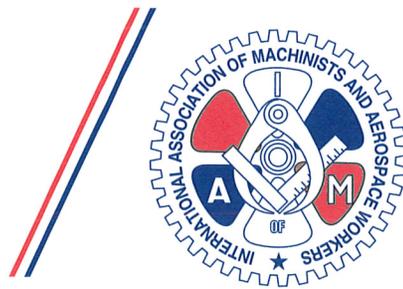


**International
Association of
Machinists and
Aerospace Workers**



9000 Machinists Place
Upper Marlboro, Maryland 20772-2687

Area Code 301
967-4500



OFFICE OF THE INTERNATIONAL PRESIDENT

October 31, 2019

H. Lawrence Culp, Jr.
Chairman and CEO
General Electric Co.

Dear Mr. Culp:

On October 7, 2019, GE sent out letters with a limited time lump-sum payment option to about 100,000 former employees who have not started their monthly GE Pension Plan benefits. Thousands of these former employees were represented by the IAM and other unions.

I am greatly disappointed that GE is not providing the full actuarial value of pension benefits, including the value of the early retirement benefits the Unions negotiated in good faith, and which people are entitled to start at age 60. This is grossly unfair to people that dedicated years of their lives generating huge profits for GE.

GE's lump-sum offer only includes the legal required minimum age 65 pension lump-sum value; it did not include the value of the negotiated early retirement benefit. The letter GE sent to eligible participants is misleading, since in the very first sentence it claims the offer allows "participants to take their entire benefit." The letter's warnings that the lump-sum would not include the value of the early retirement provision were very technical and never showed the dollar amount former employees would sacrifice by taking the lump-sum. Nowhere in the letter is any indication that by taking the lump-sum, nearly all of these former employees will be sacrificing one-third or more of the full actuarial pension value. The value the Union members paid for through collective bargaining.

If 50% to 100% of these former GE employees accept this lump-sum offer, which does not include the value of the early retirement provisions, the plan would save about \$1.5 billion to \$3.0 billion.¹ That would be a huge windfall for GE on the backs of its former employees including union members, who sacrificed wages during their working careers in order to have a secure retirement.

There is still time for GE to do the right thing for its former employees and include the full actuarial value of their pension. At a minimum, GE should send out a corrected offer letter that clearly explains the dollar amount of the actuarial value of the early retirement benefit that is not included in the offer, clarify the misleading statement about "entire benefit," and give them an opportunity to revise their selection, if they have already chosen to take the lump-sum.

Sincerely,

Robert Martinez, Jr.
International President

cc: GVP Bryant, CG Schneider, CoS Herrnstadt, Dir. Norman, Dir. Gladstein

¹ Based on data in the GE Pension Plan's IRS Form 5500 Schedule SB.