

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,

Plaintiff;

v.

GENERAL ELECTRIC COMPANY,

ALSTOM S.A., and

POWER SYSTEMS MFG., LLC,

Defendants.

HOLD SEPARATE STIPULATION AND ORDER

It is hereby stipulated and agreed by and between the undersigned parties, subject to approval and entry by the Court, that:

I. DEFINITIONS

As used in this Hold Separate Stipulation and Order:

A. "Acquirer" means Ansaldo or another entity to which defendants divest the Divestiture Assets.

B. "GE" means defendant General Electric Company, a New York corporation with its headquarters in Fairfield, Connecticut, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

C. “Alstom” means defendant Alstom S.A., a French corporation with its headquarters in Levallois-Perret, France, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

D. “PSM” means defendant Power Systems Mfg., LLC, a Delaware company with its headquarters in Jupiter, Florida, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

E. “Ansaldo” means Ansaldo Energia S.P.A., an Italian corporation with its headquarters in Genoa, Italy, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

F. “Closing” means the consummation of the divestiture of all the Divestiture Assets pursuant to either Section IV or V of this Final Judgment.

G. “Completion of the Transaction” means the closing of GE’s acquisition of Alstom.

H. “Divestiture Assets” means PSM and the assets owned by or under the control of PSM, including, but not limited to:

1. PSM’s rights with respect to the facilities located at 1440 West Indiantown Road, Jupiter, Florida 33458 and 4318 South Dr., Missouri City, Texas 77489;
2. All tangible assets, including, but not limited to, research and development activities; all manufacturing equipment, tooling and fixed assets, personal

property, inventory, office furniture, materials, supplies, and other tangible property; all licenses, permits and authorizations issued by any governmental organization; all contracts, teaming arrangements, agreements, leases, commitments, certifications, and understandings, including supply agreements; all customer lists, contracts, accounts, and credit records; all repair and performance records and all other records; and

3. All intangible assets, including, but not limited to, all patents, licenses and sublicenses, intellectual property, copyrights, trademarks, trade names, service marks, service names, technical information, computer software and related documentation, know-how, trade secrets, drawings, blueprints, designs, design protocols, specifications for materials, specifications for parts and devices, safety procedures for the handling of materials and substances, quality assurance and control procedures, design tools and simulation capability, all manuals and technical information PSM provides to its own employees, customers, suppliers, agents or licensees, and all research data relating to PSM, including, but not limited to, designs of experiments, and the results of successful and unsuccessful designs and experiments.

II. OBJECTIVES

The proposed Final Judgment filed in this case is meant to ensure defendants' prompt divestitures of the Divestiture Assets for the purpose of establishing a viable competitor in the business of developing, manufacturing, and selling aftermarket parts and service for GE 7FA gas turbines in order to remedy the effects that the United States alleges would otherwise result from GE's acquisition of Alstom and its wholly owned subsidiary PSM. This Hold Separate Stipulation and Order ensures, prior to such divestitures, that the Divestiture Assets remain independent, economically viable, and

ongoing business concerns that will remain independent and uninfluenced by defendants, and that competition is maintained during the pendency of the ordered divestitures.

III. JURISDICTION AND VENUE

The Court has jurisdiction over the subject matter of this action and over each of the parties hereto, and venue of this action is proper in the United States District Court for the District of Columbia.

IV. COMPLIANCE WITH AND ENTRY OF FINAL JUDGMENT

A. The parties stipulate that a Final Judgment in the form attached hereto as Exhibit A may be filed with and entered by the Court, upon the motion of any party or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act ("APPA"), 15 U.S.C. § 16, and without further notice to any party or other proceedings, provided that the United States has not withdrawn its consent, which it may do at any time before the entry of the proposed Final Judgment by serving notice thereof on defendants and by filing that notice with the Court.

B. Defendants agree to arrange, at their expense, publication as quickly as possible of the newspaper notice required by the APPA, which shall be drafted by the United States in its sole discretion. The publication shall be arranged no later than three (3) business days after defendants' receipt from the United States of the text of the notice and the identity of the newspaper within which the publication shall be made. Defendants shall promptly send to the United States (1) confirmation that publication of the newspaper notice has been arranged, and (2) the certification of the publication prepared by the newspaper within which the notice was published.

C. Defendants shall abide by and comply with the provisions of the proposed Final Judgment, pending the Judgment's entry by the Court, or until expiration of time for all appeals of any Court ruling declining entry of the proposed Final Judgment, and shall, from the date of the signing of this Hold Separate Stipulation and Order by the parties, comply with all the terms and provisions of the proposed Final Judgment. The United States shall have the full rights and enforcement powers in the proposed Final Judgment, including Section XI, as though the same were in full force and effect as the final order of the Court.

D. Defendants shall not consummate the transaction sought to be enjoined by the Complaint herein before the Court has signed this Hold Separate Stipulation and Order.

E. This Hold Separate Stipulation and Order shall apply with equal force and effect to any amended proposed Final Judgment agreed upon in writing by the parties and submitted to the Court.

F. In the event (1) the United States has withdrawn its consent, as provided in Paragraph IV(A) above, or (2) the proposed Final Judgment is not entered pursuant to this Hold Separate Stipulation and Order, the time has expired for all appeals of any Court ruling declining entry of the proposed Final Judgment, and the Court has not otherwise ordered continued compliance with the terms and provisions of the proposed Final Judgment, then the parties are released from all further obligations under this Hold Separate Stipulation and Order, and the making of this Hold Separate **Stipulation** and Order shall be without prejudice to any party in this or any other proceeding.

G. Defendants represent that the divestitures ordered in the proposed Final Judgment can and will be made, and that defendants will later raise no claim of mistake, hardship or difficulty of compliance as grounds for asking the Court to modify any of the provisions contained therein.

V. HOLD SEPARATE PROVISIONS

Until the divestitures required by the proposed Final Judgment have been accomplished:

A. Alstom shall until the Completion of the Transaction, and GE shall until Closing preserve, maintain, and continue to operate the Divestiture Assets as an independent, ongoing, economically viable competitive business, with management, sales, and operations of such assets held entirely separate, distinct and apart from those of defendants' other operations. Defendants shall not coordinate the operation, production, marketing, or terms of sale of any products or services with those produced by or sold by the Divestiture Assets. Within twenty (20) days after the entry of the Hold Separate Stipulation and Order, defendants will inform the United States of the steps defendants have taken to comply with this Hold Separate Stipulation and Order.

B. Alstom shall until the Completion of the Transaction, and GE shall until Closing take all steps necessary to ensure that (1) the Divestiture Assets will be maintained and operated as independent, ongoing, economically viable and active competitors in the development, manufacture, and sale of aftermarket parts and service for GE 7FA gas turbines; (2) management of the Divestiture Assets will not be influenced by defendants; and (3) the books, records, competitively sensitive sales, marketing and pricing information, and decision-making concerning production or sales of products or

services by or under the Divestiture Assets will be kept separate and apart from defendants' other operations.

C. Alstom shall until the Completion of the Transaction, and GE shall until Closing use all reasonable efforts to maintain and increase the sales and revenues of the products and services produced by or sold under the Divestiture Assets, and shall maintain at 2015 or previously approved levels for 2016, whichever are higher, all promotional, advertising, sales, technical assistance, marketing and merchandising support for the Divestiture Assets.

D. Alstom shall until the Completion of the Transaction, and GE shall until Closing provide sufficient working capital and lines and sources of credit to continue to maintain the Divestiture Assets as economically viable and competitive, ongoing businesses, consistent with the requirements of Paragraphs V(A) and (B).

E. Alstom shall until the Completion of the Transaction, and GE shall until Closing take all steps necessary to ensure that the Divestiture Assets are fully maintained in operable condition at no less than current capacity and sales, and shall maintain and adhere to normal repair and maintenance schedules for the Divestiture Assets.

F. Defendants shall not, except as part of a divestiture approved by the United States in accordance with the terms of the proposed Final Judgment, remove, sell, lease, assign, transfer, pledge or otherwise dispose of any of the Divestiture Assets.

G. Alstom shall until the Completion of the Transaction, and GE shall until Closing maintain, in accordance with sound accounting principles, separate, accurate and complete financial ledgers, books and records that report on a periodic basis, such as the

last business day of every month, consistent with past practices, the assets, liabilities, expenses, revenues and income of the Divestiture Assets.

H. Defendants shall take no action that would jeopardize, delay, or impede the sale of the Divestiture Assets.

I. Defendants shall not transfer or reassign any PSM employees whose primary responsibility is the development, manufacture, and sale of aftermarket parts and service. Notwithstanding the foregoing, the United States in its sole discretion may consent to such a transfer.

J. Defendants shall appoint a person or persons to oversee the Divestiture Assets, who will be responsible for defendants' compliance with this section. This person shall have complete managerial responsibility for the Divestiture Assets, subject to the provisions of the proposed Final Judgment. In the event such person is unable to perform his or her duties, defendants shall appoint, subject to the approval of the United States, a replacement within ten (10) working days. Should defendants fail to appoint a replacement acceptable to the United States within this time period, the United States shall appoint a replacement.

K. Defendants shall take no action that would interfere with the ability of any trustee appointed pursuant to the proposed Final Judgment to complete the divestitures pursuant to the proposed Final Judgment to an Acquirer acceptable to the United States.

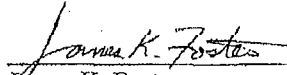
VI. DURATION OF HOLD SEPARATE AND ASSET PRESERVATION
OBLIGATIONS

Defendants' obligations under Section V of this Hold Separate Stipulation and Order shall remain in effect until (1) consummation of the divestitures required by the proposed Final Judgment or (2) further order of the Court. If the United States voluntarily dismisses the Complaint in this matter, defendants are released from all further obligations under this Hold Separate Stipulation and Order.

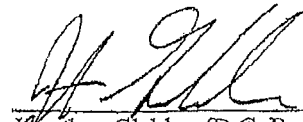
Dated:

Respectfully submitted,

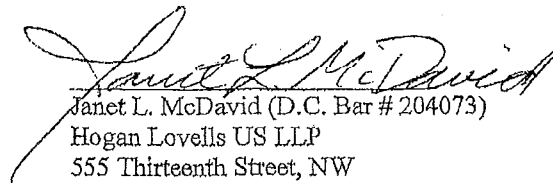
FOR PLAINTIFF
UNITED STATES OF AMERICA


James K. Foster
United States Department of Justice
Antitrust Division, Litigation II Section
450 Fifth Street, NW
Suite 8700
Washington, DC 20530
Tel.: (202) 514-8362
Fax: (202) 514-9033
Email: james.foster@usdoj.gov

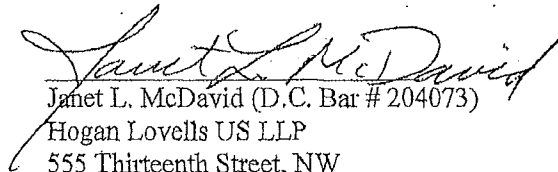
FOR DEFENDANT
GENERAL ELECTRIC COMPANY


Jonathan Gleklen (D.C. Bar # 443660)
Arnold & Porter LLP
555 Twelfth Street, NW
Washington, D.C. 20004
Tel: (202) 942-5454
Fax: (202) 942-5999
Email: Jonathan.Gleklen@aporter.com

FOR DEFENDANT
ALSTOM S.A.


Janet L. McDavid (D.C. Bar # 204073)
Hogan Lovells US LLP
555 Thirteenth Street, NW
Washington, D.C. 20004
Tel.: (202) 637-8780
Fax: (202) 637-5910
Email: janet.mcdavid@hoganlovells.com

FOR DEFENDANT
POWER SYSTEMS MFG., LLC


Janet L. McDavid (D.C. Bar # 204073)
Hogan Lovells US LLP
555 Thirteenth Street, NW
Washington, D.C. 20004
Tel.: (202) 637-8780
Fax: (202) 637-5910
Email: janet.mcdavid@hoganlovells.com

ORDER

IT IS SO ORDERED by this Court, this _____ day of _____.

United States District Judge