



GE Capital

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Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th and Constitution Avenue, N.W.
Washington, D.C. 20551
regs.comments@federalreserve.gov

VIA E-MAIL

Re: Comments on Proposed Notice on Information Collection Activities for Savings and Loan Holding Companies

File Number: FR Doc. 2011-21736

Dear Ms. Johnson:

GE Capital Corporation (GECC) appreciates the opportunity to comment on the above-referenced proposed notice ("Proposed Notice") of the Board of Governors of the Federal Reserve System ("Board") addressing initial regulatory reporting requirements for savings and loan holding companies (SLHCs). On February 8, 2011, in anticipation of the transfer of supervisory authority over SLHCs to the Board, the Board published a notice of intent (NOI) to require all SLHCs, beginning with the reporting period ending on March 31, 2012, to conform their regulatory reporting to what the Board currently requires for bank holding companies. The NOI stated that the Board would issue a formal proposed notice on information collection activities for SLHCs after the transfer date. GECC's parent, GE, submitted comments to the NOI on April 11, 2011.

At the outset we wish to thank the Board for responding with appropriate flexibility in addressing the unique reporting issues raised by certain diversified SLHCs. As noted in the Proposed Notice, there are a limited number of SLHCs exempt under section 10(c)(9)(C) of the Home Owners Loan Act (HOLA) that are either principally engaged in commercial activities or

engaged in activities not specifically allowed by financial holding companies. As the Board noted, applying "bank-centric reporting" to these companies "may provide little useful information to Federal Reserve analysts". We agree with the Board that it is prudent to reevaluate reporting requirements for these companies once the Board has more experience with supervision of these companies.

The Proposed Notice would initially exempt from bank holding company reporting,

- A) SLHCs that are exempt pursuant to section 10(c)(9)(C) of HOLA and whose savings association subsidiaries' consolidated assets make up less than 5 percent of the total consolidated assets of the SLHC as of the quarter end prior to the reporting date quarter end; or
- B) SLHCs where the top-tier holding company is an insurance company that only prepares SAP financial statements.

Under the Board's proposal, SLHCs exempt under 10(c)(9)(C) of HOLA would be exempt from bank holding company reporting only if they satisfied a consolidated asset test. However, as currently drafted there is no explicit accommodation for organizations with intermediate-tier SLHCs and, therefore, it is uncertain whether each SLHC in the organizational structure would have to meet the consolidated asset test in order to be exempt. In multi-holding company structures, this would have the unintended impact of possibly exempting only the top-tier holding company and not the lower tier SLHCs.

We believe, given the Board's rationale for exempting certain SLHCs from bank holding company reporting, that the exemption in the Proposed Notice was intended to apply on an enterprise-wide basis and not individually to each intermediate SLHC in the organization. However, given the lack of clarity on this point, we ask that the Board amend its exemption language in the final notice and provide that satisfaction of the asset test is limited to the top-tier SLHC in a multi-SLHC organization.

Again, GE Capital appreciates the opportunity to comment on the Proposed Notice and looks forward to working closely with the Board to develop appropriate regulatory reporting requirements for diversified SLHCs. If we can provide any additional information or assistance please contact me at 203-840-6305.

Respectfully,

A handwritten signature in black ink, appearing to read "David M. Nason", with a stylized flourish at the end.

David G. Nason