

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9059 / August 12, 2009

In the Matter of

General Electric Company,
Respondent.

ORDER UNDER RULE 602(e) OF THE
SECURITIES ACT OF 1933 GRANTING A
WAIVER OF THE RULE 602(b)(4) AND
602(c)(2) DISQUALIFICATION PROVISIONS

I.

General Electric Company (“GE” or “Respondent”) has submitted a letter, dated July 24, 2009, requesting a waiver of the Rule 602(b)(4) and 602(c)(2) disqualifications from the exemption from registration under Regulation E arising from GE’s settlement of an injunctive action commenced by the Commission.

II.

On August 11, 2009, the Federal District Court for the District of Connecticut entered a final judgment permanently enjoining GE from violating Section 17(a) of the Securities Act of 1933 (“Securities Act”) and Sections 10(b), 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rules 10b-5, 12b-20, 13a-1, 13a-11 and 13a-13 thereunder. The complaint alleges that starting in at least 2002 and continuing through 2003, GE, acting primarily through senior corporate accountants, made a series of improper accounting decisions which resulted in its reporting materially false or misleading results in its financial statements and earnings reports through at least 2006.

III.

The Regulation E exemption is unavailable for the securities of small business investment company issuers or business development company issuers if such issuer or any of its affiliates is subject to a court order entered within the past five years “permanently restraining or enjoining such person from engaging in or continuing any conduct or practice in connection with the purchase or sale of securities,” 17 C.F.R. § 230.602(b)(4), or if any of the issuer’s directors, officers or principal security holders, any investment adviser or underwriter of the securities to be offered, or any partner, director or officer of any such investment adviser or underwriter of the securities to be

offered is “temporarily or permanently restrained or enjoined by any court from engaging in or continuing any conduct or practice in connection with the purchase or sale of any security or arising out of such person’s conduct as an underwriter, broker, dealer or investment adviser.” 17 C.F.R. § 230.602(c)(2). Rule 602(e) of the Securities Act provides, however, that the disqualification “shall not apply . . . if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the exemption be denied.” 17 C.F.R. § 230.602(e).

IV.

Based upon the representations set forth in GE’s request, the Commission has determined that pursuant to Rule 602(e) under the Securities Act a showing of good cause has been made that it is not necessary under the circumstances that the exemption be denied as a result of the Judgment.

Accordingly, **IT IS ORDERED**, pursuant to Rule 602(e) under the Securities Act, that a waiver from the application of the disqualification provisions of Rule 602(c)(2) and 602(b)(4) under the Securities Act resulting from the entry of the Judgment is hereby granted.

By the Commission.

Elizabeth M. Murphy
Secretary