applicable redemption date. Until the end of any Extension Period (including any permitted extension thereof), no interest shall be due and payable, except for interest due and payable on the Start Date with respect to the prior Interest Period. To the extent permitted by applicable law, Additional Interest on deferred amounts will accrue during an Extension Period from the first Interest Payment Date following the Start Date and will be compounded periodically based upon the then applicable Interest Period for the Debentures. On the Interest Payment Date falling at the end of an Extension Period as determined below (the "**End Date**"), the redemption date for all outstanding Debentures, or the Maturity Date, as applicable, we will be obligated to pay all accrued and unpaid interest, including Additional Interest. Deferral for a new Extension Period (other than the extension of an existing Extension Period as described below) may occur only if all amounts due and payable on the Debentures (including Additional Interest and Trust Debenture Additional Amounts, if any) in respect of any previous Extension Period have been paid in full on or after the End Date for such Extension Period.

We shall give the Indenture Trustee, for distribution to holders of Debentures as of the immediately preceding Record Date, notice that we have elected to commence an Extension Period, such notice to be given by us at least five but not more than fifteen days before the Interest Payment Date relating to the first Interest Period in the Extension Period during which interest will be deferred. Such notice shall specify the Start Date and an End Date not later than the Maximum Extension Date; provided that we may elect to modify any End Date to an earlier or later date prior to the Maximum Extension Date in accordance with the terms set in the Debenture by notice given to the Indenture Trustee for distribution to the holders of the Debentures.

Notwithstanding the foregoing, in the event that the amount of interest made available to the Paying Agent is not sufficient, or if no amount is made available, to pay interest then due on any Interest Payment Date (including the End Date of an Extension Period) that is not a Maximum Extension Date, no funds shall be applied to payment of such interest by the Paying Agent and if the required amount is not provided within five days after notice from the Indenture Trustee to us, the full amount of interest otherwise due and payable on such Interest Payment Date shall be (a) with respect to an Interest Payment Date that does not fall within an Extension Period, deemed deferred (without any prior notice of deferral) with the preceding Interest Payment Date being the Start Date of an Extension Period having as its End Date the earlier of the next succeeding Interest Payment Date after such deemed deferral and the Maximum Extension Date, or (b) with respect to an Interest Payment Date that is an End Date, deemed further deferred by an extension of the Extension Period (without any prior notice of modification of the Extension Period) to a new End Date that shall be the earlier of the next Interest Payment Date and the Maximum Extension Date; *provided*, however, that the provisions of this sentence shall not apply to any interest that shall become due and payable solely by reason of a redemption of the Debentures.

In the event of any deferral or extension pursuant to clauses (a) or (b) of the preceding paragraph, notice shall be promptly given to the holders of the Debentures as of the close of business on the immediately preceding Record Date indicating the current amount and terms of any deferral, provided that the failure to give such notice shall not affect our rights hereunder, including, without limitation, our ability to defer interest as provided herein. In the event a sufficient amount of interest is not made available to the Paying Agent on a particular Interest Payment Date (other than the Maximum Extension Date) on which payment is otherwise due, and appropriate amounts are not provided in time to avoid initiating or extending an Extension Period, any partial amounts made available shall be delivered and held by the Indenture Trustee for application on the next date on which interest is due and payable under the terms of the Debentures or returned to us at our direction.

#### **Payment of Trust Debenture Additional Amounts**

At or prior to the consummation of the Exchange Offer, we will amend the Indenture to provide that we will pay to the relevant Trust, with respect to any Debentures held by such Trust, such amounts (the "**Trust Debenture Additional Amounts**") as are necessary to enable such Trust to meet its obligations to pay Trust Security Additional Amounts. Such Trust Debenture Additional Amounts will constitute interest on the relevant Debentures held by such Trust. See "Description of the Trust Securities—Payment of Trust Security Additional Amounts" for a description of these additional payments and the related exceptions from the Trust's obligation to pay them.

If a Trust becomes obligated to pay Trust Security Additional Amounts, subject to the conditions set forth under "Description of Trust Securities—Liquidation Distribution upon Dissolution" and "Description of the Debentures—Redemption", we may dissolve such Trust and may or may not then or thereafter elect to redeem the series of Debentures that had been held by such Trust, in accordance with the terms of its Indenture.

#### **Payment of Additional Amounts**

Subject to the exemptions and limitations set forth below, we will pay additional amounts ("**Additional Amounts**") on the Debentures with respect to any beneficial owner of the Debentures that is a non-U.S. person to ensure that each net payment to that non-U.S. person on the Debentures that it beneficially owns will not be less, after the deduction for U.S. withholding tax, than the amount then otherwise due and payable. We will not be obligated to make additional payments that exceed the amount required to do so. For this purpose, a "**net payment**" on a Debenture means a payment by us or any paying agent, including payment of principal and interest, after deduction for any present or future tax, assessment, or other governmental charge of the U.S. As used herein, "**U.S.**" means the United States of America, including each state of the United States and the District of Columbia, its territories, its possessions, and other areas within its jurisdiction. Additional Amounts will constitute interest on the Debentures.

We will not be required to pay Additional Amounts, however, in any of the circumstances described in items (1) through (14) below.

- (1) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:
  - having a relationship with the U.S. as a citizen, resident, or otherwise;
  - having had such a relationship in the past; or
  - being considered as having had such a relationship.
- (2) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:
  - being treated as present in or engaged in a trade or business in the U.S.;
  - being treated as having been present in or engaged in a trade or business in the U.S. in the past;
  - having or having had a permanent establishment in the U.S.; or
  - having or having had a qualified business unit which has the U.S. dollar as its functional currency.
- (3) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being or having been a:
  - personal holding company;
  - foreign personal holding company;
  - foreign private foundation or other foreign tax-exempt organization;
  - passive foreign investment company;
  - controlled foreign corporation; or
  - corporation that has accumulated earnings to avoid U.S. federal income tax.
- (4) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner owning or having owned, actually or constructively, 10% or more of the total combined voting power of all classes of our stock entitled to vote.
- (5) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being a bank extending credit under a loan agreement entered into in the ordinary course of business.

For purposes of items (1) through (5) above, "**beneficial owner**" includes a fiduciary, settlor, partner, member, shareholder, or beneficiary of the holder if the holder is an estate, trust, partnership, limited liability company, corporation, or other entity, or a person holding a power over an estate or trust administered by a fiduciary holder.

- (6) Additional Amounts will not be payable to any beneficial owner of a Debenture that is:
  - a fiduciary;
  - a partnership;
  - a limited liability company;

- another fiscally transparent entity; or
- not the sole beneficial owner of the Debenture, or any portion of the Debenture.

However, this exception to the obligation to pay Additional Amounts will apply only to the extent that a beneficiary or settlor in relation to the fiduciary, or a beneficial owner, partner, or member of the partnership, limited liability company, or other fiscally transparent entity, would not have been entitled to the payment of Additional Amounts had the beneficiary, settlor, beneficial owner, partner, or member received directly its beneficial or distributive share of the payment.

- (7) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld by reason of the failure of the beneficial owner or any other person to comply with applicable certification, identification, documentation, or other information reporting requirements. This exception to the obligation to pay Additional Amounts will apply only if compliance with these reporting requirements is required as a precondition to exemption from such tax, assessment, or other governmental charge by statute or regulation of the U.S. or by an applicable income tax treaty to which the U.S. is a party.
- (8) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is collected or imposed by any method other than by withholding from a payment on the applicable security by the Company or any paying agent.
- (9) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later.
- (10) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is imposed or withheld by reason of the presentation by the beneficial owner for payment more than 30 days after the date on which such payment becomes due or is duly provided for, whichever occurs later.
- (11) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any:
  - estate tax;
  - inheritance tax;
  - gift tax;
  - sales tax;
  - excise tax;
  - transfer tax;
  - wealth tax;
  - personal property tax; or
  - similar tax, assessment, withholding, deduction or other governmental charge.
- (12) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge required to be withheld by any paying agent from a payment of principal or interest on the applicable Debenture if that payment can be made without such withholding by any other paying agent.

- (13) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any tax, assessment, or other governmental charge that is required to be made pursuant to any EU Directive on the taxation of savings income or any law implementing or complying with, or introduced to conform to, any such Directive. See "European Union Savings Tax Directive".
- (14) Additional Amounts will not be payable if a payment on the Debentures is reduced as a result of any combination of items (1) through (13) above.

Except as specifically provided above, we will not be required to make any payment of any tax, assessment, or other governmental charge imposed by any government, political subdivision, or taxing authority of that government. In addition, if we become obligated to pay Additional Amounts, we may redeem the Debentures under the terms described herein. See "—Redemption".

### **Redemption**

Subject to any then required approval by any Applicable Regulatory Authority and to our obligations under the Replacement Covenant, we have the right to redeem the Debentures:

- (i) subject to the undertaking in the Trust Agreements described below, in whole but not in part, at any time prior to September 15, 2017 for the 2067 Debentures and prior to September 15, 2016 for the 2066 Debentures at the applicable Make-Whole Redemption Amount described under "Redemption Amount" below;
- (ii) in whole but not in part prior to September 15, 2017 for the 2067 Debentures and September 15, 2016 for the 2066 Debentures at the applicable Make-Whole Redemption Amount as described below, at any time within 90 days following the occurrence of a Tax Event (a "**Tax Event Redemption**"); or
- (iii) in whole or in part from time to time on or after September 15, 2017 for the 2067 Debentures and on or after September 15, 2016 for the 2066 Debentures, at their principal amount, plus accrued and unpaid interest, including Additional Interest thereon, if any;

*provided* that if the Debentures of a series are not redeemed in whole, at least £50,000,000 in the case of a series of Debentures denominated in GBP, or at least €50,000,000 in the case of a series of Debentures denominated in Euro, in aggregate principal amount (excluding Debentures held by us or any of our affiliates) must remain outstanding immediately after any such partial redemption.

Notwithstanding the foregoing, we may not redeem the Debentures of any series for any reason during an Extension Period other than a redemption in whole or in part on an End Date for such series on which all accrued and unpaid interest due and payable, including any Additional Interest, is paid on all outstanding Debentures of such series to and including the redemption date.

If less than all the Debentures are to be redeemed, we will give the Indenture Trustee notice not less than 60 days prior to the redemption date as to the aggregate principal amount of Debentures to be redeemed, and the Indenture Trustee shall select or cause to be selected, in such manner as in its sole discretion it shall deem appropriate and fair, the Debentures or portions thereof to be redeemed. For purposes of selecting Debentures to be redeemed, Trust Securities shall be treated as Debentures in an aggregate principal amount equal to aggregate principal amount of Debentures represented by those Trust Securities. Debentures may be redeemed in part only in a principal amount equal to an authorized denomination thereof.

We will agree in the Trust Agreements that for so long as the Trusts hold the Debentures, we will not redeem the Debentures described in clause (i) in the first paragraph of this subsection "— Redemption" at any time prior to the fifth anniversary of the original issuance of the Trust Securities pursuant to the Exchange Offer. With the consent of each

Applicable Regulatory Authority, the Trust Agreements may be amended by us to delete the undertaking specified in the preceding sentence without the consent of holders of the Trust Securities or any other person.

For purposes of the foregoing, the following definitions will apply:

The term "**Applicable Regulatory Authority**", for any date on which GE Capital is subject to regulatory oversight, refers to any governmental authority or any independent agency created under any governmental authority that has promulgated regulations to which we are subject under which we are required to maintain specific levels of capital. When originally issued, the Indenture and the Debentures did not require us to obtain the consent of an Applicable Regulatory Authority prior to the redemption of the Debentures. We amended the Indenture and the Debentures to provide for this requirement in accordance with the terms of the Indenture. The addition of this requirement is one of the category of amendments that we were entitled to make to the Debentures without the consent of holders.

"**Tax Action**" means any of (a) an amendment to, change in or announced proposed change in the laws (or any regulations thereunder) of the United States or any political subdivision or taxing authority thereof or therein, (b) a judicial decision interpreting, applying or clarifying such laws or regulations, (c) an administrative pronouncement or action that represents an official position (including a clarification of an official position) of the governmental authority or regulatory body making such administrative pronouncement or taking such action, and (d) a threatened challenge asserted in connection with an audit of GE Capital or any of GE Capital's affiliates, or a threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that have substantial similarities to the Debentures, which amendment or change is adopted or which proposed change, decision or pronouncement is announced or which action, clarification or threatened challenge occurs on or after the Issue Date.

"**Tax Event**" means that GE Capital shall have requested and received an opinion of nationally recognized independent tax counsel experienced in such matters to the effect that as a result of a Tax Action there is more than an insubstantial risk that (i) all or any portion of the interest payable by GE Capital with respect to the Debentures is not, or will not be, deductible as accrued by GE Capital for United States federal income tax purposes, or (ii) GE Capital would be required to pay Additional Amounts on the next Interest Payment Date with respect to the applicable series of Debentures. For purposes of this definition, the time when interest accrues shall be determined under the Internal Revenue Code of 1986, as amended, and the Treasury regulations thereunder, all as in effect as of the Issue Date.

### **Redemption Amount**

In the case of a redemption on or after September 15, 2017 for the 2067 Debentures and on or after September 15, 2016 for the 2066 Debentures, the redemption amount will be 100% of the principal amount of the Debentures being redeemed, plus accrued and unpaid interest, including Additional Interest, if any, to the date of redemption.

Except as provided in the preceding paragraph, in the case of a redemption prior to September 15, 2017 for the 2067 Debentures and prior to September 15, 2016 for the 2066 Debentures the redemption amount for the Debentures will be equal to the applicable Make-Whole Redemption Amount for each series of Debentures set forth below.

The term "**Make-Whole Redemption Amount**" means:

*in respect of the EUR 2067 Debentures*, (a) the principal amount of such Debentures or, if higher, (b) the present value of all future payments of principal and interest (exclusive of interest accrued to the redemption date) on such Debentures (assuming for this purpose that the Euro 2067 Debentures are to be redeemed at their principal amount on September 15, 2017) discounted at the then current yield on the 4.250% German Bundesobligationen due July 2017 (or, if such security is no longer in issue, such other German Bundesobligationen in issue on or about the Reference Date as an Independent Investment Bank may, with the advice of the Euro Reference Market Makers, determine to be appropriate by way of substitution for the 4.250% German Bundesobligationen due July 2017) plus (A) 0.550% in the case of a Tax Event Redemption and (B) 0.210% in all other cases, all as determined by an Independent Investment Bank;

*in respect of the EUR 2066 Debentures*, (a) the principal amount of such Debentures or, if higher, (b) the present value of all future payments of principal and interest (exclusive of interest accrued to the redemption date) on the EUR 2066 Debentures (assuming for this purpose that the Euro 2066 Debentures are to be redeemed at their principal amount on September 15, 2016) discounted at the then current yield on the 4.000% German Bundesobligationen due July 2016 (or, if such security is no longer in issue, such other German Bundesobligationen in issue on or about the Reference Date as an Independent Investment Bank may, with the advice of the Euro Reference Market Makers, determine to be appropriate by way of substitution for the 4.000% German Bundesobligationen due July 2016) plus (A) 0.340% in the case of a Tax Event Redemption and (B) 0.130% in all other cases, all as determined by an Independent Investment Bank;

*in respect of the GBP 2067 Debentures*, (a) the principal amount of such Debentures or, if higher, (b) the present value of all future payments of principal and interest (exclusive of interest accrued to the redemption date) on the GBP 2067 Debentures (assuming for this purpose that the GBP 2067 Debentures are to be redeemed at their principal amount on September 15, 2017) discounted at the Sterling Gross Redemption Yield (determined by reference to the middle market price) at 11:00 a.m., London time, on the Reference Date of the Sterling 2067 Reference Bond plus (A) 0.640% in the case of a Tax Event Redemption, or (B) 0.240% in all other cases, all as determined by an Independent Investment Bank;

*in respect of the GBP 2066 Debentures*, (a) the principal amount of such Debentures or, if higher, (b) the present value of all future payments of principal and interest (exclusive of interest accrued to the redemption date) on the GBP 2066 Debentures (assuming for this purpose that the GBP 2066 Debentures are to be redeemed at their principal amount on September 15, 2016) discounted at the Sterling Gross Redemption Yield (determined by reference to the middle market price) at 11:00 a.m., London time, on the Reference Date of the Sterling 2066 Reference Bond plus (A) 0.390% in the case of a Tax Event Redemption, or (B) 0.150% in all other cases, all as determined by an Independent Investment Bank;

For the purpose of the foregoing, the following definitions will apply:

**"Euro Reference Market Makers"** means three brokers or market makers of European government bonds selected by GE Capital;

**"Independent Investment Bank"** means one of the Euro Reference Market Makers or Sterling Reference Market Makers, as the case may be, selected by GE Capital, or if such firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by GE Capital;

**"Reference Date"** means the date which is three Business Days prior to the date fixed for redemption;

**"Sterling Gross Redemption Yield"** means, with respect to a security for the purpose of determining the Sterling Make-Whole Redemption Amount for GBP denominated Debentures, the gross redemption yield on such security (as calculated by an Independent Investment Bank on the basis set out in the United Kingdom Debt Management Office in the paper "Formulae for Calculating Gilt Prices from Yields" page 4, Section One: Price/Yield Formulae "Conventional Gilts; Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date" (published on June 8, 1998 and updated on January 15, 2002 and as further updated or amended) on a semi-annual compounding basis (converted on an annualized yield and rounded up (if necessary) to four decimal places));

**"Sterling 2067 Reference Bond"** means, for the 2067 Debentures, the 4.000% Treasury Stock due September 2016, or if such stock is no longer in issue such other United Kingdom government stock with a maturity date as near as possible to September 15, 2017, as an Independent Investment Bank may, with the advice of the Sterling Reference Market Makers, determine to be appropriate by way of substitution for the 4.000% Treasury Stock due September 2016;

**"Sterling 2066 Reference Bond"** means, for the 2066 Debentures, the 4.750% Treasury Stock due September 2015, or if such stock is no longer in issue such other United Kingdom government stock with a maturity date as near as possible to September 15, 2016, as an Independent Investment Bank may, with the advice of the Sterling Reference Market Makers, determine to be appropriate by way of substitution for the 4.750% Treasury Stock due September 2015; and

"**Sterling Reference Market Makers**" means three brokers or market makers of gilts selected by GE Capital.

## **Subordination**

The Debentures will rank *pari passu* among themselves (without regard as to whether such Debentures are held by a Trust or otherwise) and with each other series of debt securities issued under the Indenture (unless otherwise provided with respect to such series of debt securities), which will rank *pari passu* with the Debentures. The Debentures will be subordinated to all of our existing and future Senior Indebtedness, as defined below, including the Subordinated Notes, as defined below. This means that no payment of principal (including redemption payments), premium, if any, or interest on the Debentures may be made if:

- any principal, premium, interest, or any other payment due on any of our Senior Indebtedness has not been paid when due and that default continues; or
- the maturity of any of our Senior Indebtedness has been accelerated because of a default and the accelerated amount has not been paid.

Upon any distribution of our assets to creditors upon any dissolution, winding-up, liquidation, or reorganization of GE Capital, whether voluntary or involuntary or in bankruptcy, insolvency, receivership, or similar proceedings, all amounts due on all Senior Indebtedness must be paid in full before the holders of Debentures are entitled to receive or retain any payment.

If we violate the Indenture by making a payment to holders of the Debentures in violation of the provisions described above, then the holders of the Debentures will be deemed to have received the payments or distributions for the benefit of, and will have to pay or transfer the payments to, the holders of the Senior Indebtedness outstanding at the time.

Because of the subordination, if we become insolvent, holders of Senior Indebtedness may receive more, and holders of the Debentures having a claim thereunder may receive less, than our other creditors. This type of subordination will not prevent an Event of Default from occurring under the Indenture in connection with the Debentures.

After all Senior Indebtedness is paid in full and until the Debentures are paid in full, the rights of the holders of the Debentures will be subrogated to the rights of holders of our Senior Indebtedness to receive payments or distributions applicable to Senior Indebtedness. Senior Indebtedness will continue to be Senior Indebtedness and be entitled to the benefits of the subordination provisions regardless of any amendment, modification, or waiver of any term of such Senior Indebtedness.

Except as described below, the term "**Senior Indebtedness**" means, with respect to GE Capital:

- (i) the principal of, premium, if any, and interest on, all GE Capital's indebtedness for money borrowed, excluding the Debentures and other debt securities issued under the Indenture but including, without limitation, the Subordinated Notes;
- (ii) obligations of GE Capital arising from any guaranty, letter of credit or similar credit enhancement (including, without limitation, obligations arising from off-balance sheet guarantees and direct credit substitutes);
- (iii) obligations of GE Capital associated with derivative products such as interest rate and foreign exchange rate swaps, forward sales of interests in commodities, and similar arrangements; and
- (iv) obligations of GE Capital for purchased money,

in each case, whether outstanding on the date of execution of the Indenture or thereafter created, assumed or incurred, and any deferrals, renewals or extensions thereof *provided*, however, that Senior Indebtedness shall not include (A) any

accounts payable or other liability to trade creditors (other than those obligations referenced in items (ii) and (iii) above) arising in the ordinary course of business (including instruments evidencing such liabilities), (B) any indebtedness, guarantee or obligation of GE Capital which is on parity in right of payment with or expressly subordinate or junior in right of payment to the Debentures, or (C) any obligations with respect to any capital stock (including, without limitation, common and preferred stock).

The term "**indebtedness for money borrowed**" as used herein shall include, without limitation, any obligation of GE Capital for the repayment of borrowed money, whether or not evidenced by bonds, debentures, notes or other written instruments, and any deferred obligation for the payment of the purchase price of property or assets.

The term "**Subordinated Notes**" means all securities issued under (a) the Seventh Amended and Restated Fiscal and Paying Agency Agreement dated as of July 1, 2005 among GE Capital, GE Capital Canada Funding Company, GE Capital Australia Pty Ltd., GE Capital European Funding, GE Capital UK Funding and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A.), as fiscal and principal paying agent as supplemented by the Supplemental Fiscal and Paying Agency Agreement dated September 15, 2005, or (b) the Amended and Restated Subordinated Debt Indenture, dated as of July 15, 2005, between GE Capital and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A.), as trustee thereunder, in each case as amended from time to time (provided that the terms of the subordination of payments on amounts due and payable from available funds in such documentation is not altered in any material respect), and other subordinated securities on parity in right of payment with such Subordinated Notes. As of September 30, 2009, all of our indebtedness (other than the Debentures and our outstanding subordinated debentures to which the concurrent exchange offer referred to under "Overview—The Trusts" relates) would have been senior to the Debentures.

#### **Restrictions on Certain Payments**

If (1) we shall have, or shall be deemed to have, exercised our option to defer payments of interest on the Debentures, as described above under the heading "— Option to Defer Interest Payments", or (2) Debentures remain outstanding and there shall have occurred and be continuing an Event of Default under the Indenture, then we will not, and will not permit any Subsidiary to:

- (i) declare or pay dividends or distributions on, or redeem, purchase, acquire or make a liquidation payment with respect to, any of GE Capital's capital stock (which includes common and preferred stock);
- (ii) make any payment of principal of, or interest or premium on or repurchase or redeem any other subordinated indebtedness of GE Capital that ranks *pari passu* with or junior in interest to the Debentures; or
- (iii) make any guaranty payments with respect to any subordinated guarantee of GE Capital of the indebtedness of any Subsidiary of GE Capital if such guaranty ranks *pari passu* with or junior in interest to the Debentures;

*provided*, however, that during any period, including an Extension Period, we shall be permitted to: (a) declare or pay dividends or distributions in Common Stock of GE Capital, (b) declare a dividend in connection with the implementation of a stockholders' rights plan or issue stock under any such plan in the future or redeem or purchase any such rights pursuant thereto, and (c) purchase Common Stock related to the issuance of Common Stock or rights under any of GE Capital's benefit plans for its directors, officers or employees; and *provided further* that where debt securities of different series issued under the Indenture containing a deferral feature similar to the deferral feature of the Debentures are subject to Extension Periods terminating at different times or in other circumstances where the payment of deferred interest cannot be made simultaneously on all such debt securities (including the Debentures) subject to an Extension Period, we will be permitted to make payments of interest due on particular debt securities of each such series (including the Debentures) at the end of the Extension Period with respect thereto, but only if the amounts (not yet due and payable) that

will be required to be paid at the close of an Extension Period with respect to all other series of such debt securities have been deposited with the Indenture Trustee and held for application when such amounts become due and payable.

In connection with the issuance of the Debentures, GE Company has covenanted that, if GE Capital declares, pays or makes any dividends, distributions or other payments to GE Company or any of its Subsidiaries during an Extension Period or when an Event of Default has occurred and is continuing, in either case in violation of the restrictions described above, for so long as such restrictions are in effect and are applicable to outstanding debt securities issued under the Indenture, GE Company shall promptly return, or cause the return, to GE Capital of all such dividends, distributions, and other payments.

A "**Subsidiary**" shall mean (a) any corporation of which GE Capital directly or indirectly owns or controls at that time at least a majority of the outstanding stock having under ordinary circumstances (not dependent upon the happening of a contingency) voting power to elect a majority of the board of directors of such corporation or (b) any other person (other than a corporation) in which GE Capital directly or indirectly has at least a majority ownership interest and power to direct the policies, management and affairs thereof.

The term "**Common Stock**" means the common stock, currently having a par value of \$14 per share, of GE Capital.

The right to enforce any remedy with respect to any breach by us of this covenant is vested solely with the relevant Property Trustee as the holder of the Debentures. While holders of Trust Securities may request the Property Trustee to take action to enforce this covenant as described under "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement", holders of the Trust Securities will not be able to direct the Property Trustee to do so. If the Property Trustee fails to take action with respect to any breach by us of this covenant, holders of Trust Securities will have no right to do so. See "Comparison of Debentures and Trust Securities" and "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement".

#### **Limitation on Mergers and Sales of Assets**

The Indenture generally permits a consolidation or merger between us and another entity. It also permits the sale or transfer by us of all or substantially all of our assets. These transactions are permitted if:

- the resulting or acquiring entity, if other than us, is organized and existing under the laws of the United States of America or a State thereof and expressly assumes all of our obligations under the Indenture including the due and punctual payment of the principal of, and premium, if any, and interest (including Additional Interest), if any, on all the Debentures outstanding; and
- immediately after the transaction, we or any successor company are not in default in the performance of any covenant or condition under the Indenture.

Upon any consolidation, merger, or transfer of this kind, the resulting or acquiring entity will be substituted for us in the Indenture with the same effect as if it had been an original party to the Indenture. As a result, the successor entity may exercise our rights and powers under the Indenture, and we will be released from further liabilities and obligations under the Indenture and under the Debentures.

The right to enforce any remedy with respect to any breach by us of this covenant is vested solely with the relevant Property Trustee as the holder of the Debentures. While holders of Trust Securities may request the Property Trustee to take action to enforce this covenant as described under "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement", holders of the Trust Securities will not be able to direct the Property Trustee to do so. If the Property Trustee fails to take action with respect to any breach by us of this covenant, holders of Trust Securities will have no right to do so. See "Comparison of Rights Between the Debentures and the Trust Securities" and "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement".

## Events of Default, Waiver and Notice; Enforcement of Other Covenants

The Indenture provides that the following events, if they have occurred and are continuing, are Events of Default with respect to a series of Debentures:

- default in the payment of any installment of interest, including any Additional Interest, upon any Debentures of such series as and when the same shall become due and payable (subject to deferral during any Extension Period, and, for the avoidance of doubt, other than any interest that is due and payable solely by reason of a redemption of the Debentures of such series), and continuance of such default for a period of 30 days;
- default in the payment of principal of any Debentures of such series as and when the same shall become due and payable at its Maturity Date; or
- certain events involving the bankruptcy, insolvency, or reorganization of GE Capital.

If an Event of Default occurs and is continuing with respect to a series of Debentures, then, unless the principal of all of the Debentures of such series shall have already become due and payable, either the Indenture Trustee or the holders of not less than 25% in aggregate principal amount of the outstanding Debentures of that series may declare the principal of and all accrued but unpaid interest, including Additional Interest, on the Debentures of such series to be due and payable immediately. The holders of a majority in aggregate outstanding principal amount of that series of Debentures may annul such declaration in certain circumstances and waive the default.

The Trust Agreements will provide that upon the occurrence of any Event of Default, the Trust Securities will automatically (and without the consent of any Applicable Regulatory Authority or requirement that the Trust first terminate) be exchanged for Debentures. Thereafter, the former holders of Trust Securities will be able to exercise their rights of acceleration and other remedies following such Event of Default as holders of such Debentures. See "Description of the Trust Securities – Exchange Event".

Prior to any declaration accelerating the maturity of a series of Debentures, the holders of a majority in aggregate principal amount of such series of Debentures generally may waive on behalf of the holders of all of that series of Debentures any past default or Event of Default or non-compliance under the Indenture other than:

- a default or non-compliance in the payment of interest (including any Additional Interest), if any, on, or the principal of or premium, if any, on the Debentures of such series or in the payment of any installment or analogous obligation with respect to such Debentures; or
- a default or non-compliance in respect of a covenant or provision of the Indenture that cannot be modified or amended without the consent of each holder of the Debentures affected.

The holders of a majority in aggregate principal amount of the Debentures will have the right to direct the time, method, and place of conducting any proceeding for any remedy available to or exercising any power of the Indenture Trustee. However, the holders of those Debentures must offer to the Indenture Trustee reasonable indemnity against expenses and liabilities.

Subject to the subordination provisions, described above under the heading "— Subordination", the right of any holder of Debentures to receive payment of the principal of and premium, if any, and interest, including Additional Interest, on Debentures on or after the due dates therefor (whether upon redemption, by declaration, repayment or otherwise) or to institute suit for the enforcement of any of these payment provisions will not be impaired or affected without the consent of that holder, except in the case of a declaration, which may be annulled in certain circumstances, as mentioned above.

The Indenture Trustee is required to notify all holders of the Debentures of the occurrence of any Event of Default.

We are required to file an officers' certificate with the Indenture Trustee each year that states, to the knowledge of the certifying officer, whether or not any default, or non-compliance by us in the performance of any covenants or conditions in the Indenture, exists under the terms of the Indenture.

Events of Default do not include failure to comply with or breach of the Other Covenants under the Indenture. Accordingly, our failure to comply with such Other Covenants will not result in the acceleration of payment of the Debentures. Although failure to comply with such Other Covenants could give rise to a claim against us relating to the specific breach, the remedy of holders of the Debentures may be limited to direct monetary damages (if any). In general, holders of the Debentures may not themselves institute a proceeding against GE Capital on account of any such breach unless, among other things, the Indenture Trustee fails to institute such a proceeding, subject to the terms of the Indenture. However, the holders of a majority in principal amount of the Debentures may direct the Indenture Trustee to bring such a proceeding, subject to the terms of the Indenture, which allows the Indenture Trustee to require that it receive an indemnity before taking action under the Indenture. In addition, holders of Debentures may institute a proceeding themselves upon a failure by us to pay an amount of principal or interest on the Debentures that has become due as a result of an acceleration of the Debentures or otherwise.

### **Modification of Indenture**

Under the Indenture, our rights and obligations and the rights of holders of the Debentures may be modified or amended with the consent of the holders of at least 66⅔% in aggregate principal amount of the outstanding debt securities of each series affected by the modification or amendment, each such series voting as one class. However, no modification or amendment may, without the consent of the holders of each Debenture affected:

- change the fixed maturity of any Debenture;
- reduce the rate or extend the time of payment of interest (including Additional Interest, if any) on that Debenture;
- reduce the principal amount or premium, if any, on any Debenture;
- make the principal of, or interest, if any, or premium, if any, on, the Debentures payable in any coin or currency other than that provided for in the Debentures;
- impair or affect the right of any holder of those Debentures to institute suit for the payment of those Debentures; or
- reduce the percentage in principal amount of outstanding Debentures of any series the holders of which are required to consent to a waiver, modification or amendment of the Indenture.

If the consent of the holder of each outstanding Debenture is required for the modification, the modification will not be effective until each such holder has consented to the modification.

We and the Indenture Trustee may enter into, without the consent of any holder of Debentures, any supplemental indenture under the Indenture, in order, among other reasons, to add to the covenants of GE Capital, to cure any ambiguity, to create any new series of debt securities to be issued under the Indenture, to make any change in or additions to the Indenture that generally do not materially adversely affect the interests of the holders of debt securities or to add a requirement that regulatory approval be required prior to any redemption of a series (including any already existing series) of debt securities issued under the Indenture (including the Debentures) that can be effected at the option of GE Capital. In accordance with the foregoing, we will, prior to the consummation of the Exchange Offer, amend the Indenture and the Debentures to require that we obtain the consent of an Applicable Regulatory Authority prior to any redemption of the Debentures at our option prior to the Maturity Date. This amendment will further provide that we and the Indenture Trustee may amend the definition of the term "Applicable Regulatory Authority" without the consent of any holder of Debentures in order to enable the Trust Securities to qualify as any particular category of regulatory capital under the prevailing rules and regulations of such Applicable Regulatory Authority.

## **Satisfaction and Discharge**

We may discharge most of our obligations under the Indenture if the Debentures have already been delivered to the Indenture Trustee for cancellation or the Debentures have either become due and payable or are by their terms due and payable within one year, or are to be called for redemption within one year. We discharge our obligations by depositing with the Indenture Trustee an amount sufficient to pay when due the principal of and premium, if any, and interest on all outstanding Debentures.

The obligations under the Indenture to register the transfer or exchange of Debentures, to replace stolen, lost, or mutilated Debentures and to maintain paying agents and hold monies for payment in trust will continue, even if we exercise our satisfaction and discharge option.

## **Governing Law**

The Indenture and the Debentures will be governed by, and construed in accordance with, the laws of the State of New York.

## **The Indenture Trustee**

We and certain of our affiliates have from time to time maintained deposit accounts and conducted other banking transactions with the Indenture Trustee and its affiliated entities in the ordinary course of business. We expect to continue those business transactions. The Indenture Trustee also serves as trustee for a number of series of our outstanding indebtedness (including certain of our Senior Indebtedness) under other indentures.

Under the Indenture, we may remove the Indenture Trustee and appoint a successor trustee in certain circumstances relating to the Indenture Trustee's conflicts of interest or eligibility or ability to continue as Indenture Trustee. In addition, the holders of a majority in principal amount of a series of Debentures may remove the Indenture Trustee as trustee with respect to that series of Debentures and nominate a successor trustee.

## **Reports**

GE Capital has agreed to file with the Indenture Trustee, within 15 days after filing the same with the Commission, copies of the annual reports and of the information, documents and other reports that GE Capital may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act or pursuant to Section 314 of the Trust Indenture Act of 1939.

## DESCRIPTION OF GUARANTEES

Set forth below is a summary of information concerning the Guarantees that we will execute and deliver for the benefit of the holders of the Trust Securities pursuant to Guarantee Agreements that we will enter into with The Bank of New York Mellon, as guarantee trustee (the "**Guarantee Trustee**"). The following summary is not intended to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Guarantees.

### General

Under each Guarantee, if the Trust Securities of a series are not fully paid, we will irrevocably and unconditionally agree to pay, when due, to the holders of the Trust Securities issued by the related Trust, the following payments or distributions, which are referred to as "Guarantee payments", without duplication, on a subordinated basis:

- any accrued and unpaid distributions that are required to be paid on the Trust Securities, to the extent the issuing Trust has received interest (including with respect to Trust Debenture Additional Amounts) on the Debentures held by it with which to make such payment;
- the redemption amount, plus all accrued and unpaid distributions, relating to any Trust Securities called for redemption by such Trust, to the extent such Trust has received redemption proceeds on the Debentures held by it with which to make such payment; and
- upon a voluntary or involuntary dissolution, winding-up, or termination of such Trust, other than following or in connection with the distribution of Debentures held by such Trust to the holders of its Trust Securities, the aggregate of the liquidation amount and all accrued and unpaid distributions on such Trust Securities to the date of payment, to the extent such Trust has received proceeds with which to make such payment.

We may satisfy our obligation to make Guarantee payments by direct payment of the required amounts to the holders of Trust Securities or by causing the issuing Trust to pay those amounts to the holders.

If we do not make interest payments on the Debentures held by a Trust, such Trust will not pay distributions on its Trust Securities and will not have funds available for those payments. In that case, holders of such Trust Securities would not be able to rely on the related Guarantee for payment of these amounts.

Payments due under a Guarantee will be subject to an additional amounts obligation, including carveouts, that is substantially similar to the equivalent obligation (and carveouts) of the relevant Trust, as described under "Description of Trust Securities—Payment of Trust Security Additional Amounts".

### Amendment

We and the Guarantee Trustee may amend a Guarantee with respect to a series of Trust Securities, without the consent of the holders of such Trust Securities, the Property Trustee or the Delaware Trustee, to do any of the following, *provided* (i) such amendment will not materially adversely affect the interests of any holder of such series of Trust Securities, the Property Trustee or the Delaware Trustee, or impose any additional duty or obligation on the Property Trustee or the Delaware Trustee; (ii) we have received a written opinion of nationally recognized tax counsel to the effect that the amendment or the exercise of any power granted to any trustee of the related Trust in accordance with the amendment will not result in a deemed exchange of Debentures for new Debentures for U.S. federal income tax purposes; (iii) we have received a written opinion of nationally recognized tax counsel to the effect that such amendment will not cause the related Trust to be treated for U.S. federal income tax purposes as other than (x) a domestic grantor trust or custodial arrangement, or (y) a foreign trust provided that such treatment would not have any adverse U.S. federal income tax consequences to us, the Trust or beneficial owners of the Trust Securities; and (iv) such amendment will not cause the related Trust to be required to register as an "investment company" under the Investment Company Act:

- cure any ambiguity or correct or supplement any provisions in such Guarantee that may be inconsistent with any other provision;
- make any other provisions with respect to matters or questions arising under, or make any other modification or amendment with respect to, such Guarantee;
- modify, eliminate or add to any provisions of the Guarantee to such extent as shall be necessary to ensure that the related Trust will be classified for U.S. federal income tax purposes as a domestic grantor trust at all times that any related Trust Securities are outstanding, to ensure that such Trust will not be required to register as an "investment company" under the Investment Company Act, or to ensure the treatment of the related Trust Securities of such series as any particular category of regulatory capital under prevailing rules and regulations of any Applicable Regulatory Authority;
- modify, eliminate or add to any provisions of such Guarantee following a "Change in Law", as defined above under "Description of the Trust Securities – Voting Rights; Amendments of the Trust Agreement", to provide, to the extent possible, that the holders of the related Trust Securities will have the same legal rights with respect to the related Debentures as if they held those Debentures directly *provided* that such Change in Law permits such amendment without adverse U.S. federal income tax consequences to us, the related Trust or beneficial owners of the related Trust Securities; or
- conform the terms of such Guarantee to the Description of Guarantees in this prospectus (which will be deemed to not materially adversely affect the interests of any holder of the related Trust Securities, the Property Trustee or the Delaware Trustee, or impose any additional duty or obligation on the Property Trustee or Delaware Trustee).

Any such amendment shall become effective when written notice thereof is given to the related Property Trustee, the related Delaware Trustee and the holders of the related Trust Securities.

Other than to the extent set forth above (or as may otherwise be provided in an amendment in connection with an amendment to the Trust Agreement following a Change in Law as described under "Description of the Trust Securities – Voting Rights; Amendment of the Trust Agreement"), the Guarantee may not be amended.

### **Termination of the Guarantee**

A Guarantee will terminate as to the Trust Securities of the related series upon:

- full payment of the redemption amount of all the Trust Securities of such series;
- the distribution of the corresponding Debentures to the holders of the Trust Securities of such series; or
- full payment of the amounts payable in accordance with the related Trust Agreement upon liquidation or dissolution of the related Trust subject to such Trust Agreement.

However, the Guarantee will continue to be effective or will be reinstated with respect to a series of Trust Securities, as the case may be, if at any time any holder of Trust Securities of the related series must restore payment of any sums paid under such Trust Securities or the related Guarantee.

### **Status of the Guarantees**

The Guarantees will constitute unsecured obligations of GE Capital and will rank *pari passu* with the Debentures. See "Description of the Debentures–Subordination":

The terms of the Trust Securities of each series will provide that each holder of such Trust Securities, by acceptance of such securities, agrees to the subordination provisions and other terms of the related Guarantee.

The Guarantees will constitute guarantees of payment and not of collection. This means that the guaranteed party may sue us, as Guarantor, to enforce its rights under the related Guarantee without suing any other person or entity.

**Governing Law**

The Guarantees will be governed by and construed in accordance with the laws of the State of New York.

## **EFFECT OF OBLIGATIONS UNDER THE DEBENTURES AND THE GUARANTEES**

The sole purpose of each Trust is to acquire Debentures and to issue its securities in exchange therefor. As long as we pay interest and other payments when due on a series of Debentures, those payments will be sufficient to cover the distribution, redemption, and liquidation payments due on the related Trust Securities issued by a Trust. This is due to the following factors:

- the aggregate principal amount of the Debentures of a series held by a Trust will be equal to the aggregate liquidation amount of the Trust Securities issued by such Trust;
- the interest rate and the interest and other payment dates on each series of Debentures will be the same as the distribution rate and the distribution and other payment dates for the related series of Trust Securities and Common Securities;
- under the Trust Agreements, we will pay for any and all costs, expenses, and liabilities of each Trust, except (i) withholding taxes to the extent that we were not obligated to pay such withholding taxes under the Indenture with respect to the Debentures (other than withholding taxes with respect to which we are required to pay Trust Debenture Additional Amounts) and (ii) the Trust's obligations to holders of the Trust Securities and Common Securities; and
- the Trust Agreements provide that the Trusts will not engage in any activity that is not consistent with the limited purposes of the Trusts.

We will guarantee distribution, redemption, and liquidation payments due on the Trust Securities of each Trust to the extent the Trust has received payments on the Debentures held by it with which to make such payments. If we do not make interest or other payments on the Debentures held by a Trust, the Trust will not have sufficient funds to pay distributions or other payments on its Trust Securities. The Guarantees do not apply to any distribution, redemption or liquidation payment unless and until the relevant Trust has received payments on the Debentures held by it with which to make such payment.

GE Capital, as Guarantor, will be subrogated to the rights of each holder of Trust Securities under the Trust Agreements to the extent of any payment made under the relevant Guarantee to such holder of Trust Securities. Consequently, we will be entitled to payment of amounts that a holder of Trust Securities receives in respect of an unpaid distribution to the extent that the holder has already received payment relating to that unpaid distribution from GE Capital, as Guarantor.

If we fail to make payments under the relevant Guarantee, the holders of the Trust Securities may directly sue us to enforce the relevant Guarantee. The holder is not required to first sue the issuing Trust or any other person or entity.

## CERTAIN TERMS OF THE REPLACEMENT COVENANT

We have summarized below certain terms of the replacement covenants that we entered into around the time of the initial issuance of the 2067 Debentures and the 2066 Debentures (the "**2067 Debentures Replacement Covenant**" and the "**2066 Debentures Replacement Covenant**" together, the "**Replacement Covenants**"). This summary is not a complete description of the Replacement Covenants and is qualified in its entirety by the terms and provisions of the full document.

We covenanted in the 2067 Debentures Replacement Covenant (x) on the date of the 2067 Debentures Replacement Covenant for the benefit of holders of our 4.125% Fixed Rate Subordinated Notes Due September 19, 2035 issued in the aggregate principal amount of €750,000,000 (the "**Covered Debt**"), and (y) thereafter, for the benefit of persons that buy, hold or sell certain eligible indebtedness, that neither we nor any of our Subsidiaries will repay, redeem or purchase at our option or as a result of a Tax Event any series of Debentures on or before September 15, 2037 except to the extent that (a) the applicable redemption or purchase price does not exceed (i) 200% of the aggregate of proceeds from the sale of Common Stock and rights to acquire Common Stock and the market value of any Common Stock issued in connection with the conversion or exchange of certain securities; *plus* (ii) 100% of the proceeds from the sale of mandatorily convertible preferred stock and certain debt that is exchangeable for equity of GE Capital; *plus* (iii) 100% of the proceeds from the sale of qualifying debt securities or qualifying preferred stock of GE Capital (collectively, "**Qualifying Securities**") or (b) the Debentures are exchanged for (i) at least an equal aggregate principal amount of qualifying debt securities or aggregate liquidation preference of qualifying preferred stock or mandatorily convertible preferred stock and/or (ii) consideration that includes Common Stock with a market value equal to 50% of the aggregate principal amount of Debentures that are exchanged. For purposes of the 2067 Debentures Replacement Covenant, the term "repay" includes the defeasance of the Debentures by us as well as the satisfaction and discharge of our obligations under the Indenture with respect to the Debentures.

Our covenants in the 2067 Debentures Replacement Covenant run only to the benefit of holders of the indebtedness designated as Covered Debt. The 2067 Debentures Replacement Covenant is not intended for the benefit of holders of the Debentures and may not be enforced by them or by the Indenture Trustee, and the 2067 Debentures Replacement Covenant is not a term of the Indenture or the Trust Agreements.

The 2067 Debentures Replacement Covenant will have no effect on the absolute and unconditional nature of our obligation to pay the principal amount of (and any accrued and unpaid interest on) the Debentures on the stated Maturity Date.

Our ability to raise proceeds from Qualifying Securities during the 180 days prior to any proposed repayment, redemption or repurchase of Debentures will depend on, among other things, market conditions at that time as well as the acceptability to prospective investors of the terms of those Qualifying Securities.

Our obligations pursuant to the 2067 Debentures Replacement Covenant will remain in full force and effect until the earliest to occur of (i) September 15, 2037, (ii) the date on which the Debentures are otherwise paid, redeemed, defeased or purchased in full in compliance with the 2067 Debentures Replacement Covenant; (iii) the date, if any, on which the holders of a majority by principal amount of the then-outstanding covered debt consent to the termination of the 2067 Debentures Replacement Covenant and the obligations of GE Capital thereunder; (iv) the date on which GE Capital no longer has any series of outstanding eligible indebtedness covered by the 2067 Debentures Replacement Covenant; and (v) the date on which the Debentures are accelerated as a result of an Event of Default.

We covenanted in the 2066 Debentures Replacement Covenant (x) on the date of the 2066 Debentures Replacement Covenant for the benefit of holders of the Covered Securities, and (y) thereafter, for the benefit of persons that buy, hold or sell certain eligible indebtedness, that we will not redeem or repurchase at our option or as a result of a Tax Event any series of Debentures on or before September 15, 2051 except to the extent that the applicable redemption or repurchase price does not exceed a specified amount of proceeds from the sale of (i) Common Stock and rights to

acquire Common Stock; (ii) mandatorily convertible preferred stock and debt that is exchangeable for Common Stock of GE Capital; and (iii) certain subordinate indebtedness.

Our covenants in the 2066 Debentures Replacement Covenant run only to the benefit of holders of the indebtedness designated as Covered Debt. The 2066 Debentures Replacement Covenant is not intended for the benefit of holders of the Debentures and may not be enforced by them, and the 2066 Debentures Replacement Covenant is not a term of the Indenture or the Debentures.

The 2066 Debentures Replacement Covenant will have no effect on the absolute and unconditional nature of our obligation to pay the principal amount of (and any accrued and unpaid interest on) the Debentures on the stated Maturity Date or any earlier date of redemption.

Our ability to raise proceeds from qualifying securities during the six months prior to a proposed redemption or repurchase of the Debentures will depend on, among other things, market conditions at that time as well as the acceptability to prospective investors of the terms of those qualifying securities.

Our obligations pursuant to the 2066 Debentures Replacement Covenant will remain in full force and effect until the earlier to occur of (i) September 15, 2051; (ii) the date, if any, on which the holders of a majority by principal amount of the then-outstanding covered debt consent to the termination of the 2066 Debentures Replacement Covenant and the obligations of GE Capital thereunder; and (iii) the date on which GE Capital no longer has any series of outstanding eligible indebtedness covered by the Replacement Covenant.

At or prior to the consummation of the Exchange Offer, we will amend the Replacement Covenants in order to clarify that the transactions contemplated by the Exchange Offer are permitted thereby. The Replacement Covenants permit us to amend the Replacement Covenants for any purpose without the consent of the holders of the covered debt provided that, among other conditions, the amendment is not adverse to the holders of the then-effective series of covered debt.

## **EUROPEAN UNION SAVINGS TAX DIRECTIVE**

Under the European Union Council Directive 2003/48/EC on the taxation of savings income, each Member State of the European Union is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a paying agent within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries) unless the beneficiary opts for the exchange of information. A number of non-European Union countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland).

## GLOBAL CLEARANCE AND SETTLEMENT

Trust Securities of each series sold to qualified institutional buyers in reliance on Section 4(2) of the Securities Act will initially be represented by one or more global Trust Securities in registered form without interest coupons attached (each such Trust Security, a "**Rule 144A Global Trust Security**"). Trust Securities of each series sold to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act will initially be represented by one or more global Trust Securities in registered form without interest coupons attached (each such Trust Security, a "**Regulation S Global Trust Security**" and, together with the Rule 144A Global Trust Securities, the "**Global Trust Securities**"). The Global Trust Securities will be deposited with a Common Depositary and registered in the name of a nominee of the Common Depositary for the accounts of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream**").

Ownership of interests in each Rule 144A Global Trust Security (the "**Restricted Book-Entry Interests**") and ownership of interests in each Regulation S Global Trust Security (the "**Unrestricted Book-Entry Interests**" and, together with, the Restricted Book-Entry Interests, the "**Book-Entry Interests**") will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that hold interests through such participants. Euroclear and Clearstream will hold interests in the Global Trust Securities on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. Except under the limited circumstances described below, Trust Securities will not be issued in definitive form.

Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream and their participants. The laws of some jurisdictions, including some States of the United States, may require that certain purchasers of securities take physical delivery of those securities in definitive form. The foregoing limitations may impair any such purchaser's ability to own, transfer or pledge Book-Entry Interests. In addition, while the Trust Securities are in global form, holders of beneficial interests in the Trust Securities will not be considered the legal owners of the Trust Securities for any purpose.

So long as the Trust Securities are held in global form, Euroclear and/or Clearstream, as applicable, or their respective nominees, will be considered the sole holder(s) of the Global Trust Securities for all purposes. In addition, participants must rely on the procedures of Euroclear and Clearstream and indirect participants must rely on the procedures of the participants through which they own Book-Entry Interests to transfer their interests or to exercise any rights as holders of the Trust Securities. Neither we nor the Trustee will have any responsibility or be liable for any aspect of the records relating to the Book-Entry Interests.

### **Redemption of the Global Trust Securities**

In the event any Global Trust Security (or any portion thereof) is redeemed for any reason permitted under the relevant Trust Agreement, Euroclear and/or Clearstream, as applicable, will redeem an equal amount of the Book-Entry Interests in such Global Trust Security from the amount received by it in respect of the redemption of such Global Trust Security. Subject to the rules of the applicable book-entry system, the redemption amount payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear and Clearstream as applicable, in connection with the redemption of such Global Trust Security (or any portion thereof).

### **Payments on Global Trust Securities**

Payments of any amounts owing in respect of the Global Trust Securities (including liquidation amount, distributions, payments in respect of Additional Interest and Trust Security Additional Amounts, if any) will be made by us to the Common Depositary or its nominee for Euroclear and Clearstream. The Common Depositary or its nominee will distribute such payments to participants in accordance with their procedures. Payments of all such amounts will be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature except as may be required by law. We expect that payments by participants to owners of Book-Entry Interests held through those participants will be governed by standing customer instructions and customary

practices. Under the terms of the Trust Agreement, we will treat the registered holder of the Global Trust Securities (i.e., Euroclear or Clearstream or their respective nominees) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, neither we nor any of our agents has, or will have any responsibility or liability for:

- (1) any aspect of the records of Euroclear or Clearstream or of any participant or indirect participant relating to or payments made on account of a Book-Entry Interest, for any such payments made by Euroclear or Clearstream or any participant or indirect participant or for maintaining, supervising or reviewing the records of Euroclear or Clearstream or any participant or indirect participant relating to or payments made on account of a Book-Entry Interest;
- (2) Euroclear or Clearstream or any participant or indirect participant; or
- (3) the records of the Common Depositary.

### **Currency of Payment for the Global Trust Securities**

The liquidation amount and distribution payments on, and all other amounts payable in respect of the Trust Securities will be paid to holders of interests in such Trust Securities through Euroclear or Clearstream in the currency in which such Trust Securities and the underlying Debentures are denominated.

### **Action by Owners of Book-Entry Interests**

Euroclear and Clearstream have advised us that they will take any action permitted to be taken by a holder of Trust Securities (including the presentation of Trust Securities for exchange as described above) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Trust Securities are credited and only in respect of such portion of the liquidation amount of Trust Securities as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Trust Securities. However, if there is a Trust Event of Default under the Trust Securities, Euroclear and Clearstream reserve the right to exchange the Global Trust Securities for definitive, registered Trust Securities ("**Definitive Registered Trust Securities**") in certificated form, and to distribute such Definitive Registered Trust Securities to its participants.

### **Transfers**

Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear's and Clearstream's rules and will be settled in immediately available funds. If a holder of Trust Securities takes physical delivery of Definitive Registered Trust Securities in the circumstances described below under "— Definitive Registered Trust Securities", such holder of Trust Securities must transfer its interest in the Global Trust Securities subject to and in accordance with the applicable procedures of Euroclear and Clearstream and in accordance with the procedures set forth in the Trust Agreement.

The Global Trust Securities will bear a legend to the effect set forth in "Notice to Investors". Book-Entry Interests in the Global Trust Securities will be subject to the restrictions on transfers and certification requirements discussed under "Notice to Investors". Transfer of Restricted Book-Entry Interests to persons wishing to take delivery of Restricted Book-Entry Interests will at all times be subject to such transfer restrictions.

Restricted Book-Entry Interests may be transferred to a person who takes delivery in the form of any Unrestricted Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in the Trust Agreement) to the effect that such transfer is being made in accordance with Regulation S or Rule 144 (if available) under the Securities Act. Prior to 40 days after the date of initial issuance of the Trust Securities in exchange for Debentures, ownership of Unrestricted Book-Entry Interests will be limited to persons that have accounts with Euroclear or Clearstream or persons who hold interests through Euroclear or Clearstream, and any sale or transfer of such interest to U.S. persons shall not be permitted during such period unless such resale or transfer is made pursuant to Rule 144A.

Unrestricted Book-Entry Interests may be transferred to a person who takes delivery in the form of Restricted Book-Entry Interests only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "Notice to Investors" and in accordance with any applicable securities laws of any other jurisdiction.

Any Book-Entry Interest in one of the Global Trust Securities that is transferred to a person who takes delivery in the form of a Book-Entry Interest in the other Global Trust Security will, upon transfer, cease to be a Book-Entry Interest in the first mentioned Global Trust Security and become a Book-Entry Interest in such other Global Trust Security, and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Trust Security for as long as it remains such a Book-Entry Interest.

### **Definitive Registered Trust Securities**

Under the terms of the Trust Agreement, owners of the Book-Entry Interests will receive Definitive Registered Trust Securities only:

- (1) if either Euroclear or Clearstream notifies us that it is unwilling or unable to continue to act and a successor is not appointed by us within 90 days;
- (2) if either Euroclear or Clearstream so requests following a Trust Event of Default with respect to a series of Trust Securities; or
- (3) at any time if we, in our sole discretion, determine that all the Global Trust Securities representing a series of Trust Securities should be exchanged for Definitive Registered Trust Securities.

### **Information Concerning Euroclear and Clearstream**

We understand as follows with respect to Euroclear and Clearstream:

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable. The following summaries of those operations and procedures are provided solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. Neither we nor the Dealer Managers are responsible for those operations or procedures.

Euroclear and Clearstream hold securities for participating organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with Euroclear or Clearstream participants, either directly or indirectly.

Because Euroclear and Clearstream can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear or Clearstream systems, or otherwise take actions in respect of such interest may be limited by the lack of a definitive certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In additions, owners of beneficial interests through Euroclear or Clearstream systems will receive

distributions attributable to both 144A Global Trust Securities and Regulation S Global Trust Securities only through Euroclear or Clearstream participants.

**Trustee's Powers**

In considering the interests of the holders of the Trust Securities, while title to the Trust Securities is registered in the name of a nominee for a clearing system, the Property Trustee for each Trust may have regard to, and rely on, any information provided to it by that clearing system as to the identity (either individually or by category) of its accountholders with entitlements to Trust Securities and may consider such interests as if such accountholders were the holders of Trust Securities.

## CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

This section describes the material U.S. federal income tax consequences of the Exchange Offer to benefit owners of Debentures and Trust Securities. This section applies to you only if you hold Debentures, and will hold Trust Securities, as capital assets for tax purposes. This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

- a dealer in securities;
- a trader in securities that elects to use a mark-to-market method of accounting;
- a bank;
- a life insurance company;
- a tax-exempt entity;
- a person that owns Debentures, or will own Trust Securities, as part of a hedge, straddle or conversion transaction; or
- a U.S. Holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar.

This section is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), Treasury regulations, Internal Revenue Service ("**IRS**") rulings and pronouncements, and judicial decisions, all as currently in effect, and all of which are subject to change at any time with retroactive effect.

If a partnership holds Debentures or will hold Trust Securities, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. A partner in a partnership holding Debentures or that will hold Trust Securities should consult its tax advisor regarding the U.S. federal income tax consequences of the partnership's participation in the Exchange Offer.

Holdes should consult their tax advisors to determine the specific tax consequences to them of participating in the Exchange Offer, including the application of the U.S. federal income tax considerations discussed below to their particular circumstances, and the effect of any state, local or foreign tax laws.

*IRS Circular 230 Notice.* To ensure compliance with IRS Circular 230, holders are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Prospectus or any document referred to herein is not intended or written to be used, and cannot be used, by holders for the purpose of avoiding penalties that may be imposed on them under the Code; (b) such discussion was written in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) holders should seek advice based on their particular circumstances from an independent tax advisor.

### **Classification of the Trust**

In connection with the Exchange Offer, Cahill Gordon & Reindel LLP, our special tax counsel, will render an opinion to the effect that, under current law and assuming full compliance with the terms of the Trust Agreements and other relevant documents, and based on certain other facts and assumptions described in the opinion, each Trust will be classified for U.S. federal income tax purposes as a grantor trust and not as an association taxable as a corporation. Under that classification, a beneficial owner of Trust Securities of a Trust will generally be treated for U.S. federal income tax purposes as the owner of an undivided interest in the assets of the Trust. The assets of each Trust will consist solely of the relevant series of Debentures accepted for exchange in the Exchange Offer and the Debentures of such series deposited by

us with the Trust in exchange for the Common Securities of such Trust. Unless otherwise indicated, the remainder of the discussion assumes that each Trust will be treated as a grantor trust for U.S. federal income tax purposes.

### **Classification of the Debentures**

In connection with the original issuance of the Debentures, our special tax counsel provided us with an opinion that, although the matter is not free from doubt and there is no authority directly on point, the Debentures will be treated as indebtedness of GE Capital for U.S. federal income tax purposes. That opinion was based on the law in effect at the time of the issuance of the Debentures and representations provided by us and certain other persons. Unless otherwise indicated, the remainder of this discussion assumes that the Debentures, including Debentures held by a Trust ("**Trust Debentures**"), will be characterized as indebtedness for U.S. federal income tax purposes.

### **Exchange of Debentures for Trust Securities Pursuant to the Exchange Offer**

A holder that exchanges Debentures for Trust Securities of a Trust pursuant to the Exchange Offer will be treated as owning an undivided interest in the assets of that Trust. The assets of each Trust will consist solely of Trust Debentures.

The tax consequences to a holder of acquiring an undivided interest in Trust Debentures in exchange for Debentures will depend on whether that exchange results in a "significant modification" of those Debentures for U.S. federal income tax purposes. If the acquisition of an interest in Trust Debentures were considered to result in a "significant modification" of the Debentures exchanged therefor, the acquisition would be a taxable event.

The general rule for determining whether a modification of a debt instrument is significant is whether, based on all the facts and circumstances, the legal rights or obligations that are altered and the degree to which they are altered are "economically significant". In making this determination, all modifications to the instrument, except certain modifications for which a specific rule is provided in the Treasury regulations, are considered collectively.

A modification to a debt instrument could be considered to occur for U.S. federal income tax purposes if the issuer and holder modify the instrument indirectly through one or more transactions with third parties. As a result, it may be necessary to supplement the terms of the Debentures with those of the Trust Securities in evaluating whether the exchange of Debentures for Trust Securities pursuant to the Exchange Offer results in a taxable exchange. In particular, it may be necessary to consider the indirect effect on the legal rights of holders of the Debentures of owning their Debentures through a Trust rather than owning the Debentures directly.

Based upon an analysis of the relevant facts and circumstances, Cahill Gordon & Reindel LLP will provide us with an opinion generally to the effect that, although the matter is not free from doubt and there is no authority directly on point, the exchange of Debentures for an interest in Trust Debentures pursuant to the Exchange Offer will not be a taxable event. That opinion will be based on then current law and representations provided by us and certain other persons, including representations that the modifications to the Debentures and the ownership of Debentures through a Trust will not be economically significant to holders of the Debentures or GE Capital. That opinion will also assume full compliance with the terms of the Trust Agreements, Indenture, and certain other documents.

An opinion of tax counsel is not binding on the IRS or the courts. No rulings have been or are expected to be sought from the IRS regarding the Exchange Offer, and no assurance can be given that the IRS will not take a position contrary to any of those described in this summary. Moreover, no assurance can be given that the opinion expressed in this summary will not be challenged by the IRS or, if challenged, will be sustained.

If, contrary to the opinion of our tax counsel, the exchange of Debentures for an interest in Trust Debentures pursuant to the Exchange Offer is a taxable event, that exchange should qualify as a recapitalization for U.S. federal income tax purposes. In the recapitalization, a holder would recognize gain to the extent of the Participation Payment received by such holder, but would not recognize any loss. A holder would also be required to recognize any accrued

interest not previously included in income. The holder's tax basis in its interest in Trust Debentures would be equal to the holder's adjusted tax basis in the Debentures exchanged therefor, increased by any gain recognized in the exchange, and decreased by the Participation Payment received by the holder. The holding period for the holder's interest in the Trust Debentures would include the holder's holding period in the Debentures exchanged therefor. Holders should consult their own tax advisors regarding the tax consequences to them of the treatment of an exchange of Debentures for an interest in Trust Debentures as a taxable event and the possibility that the Trust Debentures would be treated as issued with original issue discount or would be considered equity for U.S. federal income tax purposes.

Unless otherwise indicated, the remainder of this discussion assumes that the acquisition of an interest in Trust Debentures in exchange for Debentures pursuant to the Exchange Offer will not be a taxable event.

## **U.S. Holders**

This subsection describes the tax consequences to a "**U.S. Holder**". You are a U.S. Holder if you are a beneficial owner of Debentures or Trust Securities, as applicable, and are a U.S. person. For purposes of this discussion, a U.S. person is:

- a citizen or resident of the U.S.;
- a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if (a) a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorized to control all substantial decisions of the trust, or (b) the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

As used in this summary, the term "**Non-U.S. Holder**" means a beneficial owner of Debentures or Trust Securities, as applicable, that is an individual, corporation, estate or trust, and is not a U.S. Holder. If you are a Non-U.S. Holder, this subsection does not apply to you, and you should refer to "—Non-U.S. Holders" below.

## **Participation Payment**

The U.S. federal income tax treatment of the receipt of a Participation Payment is uncertain. We intend to take the position that a Participation Payment is ordinary income to a holder. Holders are urged to consult their tax advisors concerning the treatment of Participation Payments for U.S. federal income tax purposes.

## **Ownership of Trust Securities**

### ***Interest Income and Original Issue Discount***

Under applicable Treasury regulations, if a contingency that stated interest on a debt instrument will not be timely paid is "remote" at the time of issuance of the debt instrument, that contingency will be ignored in determining whether the debt instrument was issued with original issue discount ("**OID**"). We believe that any contingency that interest on the Debentures will not be timely paid as a result of our exercising our option to defer payments of interest on the Debentures was considered "remote" under that rule. As a result, although the matter is not free from doubt, we believe that the Debentures (other than possibly the Debentures deposited with each Trust by GE Capital) were not issued with OID. Accordingly, your share of interest paid on Trust Debentures other than the Debentures deposited with the Trusts by GE Capital should be taxable to you as ordinary interest income when it accrues or is received, in accordance with your method of accounting for U.S. federal income tax purposes. No assurance can be given, however, that the IRS or a court will agree with this position.

If the possibility of interest deferral is determined not to have been "remote" at the time of the original issuance of the Debentures, the Debentures will be treated as having been issued with OID. In addition, if interest on the Debentures is in fact deferred, the Debentures will be treated as being issued with OID at the time of such deferral. If the Debentures are treated as issued with OID, you will be required to include your allocable share of stated interest on Trust Debentures in income on a constant-yield basis, regardless of your regular method of tax accounting, and actual distributions of stated interest will not be reported as taxable income but will reduce your tax basis in the related Trust Securities. Consequently, you will be required to include OID in income during an Extension Period even though you will not receive any cash payments during that period.

No rulings or other interpretations have been issued by the IRS that address the meaning of the term "remote" as used in the applicable Treasury regulations, and it is possible that the IRS could take a position contrary to the interpretation above. The remainder of this discussion assumes that the Debentures will not be considered to have been issued with OID.

If you use the cash method of tax accounting, the amount of interest income that you will realize with respect to your interest in Trust Debentures will be the U.S. dollar value of the euros or pounds sterling, as applicable, that you receive on the related Trust Securities based on the exchange rate in effect on the date of receipt, regardless of whether you convert the payment into U.S. dollars.

If you are an accrual basis taxpayer, the amount of interest income that you will realize will be based on the average exchange rate in effect during the interest accrual period. Alternatively, as an accrual basis taxpayer, you may elect to translate all interest income at the spot rate in effect on (a) the last day of an accrual period, or the last day of the taxable year within such accrual period if the period spans more than one taxable year, or (b) the date that you receive the interest payment if that date is within five business days of the end of the accrual period. If you make that election, you must apply it consistently to all debt instruments from year to year, and you cannot change the election without the consent of the IRS. If you use the accrual method of tax accounting, you will recognize foreign currency gain or loss on the receipt of a distribution on Trust Securities in euros or pounds sterling, as applicable, if the exchange rate in effect on the date that you receive the payment differs from the rate applicable to a previous accrual of that income. The foreign currency gain or loss will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income received on your interest in Trust Debentures.

#### ***Election to Treat All Interest as OID***

For the taxable year in which you acquired a Debenture, you were entitled to elect to accrue interest on the Debenture using the constant-yield method described above under "Interest Income and Original Issue Discount". For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, and *de minimis* market discount, as adjusted by any amortizable bond premium or acquisition premium. The election generally applies only to the debt instrument with respect to which it was made and may not be revoked without the consent of the IRS. If you made this election with respect to Debentures, the election will generally apply to your interest in Trust Debentures acquired in exchange for those Debentures pursuant to the Exchange Offer.

#### ***Market Discount***

Any market discount applicable to a Debenture should carry over to your interest in Trust Debentures received in exchange therefor. You will be treated as having acquired a Debenture with market discount if the "revised issue price" of the Debenture exceeded your tax basis in the Debenture immediately after the acquisition by more than a *de minimis* amount. Market discount is considered *de minimis* if it is less than one-quarter of one percent of the revised issue price of the Debenture, multiplied by the number of complete years to maturity. The "revised issue price" of a Debenture generally should be equal to the issue price of the Debenture.

In general, under the market discount rules, you are required to treat any principal payment on, or any gain on the sale, exchange, redemption or other disposition of, your interest in Trust Debentures as ordinary income to the extent of

any accrued market discount not previously included in income. For this purpose, the amount of market discount will be determined in euro or pounds sterling, as applicable, and then translated into U.S. dollars based on the exchange rate in effect on the date of the sale, exchange, redemption or other disposition of your interest in Trust Debentures. In addition, if you dispose of your interest in Trust Debentures in certain otherwise nontaxable transactions, you will generally be required to include any accrued market discount in income as ordinary income as if you had sold the Trust Debentures for their then fair market value. You may also be required to defer the deduction of a portion of the interest expense on any indebtedness incurred or continued to purchase or carry the Debentures tendered in the Exchange Offer or the Trust Securities received in exchange therefor until the maturity of the Trust Debentures or their earlier disposition in a taxable transaction.

If you acquired Debentures with market discount, you were entitled to elect to include that market discount in income currently as it accrued, either ratably or under the constant-yield method. In that case, the rule described above regarding deferral of interest deductions will not apply. The amount of market discount that you must include in income for any accrual period will be determined in euros or pounds sterling, as applicable, and then translated into U.S. dollars based on the average exchange rate in effect during the accrual period. Exchange gain or loss realized with respect to such accrued market discount will be determined in accordance with the rules relating to accrued interest described above under "—Interest Income and Original Issue Discount". If you elected to include market discount on a Debenture in income currently, your adjusted basis in your interest in the Trust Debentures received in exchange therefor will be increased by the U.S. dollar value of any market discount included in income. If you made the election described above in "—Election to Treat All Interest as OID" for a Debenture acquired with market discount, you will be treated as having made an election to include market discount in income currently under a constant-yield method.

### ***Bond Premium***

If you purchased a Debenture for an amount in excess of its principal amount, the excess was treated as bond premium. Any bond premium applicable to a Debenture should carry over to your interest in the Trust Debentures received in exchange therefor. If you elected to amortize bond premium on a Debenture under a constant-yield method, that election should carry over to your interest in the Trust Debentures received in exchange therefor. Under that method, the amount of interest required to be included in income each year with respect to the Trust Debentures will be reduced by the amount of amortizable bond premium allocable to that year, in euros or pounds sterling, as applicable. Exchange gain or loss will be realized on the bond premium that is amortized in the period in the same manner as the sale, exchange, redemption or retirement of your interest in Trust Debentures and will be ordinary income or loss as described below under "—Sale, Exchange, Redemption or Retirement of Trust Securities". If you did not make the election to amortize bond premium, you will be required to include in gross income the full amount of interest on the Trust Debentures in accordance with your regular method of tax accounting, and will include the premium in your tax basis in the Trust Debentures in computing the amount of gain or loss recognized on the taxable disposition of your interest in the Trust Debentures.

### ***Sale, Exchange, Redemption or Retirement of Trust Securities***

Except as described below under "Automatic Exchange of Trust Securities", upon the sale, exchange, redemption or retirement of a Trust Security, you will generally recognize gain or loss equal to the difference between the amount realized on the sale, exchange, redemption or retirement and your adjusted tax basis in the Trust Security. For these purposes, the amount realized does not include any amount attributable to accrued but unpaid interest, which will be taxable as ordinary income if not previously included in income.

The adjusted tax basis of a Trust Security will generally be the U.S. dollar value of your adjusted tax basis in the Debenture exchanged therefor calculated at the spot rate of exchange on the date of acquisition of the Debenture. Upon the disposition of a Trust Security, the amount realized will be the U.S. dollar value of the euro or pounds sterling received calculated at the spot rate of exchange on the date of disposition.

If the Trust Securities are traded on an established securities market, a U.S. Holder that uses the cash method of tax accounting, and if it so elects, a U.S. Holder that uses the accrual method of tax accounting, will determine the U.S. dollar value of the amount of euro or pounds sterling realized by translating that amount at the spot rate of exchange on the settlement date of the disposition. The election available to accrual basis U.S. Holders must be applied consistently to all debt instruments from year to year, and cannot be changed without the consent of the IRS.

Gain or loss realized on the sale, exchange, redemption or retirement of a Trust Security will generally be capital gain or loss, and will be long-term capital gain or loss if the Trust Security has been held for more than one year. Non-corporate U.S. Holders are generally subject to reduced rates of U.S. federal income taxation on net long-term capital gains. The deductibility of capital losses is subject to limitations.

Gain or loss on a disposition of a Trust Security that is attributable to changes in exchange rates during the period in which you held the Trust Security will generally be treated as ordinary income or loss. Such exchange gain or loss will be recognized, however, only to the extent of the total gain or loss realized on the disposition.

### ***Transactions in Euro and Pounds Sterling***

Euro or pounds sterling received as a distribution on, or on a disposition of, a Trust Security will have a tax basis equal to their U.S. dollar value at the time such amounts are received. The amount of gain or loss recognized on the sale or other disposition of such euro or pounds sterling will be equal to the difference between (a) the amount of U.S. dollars, or the fair market value in U.S. dollars of other property received in such sale or other disposition, and (b) your tax basis in such euro or pounds sterling.

### ***Automatic Exchange of Trust Securities***

Upon an Event of Default under the Indenture with respect to a series of Debentures, the Debentures of such series held by a Trust will automatically be exchanged for the outstanding Trust Securities of such Trust. See "Description of Trust Securities—Exchange Event". For U.S. federal income tax purposes, that exchange will not be a taxable event. In general, your aggregate tax basis in the Trust Debentures received in the exchange will be equal to your aggregate tax basis in your Trust Securities, and your holding period for the Trust Debentures will include the period during which you held the Trust Securities and the Debentures exchanged for those Trust Securities pursuant to the Exchange Offer.

### ***Liquidation of a Trust***

If we liquidate a Trust, Trust Debentures may be distributed to you in exchange for your Trust Securities. See "Description of the Trust Securities—Liquidation Distribution upon Dissolution". For U.S. federal income tax purposes, that distribution will not be a taxable event. In general, your aggregate tax basis in the Trust Debentures received upon liquidation of the Trust will be equal to your aggregate tax basis in your Trust Securities of that Trust, and your holding period for the Trust Debentures will include the period during which you held those Trust Securities and the Debentures exchanged for those Trust Securities pursuant to the Exchange Offer.

Under certain circumstances, Debentures may be redeemed by us for cash and the proceeds of that redemption may be distributed by a Trust to holders in redemption of their Trust Securities. See "Description of the Trust Securities—Redemption". For U.S. federal income tax purposes, that redemption will constitute a taxable disposition of the redeemed Trust Securities. As a result, you will recognize gain or loss as if you had sold those redeemed Trust Securities for cash. See "—Ownership of Trust Securities—Sale, Exchange, Redemption or Retirement of Trust Securities".

### **Information Reporting and Backup Withholding**

Information reporting requirements generally apply to payments on the Trust Securities to, and the proceeds from a sale or other disposition of the Trust Securities by, a non-corporate U.S. Holder. You will be subject to backup

withholding on those payments if you fail to provide your taxpayer identification number to the paying agent and comply with certain certification procedures, or otherwise establish an exemption from backup withholding. Any backup withholding from a payment to you will be allowed as a credit against your U.S. federal income tax liability and may entitle you to a refund, provided the required information is furnished to the IRS.

## **Non-U.S. Holders**

### **Participation Payment**

The U.S. federal income tax treatment of the receipt of a Participation Payment is uncertain. See "—U.S. Holders—Participation Payment", above. U.S. federal income tax at a rate of 30% will be withheld from this payment to you unless, prior to payment, you provide the withholding agent with a properly executed statement on (a) IRS Form W-8BEN claiming an exemption from or reduction of withholding under the "Other Income" or similar article of an applicable U.S. income tax treaty, specifying your taxpayer identification number and making certain certifications; or (b) on IRS Form W-8ECI stating that the Participation Payment is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States and specifying your taxpayer identification number. No Additional Amounts will be paid to a Non-U.S. Holder with respect to any U.S. federal income tax withheld from a Participation Payment. You are urged to consult your tax advisor regarding your eligibility for a reduced rate of withholding and the possibility for claiming a refund of any U.S. withholding tax.

### **Ownership of Trust Securities**

#### ***U.S. Withholding Tax***

No withholding of U.S. federal income tax will apply to a payment on the Trust Securities to you under the "Portfolio Interest Exemption", provided that:

- that payment is not effectively connected with your conduct of a trade or business in the United States;
- you do not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote;
- you are not a controlled foreign corporation that is related directly or constructively to us through stock ownership; and
- you provide to the withholding agent, in accordance with specified procedures, a statement to the effect that you are not a U.S. person.

If you cannot satisfy the requirements of the Portfolio Interest Exemption described above, payments on the Trust Securities to you should be subject to withholding at a rate of 30% unless you provide the withholding agent with a properly executed statement (a) claiming an exemption from or reduction of withholding under an applicable U.S. income tax treaty; or (b) stating that the payment on the Trust Securities is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States.

If, contrary to the opinion of our special tax counsel, the Debentures were treated as equity, payments on the Trust Securities would generally be subject to U.S. withholding tax at a rate of 30%, or a lower rate under an applicable treaty.

#### ***U.S. Trade or Business***

If you are engaged in a trade or business in the United States, and, if one of certain tax treaties applies, you maintain a permanent establishment within the United States, and the distributions on your Trust Securities are effectively connected with the conduct of that trade or business, and permanent establishment, as applicable, those distributions will

be subject to U.S. federal income tax on a net-income basis in the same manner as if you were a U.S. Holder. In addition, if you are a foreign corporation that is engaged in a trade or business in the United States, you might be subject to a branch profits tax at a 30% rate, or a lower rate under an applicable treaty.

### ***Sale, Exchange, Redemption or Retirement of Trust Securities***

Any gain recognized on the sale, exchange, redemption or retirement of a Trust Security generally will not be subject to U.S. federal income tax unless:

- the gain is effectively connected with your conduct of a trade or business in the United States, and, if one of certain tax treaties applies, is attributable to a permanent establishment maintained by you within the United States; or
- you are an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

### **Information Reporting and Backup Withholding**

In general, information reporting and backup withholding will not apply to distributions to you on a Trust Security, or proceeds from your disposition of a Trust Security, in each case, if you certify under penalties of perjury that you are not a U.S. person and neither we nor our paying agent has actual knowledge to the contrary. Any amounts withheld under the backup withholding rules will be allowed as a credit against your U.S. federal income tax liability, provided the required information is furnished to the IRS.

### **Non-Tendering Holders**

Holders that do not tender Debentures in the Exchange Offer will not realize gain or loss for U.S. federal income tax purposes with respect to their Debentures.

THE U.S. FEDERAL INCOME TAX DISCUSSION ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE EXCHANGE OFFER, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS.

## CERTAIN ERISA CONSIDERATIONS

Each fiduciary of a pension, profit-sharing or other employee benefit plan to which Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), applies, or other arrangement that is subject to Title I of ERISA (a "**plan**"), should consider the fiduciary standards of ERISA in the context of the plan's particular circumstances before authorizing an exchange of Debentures for the Trust Securities and a cash payment. Accordingly, among other factors, the fiduciary should consider whether the exchange would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the plan.

Section 406 of ERISA and Section 4975 of the Code prohibit plans, as well as individual retirement accounts and other arrangements to which Section 4975 of the Code applies (also "**plans**"), from engaging in specified transactions, known as "prohibited transactions", involving "plan assets" as defined by ERISA and the guidance promulgated thereunder with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code ("**parties in interest**") with respect to such plan. For example, GE Capital and the Dealer Managers may be considered a party in interest or disqualified person with respect to a plan to the extent GE Capital, the Dealer Managers or any of their respective affiliates are engaged in providing services to such plans. A violation of the "prohibited transaction" rules may result in an excise tax or other liabilities under ERISA or Section 4975 of the Code for such persons, unless exemptive relief is available under an applicable statutory or administrative exemption, and require the unwinding of such transactions and disgorgement of any gains. In addition, the fiduciary of a plan that engaged in a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code.

Employee benefit plans that are governmental plans, as defined in Section 3(32) of ERISA, certain church plans, as defined in Section 3(33) of ERISA, and non-U.S. plans, as described in Section 4(b)(4) of ERISA, are not subject to the requirements of ERISA, or Section 4975 of the Code, but these plans may be subject to other laws that contain fiduciary and prohibited transaction provisions similar to those under Title I of ERISA and Section 4975 of the Code ("**Similar Laws**").

Under Section 3(42) of ERISA and a regulation (the "**plan assets regulation**") issued by the U.S. Department of Labor, the assets of a Trust would be deemed to be "plan assets" of a plan for purposes of ERISA and Section 4975 of the Code if a plan makes an "equity" investment in the Trust and no exception were applicable under the statute and the plan assets regulation. An "equity interest" is defined under the plan assets regulation as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features and specifically includes a beneficial interest in a Trust.

If the assets of a Trust were deemed to be "plan assets", then an exchanging plan's assets could be considered to include an undivided interest in the Debentures held by the Trust. Persons providing services to the Trust could become parties in interest with respect to an exchanging plan and could be governed by the fiduciary responsibility provisions of Title I of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Code with respect to transactions involving the Trust assets. In this regard, if the person or persons with responsibilities over the Debentures or the Guarantee were affiliated with GE Capital, any such actions taken regarding those assets could be deemed to constitute a prohibited transaction under ERISA or the Code. Even if the assets of the Trust are not deemed to be "plan assets" of plans investing in the Trust, specified transactions involving a Trust could be deemed to constitute direct or indirect prohibited transactions under ERISA and Section 4975 of the Code regarding an exchanging plan. For example, if GE Capital were a party in interest with respect to an exchanging plan, either directly or by reason of the activities of one or more of its affiliates, the exchange by the plan of Debentures for the Trust Securities and a cash payment could be prohibited by Section 406(a)(1) of ERISA and Section 4975(c)(1) of the Code, unless exemptive relief were available.

The U.S. Department of Labor has issued five prohibited transaction class exemptions ("**PTCEs**") that may provide exemptive relief for any direct or indirect prohibited transactions resulting from the acquisition or holding of the Trust Securities. Those class exemptions are:

- PTCE 96-23, for specified transactions determined by in-house asset managers;

- PTCE 95-60, for specified transactions involving insurance company general accounts;
- PTCE 91-38, for specified transactions involving bank collective investment funds;
- PTCE 90-1, for specified transactions involving insurance company separate accounts; and
- PTCE 84-14, for specified transactions determined by independent qualified professional asset managers

In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide an exemption for transactions between a plan and a person who is a party in interest (other than a fiduciary or affiliate who has or exercises any discretionary authority or control with respect to investment of the plan assets involved in the transaction or renders investment advice with respect thereto) solely by reason of providing services to the plan (or by reason of a relationship to such a service provider), if in connection with the transaction the plan receives no less, or pays no more, than "adequate consideration" (within the meaning of Section 408(b)(17) of ERISA).

Due to the complexity of these rules and the penalties and taxes that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering exchanging Debentures for Trust Securities and a cash payment on behalf of or with "plan assets" of any plan or other entity or governmental, church or non-U.S. plan consult with their counsel regarding the potential consequences of the exchange, potential prohibited transactions involving GE Capital, the Dealer Managers or other exchanging Debenture holders, and the availability of exemptive relief.

Each acquirer and holder of the Trust Securities or any interest in the Trust Securities will be deemed to have represented by its acquisition or holding that either (i) it is not a plan or a governmental, church or non-U.S. plan subject to Similar Laws, or an entity otherwise holding plan assets and it is not acquiring or holding such securities on behalf of or with "plan assets" of any such plan, entity or governmental, church or non-U.S. plan or (ii) its acquisition and holding of Trust Securities or any transaction ancillary thereto will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation under any applicable Similar Laws. Acquirers of Trust Securities have the exclusive responsibility for ensuring that their acquisition and holding of the Trust Securities or any transaction ancillary thereto complies with the fiduciary responsibility rules of ERISA and does not violate the prohibited transaction rules of ERISA or the Code (or in the case of a governmental, church or non-U.S. plan, any Similar Laws). In addition, as part of its decision to acquire or hold the Trust Securities, each acquirer or holder of the Trust Securities will be deemed to approve of the transactions described herein and none of the Trusts, GE Capital, the Dealer Managers, their respective affiliates or any of their respective representatives will consider themselves fiduciaries with respect to any acquirer or holder of the Trust Securities in respect of the rights and transactions described herein.

## NOTICE TO INVESTORS

*You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Trust Securities offered hereby in exchange for Debentures.*

The Trust Securities have not been and will not be registered under the Securities Act and, therefore, the Trust Securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, we are offering to exchange the Debentures for Trust Securities only:

- in transactions that occur outside the United States to holders of Debentures who are not U.S. persons (as defined in Regulation S); and
- in the United States to holders of Debentures that are "qualified institutional buyers", commonly referred to as "QIBs", as defined in Rule 144A in reliance on Section 4(2) of the Securities Act.

Holders of Debentures who are not U.S. persons include dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners, other than an estate or trust, in offshore transactions meeting the requirements of Rule 903 of Regulation S. We use the terms "offshore transaction", "U.S. person" and "United States" with the meanings given to them in Regulation S.

If you exchange Debentures for Trust Securities, you will be deemed to have represented and agreed as follows:

- (1) You understand and acknowledge that the Trust Securities have not been registered under the Securities Act or any other applicable state securities laws and that the Trust Securities are being offered for resale in transactions not requiring registration under the Securities Act or any other state securities laws, including sales pursuant to Rule 144A, and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable state securities laws, pursuant to an exemption therefrom, or in a transaction not subject thereto, and in each case in compliance with the conditions for transfer set forth in paragraph (4) below.
- (2) You are not our "affiliate" (as defined in Rule 144A) and you are not acting on our behalf and you are either:
  - (a) not a "U.S. person" as defined in Regulation S or acting for the account or benefit of a U.S. person (other than a distributor) and you are exchanging Debentures for the Trust Securities in an offshore transaction in accordance with Regulation S; or
  - (b) a QIB and are aware that any delivery of the Trust Securities to you in exchange for Debentures will be made in reliance on Section 4(2) of the Securities Act and such exchange will be for your own account or for the account of another QIB.
- (3) You acknowledge that neither GE Capital nor the Dealer Managers, nor any person representing any of them has made any representation to you with respect to the offer or sale of any of the Trust Securities, other than the information contained in this Prospectus, which Prospectus has been delivered to you and upon which you are relying in making your investment decision with respect to exchanging the Debentures for the Trust Securities. You acknowledge that none of the Dealer Managers or any person representing the Dealer Managers makes any representation or warranty as to the accuracy or completeness of this Prospectus. You have had access to such financial and other information concerning GE Capital, the Debentures and the Trust Securities as you deemed necessary in connection with your decision to exchange Debentures for Trust Securities, including an opportunity to ask questions of, and request information from, GE Capital and the Dealer Managers.

- (4) You are accepting delivery of the Trust Securities in exchange for Debentures for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act, subject to any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and subject to your or their ability to resell the Trust Securities pursuant to Rule 144A, Regulation S or any other available exemption from registration under the Securities Act. You agree on your own behalf and on behalf of any investor account for which you are accepting delivery of the Trust Securities in exchange for Debentures, and each subsequent holder of the Trust Securities by its acceptance thereof will agree, to offer, sell or otherwise transfer such Trust Securities only:
- (a) to us;
  - (b) for so long as the Trust Securities are eligible for resale pursuant to Rule 144A, to a person you reasonably believe is a QIB that purchases for its own account or for the account of a QIB to whom you give notice that the transfer is being made in reliance on Rule 144A;
  - (c) pursuant to offers and sales to non-U.S. persons occurring outside the United States within the meaning of Regulation S; or
  - (d) pursuant to Rule 144 or any other available exemption from the registration requirements of the U.S. Securities Act;

subject in each of the foregoing cases to any requirements of law that the disposition of your property or the property of your investor account or accounts be at all times within your or their control and in compliance with any applicable state securities laws.

The foregoing restrictions on resale will not apply subsequent to the date following the expiration of the applicable required holding period determined pursuant to Rule 144 of the Securities Act (the "**Resale Restriction Termination Date**"). You acknowledge that we, the Property Trustee and the registrar reserve the right prior to any offer, sale or other transfer pursuant to clause (c) prior to the end of the 40-day distribution compliance period within the meaning of Regulation S or pursuant to clause (d) above prior to the Resale Restriction Termination Date of the Trust Securities to require the delivery of an opinion of counsel, certifications and/or other information satisfactory to us, the Trustee and the registrar.

Each Debenture holder accepting Trust Securities in exchange for Debentures acknowledges that such Trust Securities certificate will contain a legend substantially in the following form:

**In the case of Rule 144A Trust Securities:**

"THIS TRUST SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR OTHER SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS TRUST SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OF THIS TRUST SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (2) AGREES THAT IT WILL NOT OFFER, SELL OR OTHERWISE TRANSFER THIS TRUST SECURITY EXCEPT (A) TO GENERAL ELECTRIC CAPITAL CORPORATION OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE TRUST SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A

UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS TRUST SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND; PROVIDED THAT GENERAL ELECTRIC CAPITAL CORPORATION, THE PROPERTY TRUSTEE AND THE REGISTRAR SHALL HAVE THE RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (E) TO REQUIRE THAT AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO GENERAL ELECTRIC CAPITAL CORPORATION, THE PROPERTY TRUSTEE AND THE REGISTRAR IS COMPLETED AND DELIVERED BY THE TRANSFEROR. AS USED HEREIN, THE TERMS "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

THE FAILURE TO PROVIDE GENERAL ELECTRIC CAPITAL CORPORATION, THE PROPERTY TRUSTEE OR ANY PAYING AGENT WITH THE APPLICABLE U.S. FEDERAL INCOME TAX CERTIFICATIONS (GENERALLY, AN INTERNAL REVENUE SERVICE FORM W-9 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(A)(30) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") OR AN APPLICABLE INTERNAL REVENUE SERVICE FORM W-8 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS NOT A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(A)(30) OF THE CODE) MAY RESULT IN U.S. FEDERAL BACKUP WITHHOLDING FROM PAYMENTS TO THE HOLDER IN RESPECT OF THIS TRUST SECURITY".

**In the case of Regulation S Trust Securities:**

"THIS TRUST SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, OR DELIVERED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON, UNLESS THIS TRUST SECURITY IS REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREOF IS AVAILABLE".

**In the case of Global Trust Securities only:**

"THIS TRUST SECURITY IS A GLOBAL TRUST SECURITY WITHIN THE MEANING OF THE TRUST AGREEMENT HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A COMMON DEPOSITARY OR A NOMINEE THEREOF. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE COMMON DEPOSITARY, TO GENERAL ELECTRIC CAPITAL CORPORATION OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE COMMON DEPOSITARY (AND ANY PAYMENT IS MADE TO THE COMMON DEPOSITARY OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE COMMON DEPOSITARY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, THE COMMON DEPOSITARY OR ITS NOMINEE, HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL TRUST SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO THE COMMON DEPOSITARY, TO NOMINEES OF THE COMMON DEPOSITARY OR

TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL TRUST SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST AGREEMENT REFERRED TO ON THE REVERSE HEREOF".

If you purchase Trust Securities, you will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in the Trust Securities as well as to holders of these Trust Securities.

- (5) You acknowledge that the registrar will not be required to accept for registration of transfer any Trust Securities acquired by you, except upon presentation of evidence satisfactory to us and the registrar that the restrictions set forth herein have been complied with.
- (6) You acknowledge that:
  - (a) GE Capital and the Dealer Managers and others will rely upon the truth and accuracy of your acknowledgments, representations and agreements set forth herein and you agree that, if any of your acknowledgments, representations or agreements herein cease to be accurate and complete, you will notify GE Capital and the Dealer Managers promptly in writing; and
  - (b) if you are acquiring any Trust Securities as a fiduciary or agent for one or more investor accounts, you represent with respect to each such account that: (i) you have sole investment discretion; and (ii) you have full power to make, and make, the foregoing acknowledgments, representations and agreements.
- (7) You agree that you will give to each person to whom you transfer these Trust Securities notice of any restrictions on the transfer of the Trust Securities.
- (8) If you are a purchaser in a sale that occurs outside the United States within the meaning of Regulation S, you acknowledge that until the expiration of the "distribution compliance period" (as defined below), you shall not make any offer or sale of these Trust Securities to a U.S. person or for the account or benefit of a U.S. person within the meaning of Rule 902 under the Securities Act. The "distribution compliance period" means the 40-day period following the Settlement Date for the issuance of Trust Securities in exchange for Debentures.
- (9) You understand that no action has been taken in any jurisdiction (including the United States) by GE Capital or the Dealer Managers that would permit a public offering of the Trust Securities or the possession, circulation or distribution of this Prospectus or any other material relating to GE Capital or the Trust Securities in any jurisdiction where action for such purpose is required.

## GENERAL INFORMATION

### Listings

Application has been made for the Trust Securities to be admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Regulated Market. It is expected that the Trust Securities will be admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Regulated Market on or about March 2, 2010, subject only to the issue of global Trust Securities initially representing the Trust Securities.

### Auditors

The auditors of GE Capital are KPMG LLP, an independent registered public accounting firm, of 3001 Summer Street, Stamford, Connecticut 06905, U.S.A.

The independent registered public accounting firm's report on GE Capital's financial statements for the year ended December 31, 2008, and the effectiveness of internal control over financial reporting as of December 31, 2008, may be found on pages 43 and 89 of GE Capital's Annual Report on Form 10-K, for the fiscal year ended December 31, 2008, which is incorporated by reference herein (see "**Documents Incorporated by Reference**").

The report of KPMG LLP on the consolidated financial statements and schedule is dated February 6, 2009.

The report of KPMG LLP on the consolidated financial statements and schedule refers to a change in 2007 in the method of accounting for a change or projected change in the timing of cash flows relating to income taxes generated by leveraged lease transactions and a change in 2006 in the method of accounting for pension and other postretirement benefits.

### Authorizations

The issuance of the Trust Securities and the grant of the Guarantee by GE Capital were authorized by resolutions adopted by the Board of Directors of GE Capital on February 1, 2010.

### Litigation

GE Capital is not aware of any governmental, legal or arbitration proceeding, nor any pending or threatened governmental, legal or arbitration proceeding, during a period covering the previous twelve months prior to the date of this Prospectus which may have, or has had in the recent past, a significant effect on the financial position or profitability of GE Capital and its subsidiaries.

### Clearance and Settlement

The Trust Securities, when issued, will be accepted for clearance through Euroclear and through Clearstream, Luxembourg (which are entities in charge of keeping records). The Trust Securities have been assigned Common Code No.: ; and International Security Identification No.: .

The address of Euroclear is 3 Boulevard du Roi Albert III, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg.

### Documents available

Copies of the following documents will be available free of charge from the specified office of the Principal Paying Agent in London:

- (i) the Trust Agreements;

- (ii) the audited annual consolidated financial statements of GE Capital for each of the years ended December 31, 2008 and December 31, 2007;
- (iii) the latest published interim accounts of GE Capital, which are published quarterly;
- (iv) the Guarantees;
- (v) this Prospectus;
- (vi) the Indenture, including the form of Debentures, and the Supplemental Indentures;
- (vii) any documents incorporated herein by reference.

**Material adverse change and significant change**

Since December 31, 2008, there has been no material adverse change in the prospects of GE Capital and its consolidated subsidiaries, and since September 30, 2009, there has been no significant change in the financial or trading position of GE Capital and its consolidated subsidiaries.

**Material Contracts**

GE Capital has not entered into any material contracts otherwise than in the ordinary course of its business.

**PRINCIPAL EXECUTIVE OFFICES OF GE CAPITAL**

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**PROPERTY TRUSTEE**

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*The Exchange and Information Agent for the Exchange Offer is:*

**Lucid Issuer Services Limited**

*By Hand, Overnight or Mail  
(Registered or Certified Mail Recommended):*

*By Facsimile Transmission  
(for Eligible Institutions only):*

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Attention: Sunjeeve Patel / Lee Pellicci

Any questions or requests for assistance may be directed to the Dealer Managers or the Information Agent at their respective telephone numbers as set forth above. Any requests for additional copies of this document or related documents may be directed to the Information Agent. A holder may also contact such holder's broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Exchange Offer.