BEFORE THE DEPUTY INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1401, 1402,
	:	and 1403 of the Insurance
Application of General Electric Capital	:	Holding Companies Act, Article
Corporation Requesting Exemption from	:	XIV of the Insurance Company
the Requirements of 40 P.S. §991.1402	:	Law of 1921, Act of May 17, 1921,
for the Restructuring of the Holding	:	P.L. 682, as amended, 40 P.S.
Company System that includes GE	:	§§991.1401, 991.1402, and
Indemnity Insurance Company	:	991.1403
	:	
	:	Order No. ID-RC-03-03

DECISION AND ORDER

AND NOW, on this ___10th__ day of February, 2003, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania ("Deputy Commissioner"), hereby makes the following Decision and Order:

Pursuant to the Insurance Holding Companies Act and in consideration of the documents, presentations, and reports received, as well as other inquiries and studies as permitted by law, the Deputy Commissioner hereby makes the following findings of fact:

FINDINGS OF FACT

1. GE Indemnity Insurance Company ("GEII") is a stock casualty insurance company organized pursuant to the laws of the Commonwealth of Pennsylvania with its principal place of business located in Fort Washington, Pennsylvania.

2. GE Financial Assurance Holding, Inc. ("GEFA") is an insurance holding company organized pursuant to the laws of the State of Delaware with its principal place of business located in Richmond, Virginia. GEFA indirectly holds 100% of the issued and outstanding common stock of GEII.

3. General Electric Capital Corporation ("GECC") is an insurance holding company organized pursuant to the laws of the State of Delaware with its principal place of business located in Wilmington, Delaware. GECC directly holds 100% of the issued

and outstanding common stock of GEFA.

4. General Electric Company (GE) is a holding company organized pursuant to the laws of the State of New York with its principal place of business located in Fairfield, Connecticut. GE is the ultimate controlling person of the holding company system that includes GEII.

5. GE is a publicly held corporation. There are no owners of as much as 10% of the voting securities of GE.

Filing of the Request

6. On January 23, 2003, the Pennsylvania Insurance Department ("Department") received an initial request (which together with all material received subsequently is collectively referenced as "Request") from GECC for approval to effectuate a plan of restructuring of the holding company system that includes GEII.

7. The Insurance Holding Companies Act, Article XIV of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, 40 P.S. §§991.1401 et seq. ("Insurance Holding Companies Act"), provides that all changes in control of domestic insurers must be filed with the Department for approval or disapproval.

8. The Request was filed pursuant to Section 1402 of the Insurance Holding Companies Act.

9. Section 1402(g) of the Insurance Holding Companies Act provides for the exemption from the requirements of Section 1402(b) if the transaction does not have the effect of changing or influencing the control of a domestic insurer.

The Transaction

10. As described in the Request, GECC will establish a new holding company subsidiary, GEI, Inc., to which it will transfer all the issued and outstanding stock of GEFA.

11. As described in the Request, GE will remain the ultimate controlling person of GEII.

12. The Deputy Commissioner finds that the transaction described in the Request does not have the effect of changing or influencing the control of a domestic insurer.

13. If any of the above Findings of Fact are determined to be Conclusions of Law, they shall be incorporated in the Conclusions of Law as if fully set forth therein.

CONCLUSIONS OF LAW

1. Under Section 1402 of the Insurance Holding Companies Act, the Department has jurisdiction to review and approve the acquisition of controlling securities of a domestic insurer if, after consummation thereof, the acquiring person would be in control of the domestic insurer.

2. The Request was properly filed pursuant to and in accordance with Section 1402(g) of the Insurance Holding Companies Act.

3. The restructure of the holding company system proposed in the Request is not being contemplated to change or influence the ultimate control of GEII, and, therefore, is exempt from the requirements of Section 1402(b) of the Insurance Holding Companies Act.

4. If any of the above Conclusions of Law are determined to be Findings of Fact, they shall be incorporated in the Findings of Fact as if fully set forth therein.

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Indemnity Insurance Company	:	991.1403
	:	
	:	Order No. ID-RC-03-03

ORDER

Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania, hereby makes the following Order:

An approving determination for the request for exemption from the requirements of 40 P.S. §991.1402(b) for the restructuring of the holding company system containing GE Indemnity Insurance Company, as set forth in the Request, is hereby granted.

This Order is effective immediately and valid for one year from the date of signature, provided there are no significant changes from the Request.

_____
STEPHEN J. JOHNSON
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation