



U.S. DEPARTMENT OF JUSTICE
Antitrust Division

SHARIS A. POZEN
Acting Assistant Attorney General

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December 23, 2011

William Baer
Arnold & Porter LLP
555 Twelfth Street, NW
Washington, DC 20004

In re: GE Funding Capital Market Services, Inc.

Dear Mr. Baer:

1. This letter sets forth the terms and conditions of an agreement between the Antitrust Division of the United States Department of Justice and GE Funding Capital Market Services, Inc., including its subsidiaries¹ (“the Company”), in connection with an investigation under Section 1 of the Sherman Act, 15 U.S.C. § 1, and certain sections of Title 18 of the United States Code, of conduct relating to the bidding on or provision of certain relevant municipal contracts, as defined herein, in the United States.

2. The term “relevant municipal contracts,” as used in this Agreement, means contracts used to invest the proceeds of, or manage the risks associated with, bond issuances by municipalities or other non-profit entities, including, without limitation, guaranteed investment contracts, swaps, options, swaptions, escrows, forward purchase agreements, collars, caps, collateralized CDs, and repurchase agreements.

3. Conditioned upon the Company’s acceptance of responsibility in paragraph 5 below, and on the representations set forth herein, the Antitrust Division of the United States Department of Justice (“the Division”) agrees that it will not bring any action against the Company for any act or offense arising out of the conduct described in paragraph 5(a) or otherwise relating to the bidding on or provision of relevant municipal contracts on or before December 31, 2006. This Agreement applies only to the Company and not to any other entities or to any individuals. This Agreement does not cover tax offenses or public corruption offenses of any kind. Nor does this Agreement bind any federal, state, or local authorities other than the

¹ The term subsidiaries includes the indirect subsidiaries Trinity Funding Company, LLC and Trinity Plus Funding Company, LLC.

Antitrust Division. The Division will, however, bring the cooperation of the Company to the attention of other offices and agencies, if requested by the Company.

4. The Division enters into this Agreement based, in part, on the following factors: (a) the Company's admission of the conduct described in paragraph 5(a); (b) the valuable cooperation the Company has provided and has agreed to provide to the Division, and to the Securities and Exchange Commission, Internal Revenue Service, and certain States Attorneys General ("the Agencies"); (c) the Company's monetary and non-monetary commitments to the Agencies to resolve liability associated with the conduct described in paragraph 5(a) below; and (d) the Company's extensive efforts directed toward remediation, compliance, and training.

5. The Company admits, acknowledges and accepts responsibility for the conduct set forth in paragraph 5(a), and agrees not to make any public statement or take any position in litigation contradicting that admission, provided, however, that nothing in this paragraph precludes the Company from taking good faith positions in any other context, including in any litigation or regulatory proceeding.

(a) From 1999 to 2004, certain former traders who bid on municipal contracts on behalf of the Company entered into unlawful agreements to manipulate the bidding process on certain relevant municipal contracts, and caused the Company to make payments and engage in other related activities in connection with those agreements through at least 2006, in violation of certain sections of Title 18 of the United States Code. In 2010, the Company ceased bidding on municipal contracts.

(b) The Company does not endorse, ratify or condone violations of law and its policies (both currently and during the period in question) expressly prohibited the conduct described in paragraph 5(a).

6. The Company agrees that for one year from the date of execution of this Agreement, except as specifically provided in paragraphs 7 and 8 below, the Company shall:

(a) commit no violation of any United States federal criminal law ("Criminal Violation");

(b) bring to the Division's attention any of the following that come to the attention of the Company's legal department: (i) any Criminal Violation by, or investigation into any Criminal Violation of, the Company or any of its employees acting within the scope of their employment, and (ii) any administrative proceeding or civil action brought by any governmental authority that alleges anticompetitive activity by or against the Company (collectively "Reported Conduct"); and

(c) truthfully and completely disclose in response to a subpoena or civil investigative demand any non-privileged information relating to the Reported Conduct, including information relating to the activities of the Company, its officers and current and former employees, and others.

Non-Prosecution Agreement
In re: GE Funding Capital Market Services, Inc.
December 23, 2011

7. Until the date upon which all investigations and prosecutions, whether of former traders of the Company or other individuals or entities, arising out of the conduct described in this Agreement are concluded, whether or not they are concluded within the one-year period specified in paragraph 6, the Company shall, subject to paragraph 8 below:

(a) cooperate fully with the Division and the Agencies regarding any matter related to the investigation or prosecution of the conduct described in paragraph 5(a);

(b) assist the Division in any investigation or prosecution arising out of the conduct described in paragraph 5(a), whether by former employees of the Company or any other individual or entity, by providing logistical and technical support for any meeting, interview, grand jury proceeding, or any trial or other court proceeding;

(c) use its best efforts promptly to secure the attendance and truthful statements or testimony of any officer, agent, or employee at any meeting or interview with the Division, its agents or designees, before the grand jury, or at any trial or other court proceeding related to the investigation or prosecution of the conduct described in paragraph 5(a);

(d) provide promptly upon request, and without requirement of subpoena, all non-privileged documents, information, records, tangible evidence or other materials regarding any matter related to the investigation or prosecution of the conduct described in paragraph 5(a) in its possession, custody, or control, wherever located, requested by the Division, as well as all necessary custodians of records or other authenticating or substantive witnesses for any grand jury, trial or other court or regulatory proceeding; and

(e) make all reasonable efforts to pay restitution to any person or entity injured as a result of the conduct described in paragraph 5(a) above. However, the Company is not required to pay restitution to victims whose injuries were not proximately caused by the conduct described in paragraph 5(a) above.

8. Nothing in this Agreement shall require the Company to waive any protections of the attorney-client privilege, the attorney work-product doctrine, or any other applicable privilege or protection against disclosure.

9. If the Division determines in good faith that the Company: (a) has committed any Criminal Violation similar in kind to that referred to in paragraph 3 within the one-year period subsequent to the date of signing of this Agreement; (b) failed to fully and promptly comply with any request for cooperation under paragraph 7 above; or (c) has given false, incomplete, or misleading testimony or information at any time; the United States will notify counsel for the Company in writing by personal or overnight delivery or facsimile transmission and may also notify counsel by telephone of its intention to void any of its obligations under this Agreement (except its obligations under this paragraph), and the Company shall be subject to prosecution for any federal crime of which the United States has knowledge including, but not limited to, the substantive offenses relating to the investigation resulting in this Agreement. The parties to this

Non-Prosecution Agreement
In re: GE Funding Capital Market Services, Inc.
December 23, 2011

Agreement expressly understand and agree that the exercise of discretion by the Division under this paragraph is not subject to further review in any court or other tribunal outside of the Department of Justice. By signing this Agreement, the Company agrees that the statute of limitations with respect to any action referred to in paragraph 3 that is not time-barred on the date that this Agreement is executed shall be tolled for three years from the date of execution of this Agreement.

10. If the Division commences an action under paragraph 9 of this Agreement, the Company agrees that: (a) all statements made by the Company to the Division or other designated law enforcement agents, including paragraph 5 hereto, and any testimony given by the Company before a grand jury, or other tribunal, whether prior or subsequent to the signing of this Agreement, and any leads from such statements or testimony, shall be admissible in evidence in that action against the Company; and (b) the Company shall assert no claim under the United States Constitution, any statute, Rule 410 of the Federal Rules of Evidence, or any other federal rule that such statements or any leads therefrom are inadmissible or should be suppressed in that action.

11. The Company and the Division may disclose this Agreement to the public.

12. With respect to this matter, from the date of execution of this Agreement forward, this Agreement supersedes all prior, if any, understandings, promises, and/or conditions between the Division and the Company. No additional promises, agreements, or conditions have been entered into other than those set forth in this Agreement and none will be entered into unless in writing and signed by all parties.

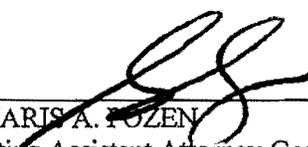
13. The Company expressly understands and agrees that the protections provided to it under this Agreement shall not apply to any acquirer or successor entities unless and until such acquirer or successor formally adopts and executes this Agreement.

Non-Prosecution Agreement
In re: GE Funding Capital Market Services, Inc.
December 23, 2011

14. A facsimile signature shall be deemed an original signature for the purpose of executing this Agreement. Multiple signature pages are authorized for the purpose of executing this Agreement.

Sincerely,

By:



SHARISA A. FOZEN
Acting Assistant Attorney General

AGREED AND CONSENTED TO:

GE Funding Capital Market Services, Inc.

By:



WILLIAM F. FISCHER
President
GE Funding Capital Market Services, Inc.

12/23/11
Date

By:



WILLIAM BAER
Attorney for GE Funding Capital
Market Services, Inc.

12/23/11
Date