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March 4, 2011

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F. Street, NE
Washington, DC 20549-1090
By email: rule-comments@sec.gov

Re: Disclosure of Payments by Resource Extraction Issuers,
Release No. 34-63549; File No. S7-42-10

Dear Ms. Murphy:

We appreciate the opportunity to comment on the proposed rules related to the implementation of Section 1504 of the Dodd-Frank Act and write to bring a few points to your attention.

General Electric Company ("GE") is one of the largest and most diversified technology and financial services corporations in the world. Directly and through its subsidiaries, GE provides products and services ranging from aircraft engines, power generation, water processing, and household appliances to medical imaging, business and consumer financing and industrial products. GE also owns a substantial interest in the media entity that includes the NBC Universal businesses. GE serves customers in more than 100 countries and employs approximately 287,000 people worldwide.

Our GE Capital business unit, which operates through General Electric Capital Corporation ("GECC"), is a diversified financial institution which during 2010 provided $90 billion of new financings to various companies, infrastructure projects and municipalities and extended $78 billion of credit to approximately 52 million U.S. consumers. One of GECC's operating segments, Energy Financial Services, has for many years provided debt and equity financing to companies in the oil and gas industry, in particular to smaller domestic producers who serve our nation's interest in energy independence.

GECC, General Electric Capital Services, Inc. ("GECS") and GE are all reporting companies under the Securities and Exchange Act of 1934 (the "Exchange Act"), with several classes of securities registered under Section 12(b) of that Act. GECC is a direct, wholly owned subsidiary of GECS, which is in turn a direct, wholly owned subsidiary of GE.

*Admitted in DC and GA
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Section 1504 amended the Exchange Act to include a new Section 13(q), which requires the Commission to "issue final rules that require each resource extraction issuer to include in [its] annual report ... information relating to any payment made by the resource extraction issuer, a subsidiary of the resource extraction issuer, or an entity under the control of the resource extraction issuer to a foreign government or the Federal Government for the purpose of the commercial development of oil, natural gas, or minerals..." (emphasis added).

Neither GE, GECS nor GECC is a "resource extraction issuer" – we are not "engage[d] in the commercial development of oil, natural gas, or minerals." Through GECC's Energy Financial Services segment, we provide capital, in various forms, to oil and gas operators and other entities that operate in related sectors. We tailor the terms for these equity and debt financings to fit specific needs of our customers, and these terms often include customary "negative control" provisions and remedial provisions required by lenders and other financing sources to protect their investment. The purpose of our role is to finance our customers' businesses, not to obtain or exercise control over them. None of the entities to, or through, which Energy Financial Services provides such capital are currently consolidated with GECC for financial reporting purposes. We do not employ the specialized operational management necessary to "engage in the commercial development" of oil or natural gas. In our view, the provision of such financing is at most (in the words of the proposing release) "ancillary or preparatory" to such commercial development. We therefore believe that none of GE, GECS or GECC is, nor should be treated as a, "resource extraction issuer."

Notwithstanding the foregoing, we are concerned that the language of Section 13(q), and of the proposed rules, is not as clear as it could be in this regard. If the term "engages," in the definition of "resource extraction issuer," is read strictly (in effect, as "engages directly"), then we, along with other similar financers, would be clearly outside the scope of this definition. This makes sense because a financer would not be expected to have the information required for disclosure under the proposed rule; only an operator of a resource extraction business would be in a position to provide that information. But if the term "engages" is read to incorporate the language of Section 13(q)(2)(A), which requires information as to payments by entities under the "control" of a resource extraction issuer, then we are quite concerned about whether we would be deemed to "control" a borrower or investee, particularly in situations where we need to exercise remedies in order to protect our investment, and thereby be subject to the requirements of proposed Item 105 of Regulation S-K. We do not believe that this was the intent of Section 1504.

If financers, like our Energy Financial Services segment, are required to track and report payment information, it will raise the cost of capital to borrowers and investees in extractive industries. And because the reporting obligations potentially attaching to financers would be sporadic across the industry, we doubt that any such information we might report would serve any useful purpose. While we support the various transparency efforts relating to the commercial development of oil, natural gas and minerals, we do

not believe that requiring capital providers that are issuers to report the payments contemplated by Section 13(q)(1)(C) will further these efforts.

We therefore suggest that the Commission modify the proposed rules as follows:

1. Include a "safe harbor" provision as follows: "An issuer shall not be deemed to be a 'resource extraction issuer' solely by reason of its being a bona fide capital provider, lender or other financier with respect to another entity that engages in the commercial development of oil, natural gas, or minerals."

2. Include an additional "safe harbor" provision as follows: "To the extent that a bona fide capital provider, lender or other financier with respect to another entity that engages in the commercial development of oil, natural gas, or minerals may be deemed to be a 'resource extraction issuer' upon the exercise of its remedies, such issuer shall not be subject to the reporting requirements of Regulation S-K with respect to such other entity unless, for a continuous period in excess of one year, it has control-in-fact of, and actively engages in the management of, the business and affairs of such other entity."

3. Clarify that the definition of "control" for purposes of Section 13(q) shall not be as defined in Rule 12b-2 (questions 49-51). Instead, state in the final Rule that "'control', for purposes of Section 13(q)(2)(A), shall be limited to entities for which the issuer must provide consolidated financial information in such issuer's financial statements included in its annual reports filed on Form 10-K (or Form 20-F, as applicable).

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Thank you for the opportunity to comment on this proposal.

Sincerely,

Michael R. McAlevey
Vice President and Chief Corporate,
Securities & Finance Counsel