

**UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA,

Plaintiff,

v.

GENERAL ELECTRIC CO.

and

BAKER HUGHES INCORPORATED,

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 Suez or another entity to whom Defendants divest any of the Divestiture Assets or with whom Defendants have entered into definitive contracts to sell any of the Divestiture Assets.

B. “GE” means defendant General Electric Co., a New York corporation with its headquarters in Boston, Massachusetts, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

C. “Baker Hughes” means defendant Baker Hughes Incorporated, a Delaware

corporation with its headquarters in Houston, Texas, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees.

D. “Suez” means SUEZ, a French *société anonyme* with its headquarters in Paris, France, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees. Suez is the proposed purchaser of the Divestiture Assets as identified by GE.

E. “GE Water & Process Technologies” means the GE Water & Process Technologies business unit of GE as it operated prior to the filing of the Complaint in this matter, including but not limited to the entities listed in the Appendix.

F. “Divestiture Assets” means all the assets of GE Water & Process Technologies, including:

1. All tangible assets that comprise the GE Water & Process Technologies business, including but not limited to all worldwide manufacturing plants; service centers; labs; warehouse and distribution facilities; offices; the global headquarters located in Trevoze, Pennsylvania; all global research and development facilities; manufacturing equipment; tooling and fixed assets; personal property; inventory; office furniture; materials; supplies; other property; all licenses, permits and authorizations issued by any governmental organization relating to GE Water & Process Technologies; assignment and/or transfer of all contracts, agreements (including supply agreements), leases, commitments, certifications, and understandings exclusively relating to GE Water & Process Technologies; all customer lists, contracts, accounts, credit records; all other business and administrative records; and all other

assets used exclusively by GE Water & Process Technologies;

2. The following intangible assets:

(a) all intangible assets owned, licensed, controlled, or used primarily by the GE Water & Process Technologies business, including but not limited to all patents, licenses and sublicenses, intellectual property, copyrights, trademarks, trade names, service marks, service names (excluding any trademark, trade name, service mark, or service name containing the GE monogram or the names “GE” or “General Electric”), 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 provided by GE Water & Process Technologies to its own employees, customers, suppliers, agents, or licensees, and all research data concerning historic and current research and development efforts relating to the Divestiture Assets, including but not limited to designs of experiments and the results of successful and unsuccessful designs and experiments; and

(b) a worldwide, non-exclusive, royalty-free license to all intellectual property, including but not limited to all patents, copyrights, trademarks, trade names, service marks, service names, and trade secrets owned by GE or that GE has the right to license and used by the GE Water & Process Technologies business at any time during the period that the GE Water & Process Technologies business has been owned by GE. Such license (except for any license for trademarks, trade names, service marks, and service names containing the names “GE” or “General Electric”) shall be perpetual and shall grant the Acquirer the right to make,

have made, use, sell or offer for sale, copy, create derivative works, modify, improve, display, perform, and enhance the licensed intangible assets. Any improvements or modifications to these intangible assets developed by the Acquirer shall be owned solely by that Acquirer.

II. OBJECTIVES

The proposed Final Judgment filed in this case is meant to ensure Defendants' prompt divestiture of the Divestiture Assets for the purpose of establishing a viable competitor in the refinery process chemicals and services business in order to remedy the effects that the United States alleges would otherwise result from GE's acquisition of Baker Hughes. 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 GE 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, 15 U.S.C. § 16 ("APPA"), 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. 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(s) 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(s) within which the notice was published.

B. 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 Stipulation 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 X, as though the same were in full force and effect as the Final order of the Court.

C. 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.

D. This Stipulation 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.

E. In the event (1) the United States has withdrawn its consent, as provided in Section IV(A) above, or (2) the proposed Final Judgment is not entered pursuant to this

Stipulation; 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 Stipulation, and the making of this Stipulation shall be without prejudice to any party in this or any other proceeding.

F. 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 Final Judgment have been accomplished:

A. Defendant GE shall preserve, maintain, and continue to operate the Divestiture Assets as independent, ongoing, economically viable competitive businesses, with management, sales and operations of such assets held entirely separate, distinct, and apart from those of GE's other operations. GE shall not coordinate its production, marketing, or terms of sale of any products with those produced by or sold under any of 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. Defendant GE shall 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 refinery process chemicals and services business; (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, distribution, or sales of products by or under any of the Divestiture Assets will be kept separate and apart from Defendants' other operations.

C. Defendant GE shall use all reasonable efforts to maintain and increase the sales and revenues of the products produced by or sold under Divestiture Assets and shall maintain at 2016 or previously approved levels for 2017, whichever are higher, all promotional, advertising, sales, technical assistance, marketing, and merchandising support for the Divestiture Assets.

D. Defendant GE shall 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 Sections V(A) and V(B) of this Hold Separate Stipulation and Order.

E. Defendant GE shall take all steps necessary to ensure that the Divestiture Assets are fully maintained in operable condition at no less than their 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. Defendant GE shall 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. Defendant GE shall take no action that would jeopardize, delay, or impede the sale of the Divestiture Assets.

I. Defendant GE's employees with primary responsibility for the production, operation, distribution, development, or sale of products and services by GE Water & Process Technologies shall not be transferred or reassigned to other areas within the company except for transfer bids initiated by employees pursuant to Defendants' regular, established job posting policy. Defendants shall provide the United States with ten (10) calendar days notice of such transfer.

J. Defendants shall appoint a person or persons to oversee the Divestiture Assets and 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 this 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 Final Judgment to complete the divestitures pursuant to the Final Judgment to an Acquirer acceptable to the United States.

VI. DURATION OF HOLD SEPARATE AND ASSET PRESERVATION OBLIGATIONS

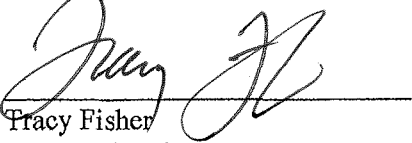
Defendants' obligations under Section V of this Hold Separate Stipulation and Order shall remain in effect until (1) consummation of the divestitures required by the proposed Final Judgment or (2) until further order of the Court. If the United States voluntarily dismisses the

Complaint in this matter, Defendants are released from all further obligations under this Hold Separate Stipulation and Order.

Dated: 6/12/17

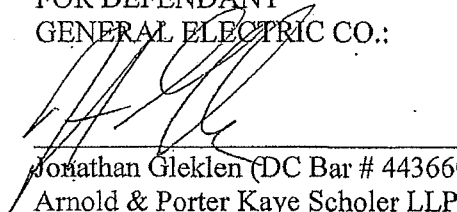
Respectfully submitted,

FOR PLAINTIFF
UNITED STATES OF AMERICA:



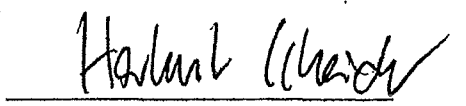
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ORDER

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

United States District Judge

Appendix

GE Betz, Inc. (US)
Chemical Water Treatment Investments SRL (Argentina)
GE Betz (UK)
GE Betz Ireland Limited (Ireland)
GE Betz South Africa Pty Ltd (South Africa)
GE Betz Pty Limited (Australia) and GE Betz Pty Limited (New Zealand Branch)
GE Infrastructure (Shanghai) Co. Ltd. (China)
GE Ionics Hamma Holdings (IRE) Ltd (Ireland)
GE Power Controls Portugal Unipessoal LDA (Portugal)
GE Water & Process Technologies (Wuxi) Co. Ltd. (China)
GE Water & Process Technologies Asia Pte. Ltd. (Singapore)
GE Water & Process Technologies Austria GmbH (Austria)
GE Water & Process Technologies BVBA (Belgium)
GE Water & Process Technologies France SAS (France)
GE Water & Process Technologies GmbH (Germany)
GE Water & Process Technologies Hungary KFT (Hungary)
GE Water & Process Technologies Mexico, S. de R.L de C.V. (Mexico)
GE Water & Process Technologies Middle East FZE (Dubai)
GE Water & Process Technologies Netherlands BV (NL)
General Electric Water & Process Technologies Caribbean Holdings BV (Netherlands Antilles)
Ionics Iberica S.L.U. (Spain)
Water & Process Technologies SRL (Argentina)
Zenon Services Limited (Virgin Islands)
Zenon Systems Manufacturing and Services Limited Liability Company (Hungary)