



## DELIVERING STRATEGIC SOLUTIONS ACCA'S 2000 ANNUAL MEETING

### General Electric Company Guidelines for Outside Counsel Policy

Rev. 8/6/9911/95

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*General Electric Company expects outside counsel to provide GEthe Company and its affiliates with the highest quality of legal services in the most cost-effective manner possible. The Company. GE values the contributions of both inside and outside counsel and strives for a collaborative relationship between the two. This Policy sets forth the principles and requirements by which GE intends to meet these objectives.*

*These guidelines set forth the principles by which the Company seeks to achieve these ends.*

#### I. I. Scope and Applicability

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##### of these Guidelines

These guidelines set forth the policies and procedures (hereafter "Outside Counsel Policy") governing the relationship of the General Electric Company and itsits affiliates (collectively referred to as "GE") with outside counsel (hereafter "Outside Counsel Policy"). Outside counsel performing any type of legal services for the Company GE or any of its affiliates may depart from these policies and procedures this Outside Counsel Policy only with the express prior written approval of the lead inside counsel assigned to responsible for the applicable matter. Questions concerning thise Outside Counsel Policy se guidelines should be directed to that lead inside counsel.

GE inside counsel are responsible for the selection and supervision of outside counsel. Prior to accepting an engagement directly from a GE business person, outside counsel should assure themselves that a GE inside counsel has authorized the specific use of their services for that engagement.

This Outside Counsel Policy replaces the November 1995 *GE Guidelines for Outside Counsel*, and will take effect AugustJuly 1, 1999 for all existing and future legal matters. Outside Counsel will be expected to follow this Policy in its entirety, (unless specifically waived by GE).

#### II. Lead Inside Counsel

In any attorney-client relationship, the client has the responsibility for making all substantive decisions about the course of the matter. Accordingly, GEthe Company will designate for each engagement a lead inside counsel to direct the representation and coordinate communications with all other Company

GE personnel. The lead inside counsel is responsible for ensuring that appropriate Company GE personnel are informed about and make the necessary substantive decisions about the matter and that outside counsel is kept appropriately informed both about GEthe Company's objectives in the matter and about pertinent business issues and developments. Lead inside counsel should be kept regularly apprised of

all significant developments in the matter and consulted sufficiently in advance of the date by which any significant decision must be made. Lead inside counsel should also be given the opportunity and sufficient time to review in adequate time drafts of all significant documents, including contracts, substantive pleadings, briefs, correspondence, and any other documents that will be provided to third parties onn the GECompany's behalf.

### III.

#### III. Outside Counsel

#### II. Engagement and Staffing

##### A. Retention Decisions

GE inside counsel are responsible for the selection and supervision of outside counsel. Outside counsel may not accept an engagement directly from a GE businessperson unless GE inside counsel has authorized the specific use of their services for that engagement. Except in extraordinary circumstances, GE will not retain the services of a lawyer affiliated with a firm that has asserted a claim against GE of alleged fraud, misrepresentation or other dishonest or illegal conduct.

##### A. Equal Opportunity.

In the selection of counsel, as in its own employment decisions, the Company is committed to equal opportunity and fair treatment for all lawyers and law firms without regard to their race, color, religion, national origin, sex, age, disability, veteran status, or other characteristic protected by law, and selects outside counsel based solely on merit, qualifications, and other job-related criteria. The Company also complies with the spirit and letter of all applicable laws in taking affirmative action to make sure a diverse mix of individuals and firms apply for and are considered for Company engagements. A firm's participation in the ABA Minority Counsel Program is a factor the Company will consider when selecting among comparable firms.

##### B.AB. Engagement Letter

**Every engagement (or series of engagements) of outside counsel in which the fees for the entire matter are likely to exceed \$25,000 \$25,000 should normally be memorialized by a letter setting forth the terms and conditions of the engagement in a form acceptable to the Company.** The letter should be signed by

both lead inside and lead outside counsel and should indicate outside counsel's familiarity with and agreement to adhere to this these Outside Counsel Policy Guidelines, subject to any modifications agreed upon with lead inside counsel. GEThe Company will ordinarily not pay bills submitted by outside counsel who have not signed such an engagement letter.

An example of an appropriate form of engagement letter is attached to this these Outside Counsel Policy Guidelines as Appendix A.

### *CBC. Staffing.*

At the outset of the engagement, GEthe Company and lead outside counsel will together designate as the lead outside counsel a specific lawyer within the law firm who will be chiefly accountable for the conduct of the engagement. That lawyer should be personally and directly involved in the representation and is responsible for assuring that GEthe Company's objectives are met with respect to the engagement. **The lead inside counsel should be permitted the opportunity to must approve all additional members of the team handling the matter, as well as any subsequent changes to the team.** Once the team is established, GEthe Company expects continuity of staffing for the duration of the engagement absent extraordinary circumstances. In particular, GEthe Company will not pay for "learning time" required by the substitution of attorneys or paralegals working on the engagement.

Matters should be staffed with the number and level of personnel that are appropriate in order to render quality service in a cost-effective manner. GE prefers that its legal matters be staffed with lawyers who have developed knowledge of GE and have appropriate subject matter expertise. GE will generally not agree to the assignment of first year associates or summer associates to work on GE matters unless special permission is obtained.

GE expects outside counsel to use paralegals instead of lawyers whenever a task does not require a law degree. Certain GE legal departments have trained paralegals on staff who should be utilized on all projects requiring a significant expenditure of time or where knowledge of GE's products, processes or witnesses is helpful. Alternatively, In addition, GE has relationships with legal staffing providers that provide temporary paralegals and junior attorneys at GE-negotiated rates (*See: Section VIII.B Preferred Disbursement Vendors*). **For certain activities, such as file review, compiling and digesting documents and transcripts, due diligence, and similar functions, lead outside counsel is required to consult with and obtain the approval of lead inside counsel and obtain his/her approval before using law firm personnel for such activities.**

### *D. Diversity*

GE expects that the outside counsel that represent GE to work actively to promote diversity within their workplace. In making our respective decisions concerning the selection of outside counsel, GE will give significant weight to outside counsel's commitment and progress in this area [ ].

In the selection of counsel, as in its own employment decisions, the Company is committed to equal

opportunity and fair treatment for all lawyers and law firms without regard to their race, color, religion, national origin, sex, age, disability, veteran status, or other characteristic protected by law, and selects outside counsel based solely on merit, qualifications, and other job-related criteria. The Company also complies with the spirit and letter of all applicable laws in taking affirmative action to make sure a diverse mix of individuals and firms apply for and are considered for Company engagements. We expect the law firms that represent our companies to work actively to promote diversity within their workplace.

Lead outside counsel is responsible for closely monitoring the use and numbers of staff at meetings, depositions, court appearances, office conferences, and other events. For certain activities, such as review of files, compiling and digesting documents and transcripts, due diligence, and similar functions, use of Company personnel or third parties may be more efficient and lead outside counsel should therefore consult with lead inside counsel before using law firm personnel for such activities.

#### *E.D. Retention of Local Counsel, Consultants, Experts and Vendors*

**Outside counsel are not authorized to retain any local counsel, consultant, expert or vendor without the advance approval of the GE lead inside lawyer.** Outside counsel may engage additional service providers, such as document managers, consultants, experts, accountants, or other lawyers, only with the express prior approval of lead inside counsel. Unless lead inside counsel approves different arrangements, lead outside counsel will be responsible, in consultation with lead inside counsel, for the budgeting and billing arrangements governing the work to be performed by such local counsel, consultants, experts, or vendors consultants, or attorneys that , which are required to should themselves conform to this Policyese Guidelines. Lead outside counsel will be responsible for any excess amount billed over budget or not in accordance with this Outside Counsel Policy that is not approvedapproved in advance by lead inside counsel.

#### *FE. Representation of GE Clients and Third Parties*

If n the event that a GE customer, client or supplier agrees to pay the fees and expenses of outside counsel for GE, the policies and procedures contained in this Outside Counsel Policy shall apply to that representation, unless the GE customer, client or supplier, GE and outside counsel agree to another arrangement. If outside counsel represents a GE customer, client or supplier where GE has agreed to be responsible for the fees and expenses of such counsel, the policies and procedures contained in this Outside Counsel Policy shall apply to that representation.

## **IV. Planning and Evaluation**

Whenever requested by lead inside counsel, lead outside counsel should prepare a written strategic plan for the conduct of the representation. The timing, form and length of the plan will vary, of course, depending on the scope and significance of the matter, but generally Iit should be prepared early in the engagement and should include an identification of GEthe Company's objectives and a proposal as to how best to achieve them; the major steps likely to be required in the short- and long-term as well as their timing and sequence; an estimate of the projected fees and expenses for each identified phase of the matter; and and the staffing planned for the matter. . The plan should normally be reviewed in draft with lead inside counsel prior to being finalized and should be updated from time-to-time, as appropriate, to reflect developments in the matter and evolving understanding of the relevant objectives, facts or issues. To the extent and in the form requested by

lead inside counsel, the plan should include an assessment of the Company's prospects in the matter as well as outside counsel's view of the best strategy for efficiently concluding the matter consistent with the Company's objectives. If such an assessment is requested, it should also be reviewed in draft with lead inside counsel before it is finalized. The plan should also, as appropriate, address different options for resolving the matter. In the case of contested matters, it is the policy of General Electric, in appropriate cases, to employ alternative dispute resolution techniques in lieu of conventional judicial litigation.

## V. Early Dispute Resolution

GE is committed to the early and inexpensive resolution of its disputes. Toward that end, and as part of its Six Sigma quality initiative, GE has instituted a Company-wide Early Dispute Resolution ("EDR") Program designed to foster such early resolutions through mandatory early case evaluations and the systematic use of alternative dispute resolution ("ADR") techniques, especially mediation. EDR requires that all such GE disputes be evaluated for their suitability for resolution through some form of ADR. If a case is deemed eligible for resolution through ADR, every effort should be made to resolve the matter on that basis. Lead inside counsel will expect lead outside counsel to fully assist GE in its EDR efforts.

## VI. Legal Research

Outside counsel should not bill GE for drafting documents or conducting research previously generated for GE or other clients. At the outset of an engagement, and at appropriate times during the matter, lead outside counsel should ask the lead inside counsel if there are standard GE documents or research that may be used for this matter.

Any legal research project billed by outside counsel must be approved in advance by lead inside counsel. GE has entered into a preferred vendor relationship (currently with Legal Research Network ("LRN")) and may, at the discretion of lead inside counsel, determine that legal research should be performed by such preferred vendor LRN. Although . While GE encourages the use its preferred legal research vendors, of LRN, outside counsel are free to recommend to lead inside counsel any particular research that it believes outside counsel should perform.

## VII. Fee Arrangements/Compensation

### A. Preferred Provider Status

Certain firms have been designated a GE "Preferred Provider" as the result of being selected to participate in a formal program in the following substantive areas: Antitrust, Environmental, Intellectual Property, Labor & Employment, Litigation, Mergers & Acquisitions and Tax. In the event of a conflict between the terms of a Preferred Provider agreement and this Outside Counsel Policy, the, the Preferred Provider agreement takes precedence for the term of the agreement. All references to the Outside Counsel Guidelines in the Preferred Provider agreements shall now be deemed to referto refer to this Outside Counsel Policy.

### BA. Types of Fee Arrangements.

GEThe Company encourages outside counsel to propose, in appropriate cases, alternatives to conventional hourly-rate fee arrangements, including fixed or flat fees, productivity incentives, risk-sharing , and contingent fees. Any proposal to use a different basis for billing such as "value based" or transactional billing, or to charge a success fee based on the outcome of the matter must be raised at the outset of the engagement and approved in writing by the lead inside counsel. , and other approaches. In all cases, the terms on which GEthe Company will be charged for the representation must will be set forth in writing both at the outset of the engagement and at any point in the engagement at which those terms are modified.

### CB. BillingHourly Rates.

In matters that are to be billed based on the law firm's hourly rates, outside counsel shall, upon engagement of the firm, provide lead inside counsel with a schedule showing the billing rate for each timekeeper (or class of timekeeper) assigned to the engagement. Once agreed upon at the commencement of a matter, the scheduled billing rates shall remain in effect for the duration of the engagement. An exception to this requirement will be made only if the unless lead inside counsel **approves in writing a proposed rate changes sixty (60) days in advance.**

GEThe Company expects to be billed at rates that are highly competitive with those of comparable firms providing comparable services to General Electric GE or other similar clients. In addition, GEthe Com requirespany expects that outside counsel will charge for services at net billing rates that are no higher than those charged to other clients of the firm, except for not-for-profit or pro bono clients.

#### *DC. Task-Based Budgeting*

##### *and Billingand Billingg.*

It is the policy of General Electric Company that, in substantial engagements to be billed using hourly rates, outside counsel will charge only those fees and expenses that are consistent with task-based budgets approved by the lead inside counsel and that outside counsel will render its bills in a form corresponding to that budget, as described and illustrated in Appendix B. Prior to incurring unbudgeted fees for a particular task, outside counsel must obtain the advance approval of lead inside counsel. In the absence of prior approval by the lead inside counsel,

the Company will not pay bills for legal fees and expenses for a particular task that exceed the budget approved for that task.

It is GE policy that in engagements where professional fees are expected to exceed \$25,000 based on hourly rates, outside counsel will charge those fees and expenses that are consistent with task-based budgets approved by the lead inside counsel, and that outside counsel will render its bills in a form corresponding to that budget, as described and illustrated in Appendix B. Prior to incurring unbudgeted fees for a particular task, outside counsel must obtain the advance approval of lead inside counsel. In the absence of prior approval by the lead inside counsel, GE, GE will not pay bills for legal fees and expenses for a particular task that exceed the budget approved for that task.

The budget and bill formats should, to the extent practicable, employ the standard task codes promulgated by the American Bar Association and the American Corporate Counsel Association, as modified from time to time. The particular form, frequency, and content of the task-based budgets and bills to be used for a specific engagement should be agreed upon in advance by lead inside and outside counsel. Outside counsel are expected to update task- based budgets whenever necessary without a reminder from inside counsel. GEThe Company will generally not pay for any time associated with preparation of thea budget andor staffing plan for a particular matter or for consultations regarding matter management required by this Policy..

#### *E. Staffing/Billable Time*

GE strongly encourages lean staffing on its matters. **Consequently, GE will pay for no more than two attorneys (or one attorney if so determined by lead inside counsel) to attend events such as depositions, witness meetings, settlement conferences, negotiations and meetings with other parties' counsel.** Duplicative document review, research and drafting tasks should be avoided and will be reviewed carefully.

GE requires that lead inside counsel exercise good judgment with regard to the number of hours per day that are billed to GE matters by each attorney. GE will closely review thereview the productivity and efficiency of

any member of outside counsel's staff who bills more than 12 hours per day to GE matters. GE will only pay for reasonable internal conferencing, and internal conferencing exceeding 10% of the total billings for the month will be questioned. Clerical work is not billable, irrespective of who performs it. Clerical work includes maintenance of internal databases, date stamping, filing, preparing bills, indexing pleadings, opening and closing files, scheduling meetings or making travel arrangements, participating in review or "feedback" sessions, billing audits. Likewise, time spent on "standby" when no actual work is being performed will not be chargeable without advance approval of the lead inside attorney..

#### *FD. Billing Timing and*

##### *Contents.*

Unless lead inside counsel approves different arrangements, bills should be rendered monthly, within 1530 days after the end of the month in which the services were rendered. Bills should include **a detail of fees by lawyer and paralegal, including the number of hours spent by task**, a description of services, a list of reimbursable expenses by category, as well as a statement by lead outside counsel that charges for fees and expenses comply with this Outside Counsel Policythese Guidelines. GEThe Company will generally not pay for fees or expenses that are not billed on a timely basis or in the agreed-upon format. GE expects bills for professional services to be based on the time reasonably devoted to the matter. The number of hours for which GE is billed should be the subject of "billing judgment" exercised by the lead inside counsel, so that the fees charged reflect only the time appropriately and productively devoted to the matter. **GE reserves the right to request copies of the firm's billing records and supporting documentation with respect to respect to charges to GE and to conduct audits of the bills.**

The Company expects that bills will reflect the billing judgment of the lead outside counsel with respect to the quality and efficiency of the services rendered. The Company reserves the right to request copies of the firm's billing records and supporting documentation with respect to charges to the Company

and to conduct audits of the bills.

### **VIII. Expenses/Disbursements.**

#### *A. Overhead/Administrative Costs:*

In general, and in the absence of expressly approved alternative

arrangements, GE the Company considers the following costs part of outside counsel's unreimbursable overhead, and will not accept charges from outside counsel for the following items: computer, word processing and e-mail charges, such costs as rent, conference room charges, supplies, library staff, library use

and materials, clerks, proofreaders, meals, taxis and limousines for employees to get to and from the office (including at night), support staff salaries and overtime, and local telephone calls, and word and document processing to be part of outside counsel's unreimbursable overhead. As to other costs, GEthe Company will reimburse outside counsel for actually incurred out-of-pocket expenses with no mark-up, provided those expenses are reasonable and comply with the guidelines set forth below. GEThe Company expects outside counsel to use its best efforts to minimize reimbursable out-of-pocket costs both by avoiding unnecessary expenditures and by taking advantage of volume discounts and bulk arrangements that may be available either through GE or otherwise. A summary of GE's policies with respect to billing requirements, expenses and disbursements is attached hereto as Appendix C. The Company has a number of arrangements with third-party vendors that, under certain circumstances, may allow cost savings on reimbursable expenses incurred by outside counsel. Outside counsel should, to the extent appropriate, familiarize themselves with and utilize those arrangements.

#### B. *GE Preferred Disbursement Vendors*

GE has entered into agreements with preferred vendors in the following areas: Legal Staffing, Court Reporting, Duplicating and Scanning/Coding. The use of these vendors (as opposed to having the services performed by outside counsel or other vendors) can result in high quality services at significant cost savings for GE. GE requires that outside counsel use these vendors on all GE matters unless an exception is obtained from lead inside counsel. GE expects that outside counsel will contact these vendors directly and use them on GE matters without the necessity for lead inside counsel to raise the issue (*See: Contact Information listed on Appendix D*). The GE-negotiated rates will apply to the services provided by these vendors, irrespective of whether the vendor bills GE directly or bills outside counsel. Outside counsel must advise the vendor for each new engagement that the services are for GE in order that the GE-negotiated rates will apply. In no case will GE accept and/or reimburse outside counsel for any mark-up or administrative charge on these services. GE receives regular reports from these vendors that indicate the use of these services by outside counsel.

#### Ca. *Travel:*

GEThe Company expects outside counsel to avoid unnecessary travel through such alternatives as teleconferencing. Only coach air fare and mid-size rental cars will be reimbursed, except that business class air fare may be reimbursed for overseas travel to and from Europe, Latin America and Asia but not within Europe, Latin America and Asia. No form of luxury transportation, including limousines and hire cars, will not be reimbursed unless there is some specific business reason to incur the additional expense and lead inside counsel has approved the expense in advance. The Company will ordinarily not pay for time spent traveling unless outside counsel works on Company business while traveling. If counsel is traveling on business for more than one client, GEthe Company expects counsel to apportion the expenses appropriately. Outside counsel shall purchase travel services under GE contracts with travel service providers, such as car rental companies and hotels, whenever such rates are available to contractor personnel. **GE will not pay for time spent traveling unless outside counsel works on GE business while traveling.**

apportion the expenses appropriately.



*Db. Meals and Accommodations:and Accommodations:*

GEThe Company expects its counsel to use good judgment in selecting hotels and restaurants while traveling on GECompany business. Personal incidental expenses incurred while working on GE Company matters will not normally be reimbursed and must be distinguished from those expenses that are appropriately charged to GEthe Company. In the absence of unusual circumstances, GEthe Company will not pay for meals or other incidental expenses, **including evening taxis or cars for attorneys or staff members s** when they are working in their normal office location.

*E. Electronic Distribution of Documents:*

Advances in technology, specifically transmission of information and documentation by e-mail, scanning, imaging, sharing of documents on secure web sites, etc., have made routine copying, faxing and delivery of hard copy documents less critical and, in many cases, unnecessary. Consistent with security concerns, GE expects outside counsel to maximize the use of state of the art technology to minimize the expenses listed below (See Section XIII, Technology).

(i) *c. Photocopying:* GEThe Company will reimburse the firm for necessary photocopying at the firm's actual annualized per-copy expense or ten cents per page, whichever is lower. GE expects outside counsel to avoid and/or minimize unnecessary copying. GEThe Company requires encourages the use of its preferred legal duplicating an outside vendor for bulk copying, unless there are specific concerns about speed, confidentiality or reliability that dictate the use of the firm's own facilities.

(ii) *d. Telephone and Telecopier Facsimile:* GEThe Company will pay for actual charges billed to the firm for toll calls including those relating to and outgoing fax transmissions. No other amounts charges will be paid for outgoing or incoming faxes.

E (iii) . *Messenger Services:* GEThe Company will reimburse the firm only for actual charges billed to the firm for deliveries (including overnight express) that are necessary for speed and reliability.

*Ff. Computerized Research:*

Lead outside counsel shall monitor and be responsible for all research conducted to assure that the matter is handled in the most cost-efficient and productive manner. GEThe Company will pay only for actual charges billed to the firm for computerized research, without mark-up or administrative fee. In the event GE provides outside counsel with a unique password for electronic research to be utilized only for GE matters, outside counsel agree to utilize said password in accordance with the specified requirements.

*G. g. Secretarial Secretarial Time, Word Processing:*

In the absence of unusual circumstances and prior approval by lead inside counsel, GEthe Company will not pay additional fees, costs or charges for any word or document processing or for secretarial time, including overtime.

## **IXVII. Public Comment**

In the absence of specific authorization, GEThe Company generally does not authorize outside counsel to 1) offer media or other public comment on GE or matters being handled for GE the Company or 2) respond to requests for comment.. Any inquiries or proposed public comment about GE or a GE Company matter must be referred to lead inside counsel or to GEthe Company public affairs specialist designated by GE Company lead inside counselcounsel. That GE Company representative will be responsible for determining what comment is appropriate and who should be designated to comments on GE's behalf.e whether comment by outside counsel is appropriate.

## **X. VIII. Other Clients**

Outside counsel are required to search for and disclose to GE any actual or potential conflicts of interest prior to accepting an engagement.

It is the responsibility of Ooutside counsel should to identify and disclose to GEthe Company any existing or prospective engagement by another client that could create an actual or or potential conflict of interest with counsel's representation of GE (or the appearance thereof)the Company. For purposes of the rules of professional conduct barring or limiting an attorney's representation adverse to the interests of existing or former clients, GEthe Company itself and all of GEthe Company's subsidiaries, unincorporated divisions, and affiliates should be treated as the clients of any outside counsel providing services to any one of such businesses, entities, or affiliates. See American Bar Association, Standing Committee on Ethics and Professional Responsibility, Formal Opinion 95-390 at 5 (January 25, 1995). This standard is applicable as well to counsel outside the United States.

Requests for waivers of potential or actual conflicts of interest will be considered on a case-by-case basis;

GEthe Company will not provide blanket or prospective waivers. Waiver requests should be directed to the appropriate lead inside counsel for the matter affected, and should include a complete list of the matters currently being handled by the requesting counsel for GEthe Company or its subsidiaries, divisions or affiliates, the identity of each GECompany component or affiliate involved in those matters, and the identity of lead inside counsel for those matters.

Any waiver granted by GEthe Company will be conditioned on counsel's other client providing a written agreement that it will not object to counsel's continued ability to represent GEthe Company on existing and future matters. An illustration of a letter confirming the waiver of a potential conflict of interest is attached as Appendix EC.

GEThe Company will generally not waive a conflict where representation of another client will involve the assertion against GEthe Company or any affiliate of a claim of alleged fraud, misrepresentation, or other dishonest or improper

conduct. If To the extent GEthe Company grants a waiver subject to this limitation on the scope of the firm's proposed representation, the limitation must be clearly communicated in writing to the other client at the commencement of the adverse engagement, in light of the fact that because the limitation could later require counsel to withdraw from that engagement. If GE consents to the representation of another client adverse to GE in a transaction, it will not consent to the firm's representation of the other client in litigation against GE arising out of the transaction.

No waiver will ordinarily be granted if the subject of the proposed adverse representation involves substantially the same matter in which the firm has represented GEthe Company on a closely related matter. Nor will a waiver be granted if the firm's access to confidential information, including GEthe Company's business and litigation strategies, would be useful to the adverse client.

General Electric is a large and diversified company comprised of many operating companies which are engaged in a wide variety of different businesses throughout the world. Accordingly, in the event that If GEthe Company's outside counsel anticipates that representation of another client will involve counsel advancing a position on a legal issue which may be materially opposed to GEthe Company's interests, counsel should, to the extent reasonably practicable and consistent with that counsel's confidentiality obligations to other clients, bring the matter to GEthe Company's attention in advance of doing so.

## **XI. IX. Ownership of Material**

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All materials in written, graphic, electronically stored or other form, generated or prepared in the course of representing General Electric GE or its affiliates and all copyrights therein shall belong to GEthe Company. Outside counsel ,counsel, by representation of GE, agrees to assign, and upon execution of an engagement letter does assign, all right, title, interest and copyrights in all such materials to GE Company and agrees to execute all documents papers necessary for GE Company to perfect its ownership and copyright interests. At the conclusion of the engagement, lead outside counsel should obtain direction from lead inside counsel regarding disposition of all such materials, in addition to the requirement in Section XIII..

## **XII. GE Legal Home Page**

GE maintains a Legal Home Page on a secure internal web site for legal research, briefs, pleadings, memoranda of law, contracts, agreements and other documents generated in GE matters. In order to maintain the Legal Home Page with current materials, GE requires lead outside counsel at the conclusion of each GE matter to forward completed research memoranda, briefs, pleadings and transaction documents (contracts, acquisition agreements, etc.) by e-mail to Legal. Gatekeeper @ corporate.ge.com, or on disk to Counsel,

Manager Legal Resources, GE, 3135 Easton Turnpike, Fairfield, Ct. 06431. GE may request from time to time that outside counsel provide GE with non-privileged research memoranda, forms, training materials or other documentation prepared for the firm or other clients which GE may load onto its Legal Home Page (with appropriate credit to the firm preparing the materials).

### **XIII. Technology**

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The effective use of technology in legal matters and with outside law firms is critical to generating superior work product efficiently and at a significantly lower cost. GE expects that unless another format is required or agreed to by GE, outside firms will utilize software and technology compatible with GE's technology. GE will not be responsible for incurring any costs associated with the purchase of the purchase or installation of hardware or software by outside counsel for GE matters.

### **XIV. Confidentiality**

In the course of its representation, GE may provide to outside counsel on a confidential basis copies of confidential and proprietary information, including intellectual property, trade secrets, internal policies, business plans, customer information, organizational charts, standard forms or other materials relevant to the work outside counsel is performing on GE's behalf. None of these documents or other materials should be used by outside counsel directly or indirectly for any purpose other than in connection with their representation of GE.

### **XV. Quality-Outside Counsel Evaluation**

GE is endeavoring to improve all critical processes using Six Sigma Quality methodology, a discipline of defining, measuring, analyzing, improving and controlling key process performance, to assure that strategic goals are achieved. As part of the application of GE's Six Sigma quality methodology to legal processes, GE will be tracking and evaluating the performance of outside counsel at the conclusion of each matter. GE has implemented an internal Outside Counsel Management System that collects, tracks and disseminates information about outside counsel retained by GE and the legal matters they handle. GE lead inside counsel will evaluate outside counsel at the end of each legal matter by use of numerical rankings in the following four categories: Expertise, Client Service, Cost Effectiveness and Results. GE may inform outside counsel as to the results of these evaluations and suggest areas for improvement. Outside counsel agrees to conform its work product to GE's quality standards where advised. Outside counsel will be expected to cooperate with these efforts to improve the overall quality of outside counsel representation at their own expense and will not bill GE for time spent for this purpose.

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## *Appendices*

*A. Sample Engagement Letter*

*B. GE Task-Based Billing and*

*Budgeting Formats and Worksheets*

*C. GE Billing Requirements, Disbursements and Expenses Summary*

*D. GE Preferred Disbursement Vendors*

*a. E. S*

*C. Sample Conflict Waiver*

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