

CHICAGO--( [BUSINESS WIRE](#) )--Fitch Ratings takes various rating actions on GE Equipment Transportation L.L.C. Series 2011-1 (GE ET 2011-1), Series 2012-1 (GE ET 2012-1), and Series 2012-2 (GE ET 2012-2) as follows:

GE ET 2011-1

--Class A-3 affirmed at 'AAAsf'; Outlook Stable;

--Class A-4 affirmed at 'AAAsf'; Outlook Stable;

--Class B affirmed at 'AAAsf'; Outlook Stable;

--Class C upgraded to 'AAAsf' from 'AAsf'; Outlook to Stable from Positive.

GE ET 2012-1

--Class A-2 affirmed at 'AAAsf'; Outlook Stable;

--Class A-3 affirmed at 'AAAsf'; Outlook Stable;

--Class A-4 affirmed at 'AAAsf'; Outlook Stable;

--Class B upgraded to 'AAAsf' from 'AAsf'; Outlook to Stable from Positive;

--Class C upgraded to 'AAsf' from 'Asf'; Outlook Positive.

#### GE ET 2012-2

--Class A-2 affirmed at 'AAAsf'; Outlook Stable;

--Class A-3 affirmed at 'AAAsf'; Outlook Stable;

--Class A-4 affirmed at 'AAAsf'; Outlook Stable;

--Class B affirmed at 'AAsf'; Outlook to Positive from Stable;

--Class C affirmed at 'Asf'; Outlook to Positive from Stable.

#### KEY RATING DRIVERS

The upgrade of class C and affirmation of class A and B in GE ET 2011-1 reflect the loss coverage levels from the increasing credit enhancement levels commensurate with an 'AAAsf' rating. Performance of the transaction continues to be within expectations with 18 basis points (bps) of losses to date.

The upgrades of class B and C in GE ET 2012-1 reflect the improving loss coverage levels as credit enhancement continues to grow. The affirmations of class A reflect the high levels of enhancement available to the notes as well as strong performance of the transaction with only 31 bps of net loss to date.

The affirmation of all outstanding classes in GE ET 2012-2 is reflective of credit enhancement levels that are consistent with the ratings and strong collateral performance to date. As of the September 2013 reporting period, cumulative net losses of 19 bps is lower than Fitch's initial expectations for the pool.

The Positive Outlook designation for class C in GE ET 2012-1 as well as class B and C in GE ET 2012-2 reflects Fitch's expectation for loss coverage to continue improving as the transactions amortize and credit enhancement levels continue to build. The Positive Outlook on certain classes of notes reflects Fitch's view that the notes will continue to perform well and may warrant a review for a potentially positive rating action in the next 12-18 months.

## RATING SENSITIVITIES

Unanticipated increases in the frequency of defaults and loss severity could produce loss levels higher than the current projected base case loss proxies which would impact available loss coverage. Lower loss coverage could impact ratings and Rating Outlooks, depending on the extent of the decline in coverage. In Fitch's initial review of the transactions, the notes were found to have limited sensitivity to 1.5x and 2.5x higher of Fitch's base case loss expectations. Initial Key Rating Drivers and Rating Sensitivities are further described in the GE ET 2011-1 New Issue report dated June 20, 2011, GE ET 2012-1 Presale Report dated March 12, 2012, and GE ET 2012-2 Presale Report dated Oct. 15, 2012.

To date, the transactions have exhibited strong performance with losses well within Fitch's initial expectations with rising loss coverage and multiple levels. As such, continued strong performance for these transactions would most likely result in further positive rating actions. Conversely, a material deterioration in performance would have to occur within these asset pools to have potential negative impact on the outstanding ratings.

Fitch's analysis of the Representations and Warranties (R&W) of these transactions can be found in the reports listed as follows:

--'GE Equipment Transportation, L.L.C Series 2011-1 - Appendix'

--'GE Equipment Transportation, L.L.C Series 2012-1 - Appendix'

--'GE Equipment Transportation, L.L.C Series 2012-2 - Appendix'

These R&W are compared to those of typical R&W for the asset class as detailed in the special report 'Representations, Warranties, and Enforcement Mechanisms in Global Structured Finance Transactions' dated April 17, 2012.

Additional information is available at '[www.fitchratings.com](http://www.fitchratings.com)'

Applicable Criteria and Related Research:

--'Criteria for Rating U.S. Equipment Lease and Loan ABS' dated Dec. 28, 2012;

--'Global Structured Finance Rating Criteria' May 24, 2013

--'Representations, Warranties, and Enforcement Mechanisms in Global Structured Finance Transactions' April 17, 2012.

--'GE Equipment Transportation, L.L.C. Series 2011-1' June 20, 2011

--'GE Equipment Transportation, L.L.C. Series 2011-1 - Appendix' June 20, 2011

--'GE Equipment Transportation, L.L.C. Series 2012-1' dated March 12, 2012

--'GE Equipment Transportation, L.L.C. Series 2012-1 - Appendix' March 12, 2012

--'GE Equipment Transportation, L.L.C. Series 2012-2' Oct. 15, 2012

--'GE Equipment Transportation, L.L.C. Series 2012-2 - Appendix' Oct. 15, 2012.

Applicable Criteria and Related Research:

GE Equipment Transportation LLC, Series 2012-1 -- Appendix

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=673714](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=673714)

GE Equipment Transportation LLC, Series 2012-2 -- Appendix

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=691861](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=691861)

GE Equipment Transportation LLC, Series 2011-1

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=715465](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=715465)

GE Equipment Transportation LLC, Series 2012-1 (US ABS)

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=673711](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=673711)

GE Equipment Transportation LLC, Series 2012-2 (US ABS)

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=691575](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=691575)

Criteria for Rating U.S. Equipment Lease and Loan ABS

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=697250](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=697250)

Global Structured Finance Rating Criteria

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=708661](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=708661)

Representations, Warranties, and Enforcement Mechanisms in Global Structured  
Finance Transactions -- Amended

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=676496](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=676496)

Additional Disclosure

Solicitation Status

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