



Your GE Benefits

Retirement Benefits

Teresa Lacefield
August 23, 2011

The intent of this presentation is to provide employees with a ready reference to some of the more important features of the benefit plans. For detailed descriptions of GE Benefits, employees should refer to your benefits handbook (Summary Plan Description). The official plan documents govern in all cases.

Hourly Production/Legacy Core hired prior to 1/1/08



SERO & VRIP Windows

SERO Window

400 Employees Company- wide

Hourly & Non-Exempt

Age 55-59 & 30 PQS as of
11/30/11

Determination by PBS-Retire
12/1/11

VRIP Window

400 Employees Company-
Wide

Hourly. & Non-Exempt

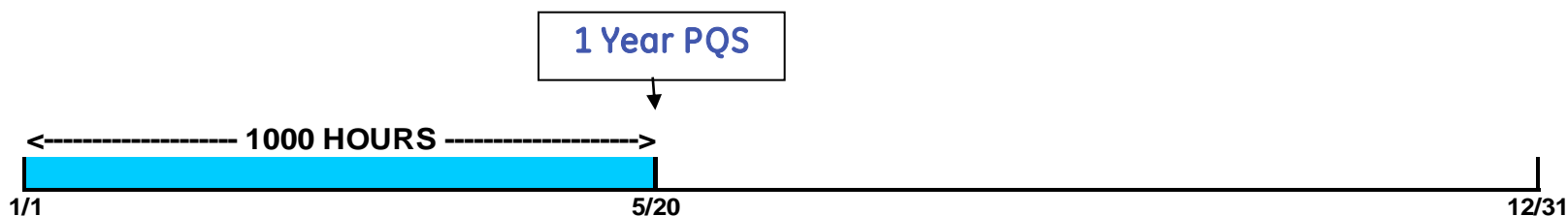
Age 60 w/at least 10 years
continuity of svc

Incentive of 75% of base pay
(incl. NSB)

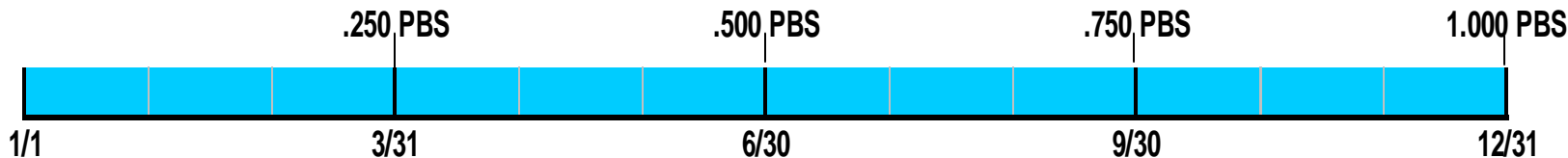
Determination by PBS-Retire
12/1/11

Key Terms

Pension Qualification Service (PQS) – generally used to determine your eligibility for pension benefits. If you are a full-time employee you will be credited with one year of PQS for each year in which you are credited with at least 1,000 hours of service.



Pension Benefit Service (PBS) – generally used to calculate certain portions of your pension benefits.



Pay - normal straight-time earnings including vacation pay and other absence pay, overtime and night-shift bonuses, lump-sum wage payments, a portion of commissions and other approved compensation.

What Makes Up Your Pension?

Greater of your Regular Pension or Guaranteed Pension ... *Plus*

Your Personal Pension Account ... *Plus*

Your Voluntary Pension Account ... *Plus*

Supplements if applicable

Regular Pension

Formulas that have been in effect since Pension Plan started

Current Regular Pension Formula:

1.45% of your annual pay up to a breakpoint of *\$40,000; and

1.90% of your annual pay above the breakpoint

The pension credit formula has changed many times over the years. A list of pension credit formulas can be found in your GE Benefits handbook

***\$45,000 effective January 1, 2012**

Regular Pension Formula-2011

Yearly Earnings=\$90,000

1.45% of the first \$40,000 = \$580

1.9% of \$50,000 \$950

Total pension credits for year\$1,530

At retirement, all pension credits earned throughout your career are totaled and that would equal your yearly pension

Guaranteed Pension

Guaranteed Pension is determined by your years of Pension Benefit Service and your “High-3” pay

High-3 pay is the average of your highest annual earnings during three full consecutive calendar years out of the 10 years before retirement

Your High-3 pay determines the monthly benefit you are eligible to receive for each year of Pension Benefit Service

Requires five years PQS or attainment of age 60 while still employed

Range of Guaranteed Pension table:

Average of \$38,000 = \$35.00 per month for each year of PBS, up to an

Average of \$82,000 = \$80.00 per month for each year of PBS

Example: Guaranteed Pension

<u>YEAR</u>	<u>EARNINGS</u>
2010	\$38,487
2009	\$48,035
2008	\$47,492 *
2007	\$50,162 *
2006	\$56,030 *
2005	\$45,003
2004	\$42,560
2003	\$56,819
2002	\$46,875
2001	\$40,024

*HIGH 3 YEARS

\$47,492

\$50,162

\$56,030

\$153,684 (TOTAL) / 3 = \$51,228

Guaranteed Pension (table is not complete)*

<u>Your "High-3 Pay"</u>		<u>Amount</u>
<i>Over</i>	<i>Up to</i>	
	\$38,000	\$35.00
<u>\$38,000</u>	<u>\$39,000</u>	<u>\$36.00</u>
\$43,000	\$44,000	\$41.00
\$44,000	\$45,000	\$42.00
<u>\$45,000</u>	<u>\$46,000</u>	<u>\$43.00</u>
\$50,000	\$51,000	\$48.00
\$51,000	\$52,000	\$49.00
<u>\$52,000</u>	<u>\$53,000</u>	<u>\$50.00</u>
\$71,000	\$72,000	\$69.00
\$72,000	\$73,000	\$70.00
\$82,000		\$80.00

GUARANTEED CALCULATION

AVERAGE = \$51,228
(from previous page)

\$49.00 from table and based
on the the average

28.250 (PBS)

Monthly Guaranteed Pension:
 $\$49.00 \times 28.250 = \$1,384.25$

Annual Guaranteed Pension:
 $\$1,384.25 \times 12 = \$16,611$
Guaranteed Pension through
12/31/10 is \$16,611 which is
greater than the annual Regular
pension of \$13,828

Therefore, this employee is paid
on the Guaranteed Pension

*complete table can be found in your benefits handbook

Personal Pension Account (PPA) Voluntary Pension Account (VPA)

PPA – Required employee contributions – 3% in excess of *\$70,000

VPA – Voluntary contributions – 3% on first *\$70,000
(*\$80,000 effective January 1, 2012)

Options at Retirement

Defer decision and leave to earn interest

Convert and add to Monthly Pension

Annual Withdrawals

Minimum \$500, one withdrawal per year

Withdrawal in Lump Sum

Rollover to IRA available

Regular Supplement

Eligible if you retire between age 60 and the age at which 80% of your Social Security benefit is available

Requires five years of PQS

Supplement equals \$20 per month for each year of Pension Benefit Service (PBS)

Supplement is payable to age at which 80% of Social Security is available

Payments of supplements until the 80% Social Security age is available only to eligible participants who terminate employment with the Company on or before June 30, 2015. If you terminate after June 30, 2015, different rules may apply in determining the duration of the supplements.

Supplement is payable to retiree only, not included in survivor benefit

Special Supplement

Must meet age and service requirements to be eligible:

Supplement pays between age 60 and the age at which 80% of your Social Security Benefit is available

Must have at least 25 Years of PQS

Must be eligible before July 1, 2015

Supplement equals \$400 per month

The Special Supplement and the payment of supplements until the 80% Social Security age are available only to eligible participants who terminate employment with the Company on or before June 30, 2015.

Supplement is payable to retiree only, not included in survivor benefit

Eligibility for 80% Social Security Benefits

<u>Year of Birth</u>	<u>Age</u>
Before 1938	62
1938	62 and 2 months
1939	62 and 4 months
1940	62 and 6 months
1941	62 and 8 months
1942	62 and 10 months
1943-1954	63
1955	63 and 2 months
1956	63 and 4 months
1957	63 and 6 months
1958	63 and 8 months
1959	63 and 10 months
after 1959	64

Exact ages and year of birth to be determined in accordance with Social Security laws in effect on June 1, 2011

Regular Pension Update

Eligibility

Employees actively participating in the GE Pension on 7/1/11 who:

- Have 25 years of Pension Qualification Service (PQS) as of 12/31/2010, or
- Are at least age 55 with 20 years of PQS as of 12/31/2010

Effective Date – 12/1/2011

For those getting an update:

- If retired between 8/1 and 11/1, updated amount, if applicable will be added to 12/1 check
- If still active, watch for increase on benefits.ge.com (early September) or Personal Share Statement in early 2012
- Estimates available on Benefits.ge.com

Regular Pension Update

How to calculate:

1) Determine average pay (high 3 year consecutive earnings from 2005-2010)

2) Apply formula:

0.85% of the average pay up to \$45,000

plus

1.45% of the average pay over \$45,000

times

Pension Benefit Service (PBS) as of December 31, 2010

3) Compare to Regular Pension as of 12/31/2010

- If Formula is greater, then you get an update
- If Regular Pension at 12/31/010 is greater, no update needed to meet replacement income targets

What Payment Options Are Available?

5-year Certain Benefit (Single Life)
50% Survivor Benefit
75% Survivor Benefit*
100% Survivor Benefit



**These forms of payment differ
in amount of pension employee
and spouse will receive**

**Spousal consent is needed if you are married and elect any
form of payment other than 50% Survivor Benefit**

**Spousal benefit is payable ONLY to the spouse you were
married to at the time you retire**

Survivor Benefit Options

Reduction varies based on employee and spouse ages at retirement

Example: If Pension is \$1,000/month

Employee age 60 and spouse age 62:

	Payment starting at age 60 and while you are alive	If you die, your surviving spouse gets*
Single Life	\$1,000.00	\$ 0.00
50% Survivor	\$ 935.00	\$ 467.50
75% Survivor	\$ 910.00	\$ 682.50
100% Survivor	\$ 880.00	\$ 880.00

* If you (or both you and your spouse in the case of the survivor options) die before receiving 60 monthly payments, the value of the remaining payments (up to 60 payments) is payable in a lump sum

Spouse must consent if you elect other than the 50% Survivor

What Happens if Spouse Dies Before Retiree

Part of Reduction is restored if spouse dies during first five years of retirement

Amount restored depends on when spouse dies

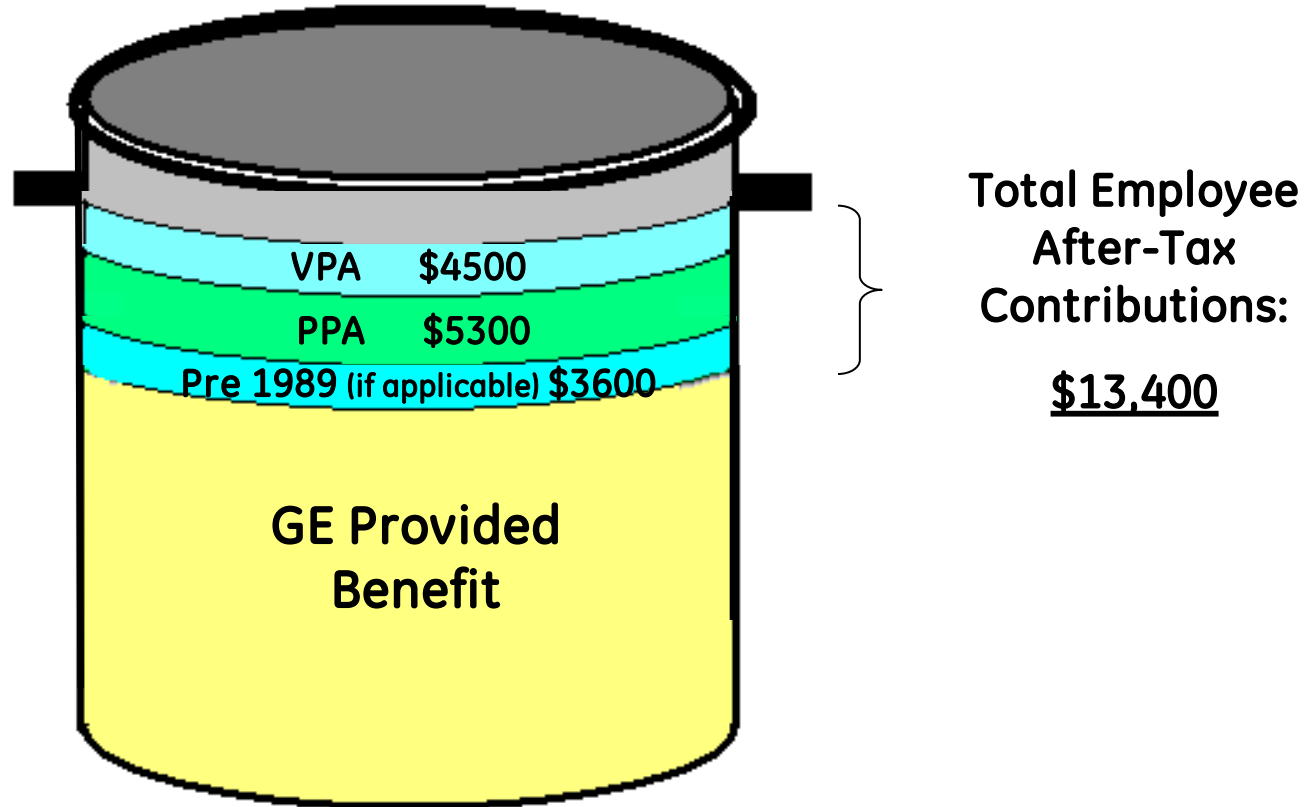
Death Occurs <u>Within:</u>	Percent <u>Restored:</u>
1st Year	100%
2nd Year	80%
3rd Year	60%
4th Year	40%
5th Year	20%
6th Year and after	0%

Taxes on Pension Payments

Monthly Pension - complete W-4P for Federal Withholding (also applies to PPA/VPA if added as monthly amount to pension)

**Monthly Pension is taxable except for return of your contributions
Withdrawal of PPA/VPA either in Lump Sum or Partial - fully taxable**

Example: Recovery of Employee Pension After Tax Contributions



Retirement at age 60 with a life expectancy of 310 months based on retirement under the five-year certain option:

Total Employee Contribution		Total Months	=	Monthly Tax Free Recovery
\$13,400	÷	310	=	\$43.22

Retirement Process

Employees eligible for the SERO or VRIP Windows will receive a package from Corporate Benefits the first week of October-submit request form to the Hourly Placement Office-if offered, Retirement will be effective 12/1/11

Step 1: Determine Retirement Date

Step 2: Complete Notification of Decision to Retire form-Year end retirements, submit form first week of October-documents needed are your and spouse's birth certificates and marriage certificate

Step 3: Review Retirement Packet Information

- ◆ **Determine Survivor Options**
- ◆ **Determine PPA/VPA Election**

Step 4: Complete Retirement Election Forms

Step 5: Witness/Notarize, Sign and Mail Forms

GE Savings & Security

Options After Retirement

ReadiLoans

Retirement Distributions

Payout Options

Taxes

Rollovers



imagination at work

S&SP ReadLoans

Cannot take a loan after retirement

Pay back an existing loan after retirement by monthly coupon book

Pay back outstanding balance in full

If entire account balance is withdrawn, loan will be liquidated with the disbursement

Retirement Distributions

Defer Distribution

Must start receiving by age 70-1/2

Partial Distribution

Elect up to four per year

Minimum \$500 and one per month

Continue to switch remaining funds in plan

Lump Sum Distribution

Entire account balance is distributed

GE Stock Dividend Payout Option

Available as long as GE Stock remains in S&SP

Payout Options

Cash:

All your investments are converted to cash

GE Stock and Cash:

You receive your shares of GE Stock and cash for all other investments

Securities and cash:

You receive your shares of GE Stock, units of GE Mutual Funds and GE S&S Income Funds, US Savings Bonds, and cash for all other investments

Pay Taxes or Postpone Taxes

Decide before you elect the distribution:

Pay tax now or postpone tax via “IRA rollover”

Consider consulting with a tax expert about the tax treatment

Rollover Taxable Amount

GE does Direct Rollover

No 20% Federal withholding on amount rolled over

Zero % if rolled by GE, 20% if rolled by me!

You receive distribution directly:

Subject to 20% withholding

Distribution is still eligible to rollover

60-day time limit to make rollover

Insurance in Retirement

Health Care Options

- Pre 65

- Post 65

Dental Care

Life Insurance Plans

Long Term Care



All rates quoted in this presentation are current and subject to change



imagination at work

Eligibility for You and Your Family (Pre-65 Medical/Dental Care Options)

Retire directly from the Company at age 60 or older with a minimum of 10 years continuous service

Retire on a GE Disability Pension

Retire under the Special Early Retirement Option (SERO) Window, 2011

COBRA coverage may be available for all other employees

Pre 65 Medical Care Options

If eligible, you may continue the coverage carried as an active employee, HCP or GEMB, for you and your eligible dependents if retire by 12-31-11

Coverage continues for all eligible retirees until age 65

Coverage continues for your spouse until he or she reaches age 65

Coverage continues for your dependent children until they are no longer eligible under the plan

You pay the applicable premium-Current rate or lower if base salary is under \$70,000

GE Dental Care Options

If eligible, you may continue the coverage you carried as an active employee for you and your eligible dependents.

Coverage continues for all eligible retirees until age 65

Coverage continues for your spouse until he or she reaches age 65, or until your coverage ends, if earlier

Coverage continues for your dependent children until they are no longer eligible under the plan or until your coverage ends, if earlier

You pay any applicable cost for the coverage

What Happens when you turn Age 65?

What Happens when you turn 65?

On the first day of the month that you turn 65*, your current pre-65 coverages end. These include:

GE Health Care Preferred

GE Medical Benefits Plan

Vision Care Plan

Your Dental Coverage

Your Current Prescription Drug Coverage

*If you are born on the 1st of any month then your pre-65 coverages end on the 1st of the previous month.

What Happens to your Spouse's coverage when you turn Age 65?

Post-65 medical benefit enrollment choices are for yourself only.

Spouses under age 65 will retain their pre-65 medical, vision and drug coverage.

Dental coverage ends for both the retiree and their dependents when the retiree turns 65. Dependents under 65 can continue their dental coverage through COBRA. See the handbook for details.

Before your spouse's 65th birthday, your spouse will receive another benefits information package explaining coverage guidelines and his/her post-65 options.

At age 65, Medicare becomes your Primary Source for Health Insurance

Medicare is a federally funded medical insurance program.

Administered by the Centers for Medicare & Medicaid Services (CMS)

Divided into three parts: Part A, Part B, and Part D

Medicare Part A

Primarily covers inpatient care, such as hospital stays

Free to you (in most cases)

Requires no enrollment

Medicare Part B

Primarily covers outpatient care, such as physician services and lab tests.

You are automatically enrolled unless you refuse coverage.

If you participate, the Medicare Part B premium is automatically deducted from your monthly Social Security payment.

In 2011, the cost is \$115.40 per month.

(Rate applies if your income is less than or equal to \$80,000 (single) or \$160,000 (married couple). If income is above these values, then your Medicare Part B premium may be higher.)

Medicare Part D

Introduced in January 2006

May help lower prescription drug costs

Enrollment is voluntary and open to everyone who is eligible for Medicare

GE Pensioner Prescription Drug plan currently provides a better benefit

WHAT ARE YOUR GE RETIREE OPTIONS?

GE Retiree Medicare Health Plans

- Medical Care Plan for Pensioners (MCP)
- Pensioners Hospital Indemnity Plan (PHIP)
- GE Medicare Insurance Plan (GEMIP)
- Pensioners Prescription Drug Plan (PPDP)

New! Enrollment Safety Net within 90 days after age 65-Packages mailed to Retiree & Spouse prior to 65th Birthday-
If no response, you would be Defaulted into these plans.

GE Medical Care Plan for Pensioners(MCPP)

What is it?

GE Supplement to Medicare Part A

Who is Eligible?

Retire directly from Company service at age 60 or older with a minimum of 10 years continuous service

Retire under the Special Early Retirement Option (SERO)

Retire on a GE Disability Pension

Lifetime maximum of \$150,000 per family
(Increases to \$175,000 effective 1-1-12)

Cost

No premiums if you retiree with at least 15 years continuous service

GE Pensioners Hospital Indemnity Plan (PHIP) – Option 1

What is it?

GE Supplement to Medicare Part A

Who is eligible?

Anyone who leaves the Company at age 60 or older regardless of years of service or otherwise meets eligibility criteria for MCPP

Benefits paid in addition to MCPP benefits

Lifetime maximum of \$100,000 per person
(Increases to \$125,000 effective 1-1-12)

Cost

In 2011 the monthly premium is \$9.50/month per person

Medicare Part A and GE Plans

Days	Medicare Pays	MCPD Pays	PHIP Pays	You Pay
1	All but a \$1,132 deductible	\$900.00	\$225.00	\$7
2-60	All approved charges			
61-90	All but a \$248 per day co-pay	\$137.50	\$ 62.50	\$48
91-150	All but a \$496 per day co-pay	\$275.00	\$125.00	\$96
151 +		\$275.00***	\$125.00***	

GE Medicare Insurance Plan (GEMIP)

What Is It?

Supplement to Medicare Part B

Who is Eligible?

Anyone who leaves the Company at age 60 or older regardless of years of service or otherwise meets eligibility criteria for MCPP

Plan Benefits:

20% of Medicare Part B approved charges after a \$131 Medicare Part B deductible is satisfied

Lifetime maximum of \$150,000 per person

(Increases to \$175,000 effective 1-1-012)

Cost

In 2011 monthly premiums are \$100/month per person

Examples of some services covered include:

- ◆ Outpatient Hospital Expenses (emergency room)
- ◆ Physical Therapy
- ◆ Medicare Covered Preventive Screenings
- ◆ Doctor Office Visits
- ◆ Lab Work
- ◆ X-Rays

Pension Prescription Drug Plan (PPDP)

Participants enrolled on or after 1-1-04

What Is It?

Provides financial protection against cost of outpatient prescription drugs

Who is eligible?

Same rules as for MCPP

Plan Benefits:

The Plan pays 100% after your co-pay as follows:
Annual co-pay maximum - \$2500 per participant

Cost

No premiums if you retiree with at least 15 years

<u>RX Duration</u>	<u>Retail (GE Network Pharmacy)</u>	<u>GE Mail Order</u>
Up to 21 days	\$12 or \$30	\$20 or \$65
22-42 days	\$24 or \$60	\$20 or \$65
43-63 days	\$36 or \$90	\$20 or \$65
64-84 days	\$48 or \$120	\$20 or \$65
85-90 days	\$60 or \$150	\$20 or \$65

If a brand name drug is purchased when a lower cost generic or co-branded substitute is available, the participant will pay the additional cost of the brand name drug over its generic or co-branded equivalent in addition to the co-payment, unless the brand name drug is medically necessary.

You are also Eligible for Medicare Part D Prescription Drug Coverage

Voluntary program that helps people with Medicare pay for prescription drugs.

In almost all cases, Medicare Part D will NOT provide a better benefit than GE PPDP coverage.

You do not have to sign up for a Medicare Drug Plan to keep your GE coverage.

If you do sign up for a Medicare Drug Plan and are enrolled in GE PPDP, then the Medicare Drug Plan is the primary payer for your prescription drugs. GE PPDP will become the secondary payer.

GE Pensioner Vision Value Option

Access to current vision network

Available to retirees in Retiree Medical Plans

Purchase vision care services at discounted prices

Coverage includes

Eye exam, Lenses and Frames

If you are 65 or older and participate in the GE Medical Care Plan for Pensioners, GE Medicare Insurance Plan, GE Pensioners Hospital Indemnity Plan, GE MedicarePlus or GE Medicare Part B Premium Reimbursement Plan, you are automatically eligible for the GE Pensioner Vision Value Option

Contact GE Vision Care at www.davisvision.com or call 1-888-433-9370 for additional information

Long Term Care Insurance

Same options apply in retirement

- Nursing Home Option
- Comprehensive Option

Retirees and their spouses are eligible for coverage

- Statement of Health required if enrolling or increasing your coverage

GE Life Insurance Plans

GE Life Insurance

<u>Age</u>	<u>Coverage</u>
Up to age 62	2-1/2 times pay*
Age 62	2 times pay*
Age 63	1-1/2 times pay*
Age 64	1 times pay*
Age 65	1/2 times pay*, max \$50,000

Retirees at age 60 or older with 10 but fewer than 15 years of continuous service, you receive ½ of the above values

**For purposes of determining your coverage after retirement, your “pay” is the average of your straight time pay during the highest paid consecutive five years in the last 10-year period before your continuous service ends*

GE A Plus Life Insurance Plans- Policy Options

Term Option

Coverage ends at retirement

Conversion available within 31 days from termination of service date

Group Universal Life (GUL) Option

Can be continued into retirement at 60% of your active coverage level

GUL provides a cash accumulation fund, which offers a number of advantages:

- Tax deferred interest
- Withdrawals available for any reason-subject to certain limits
- Loans available for any reason at low interest rates
- Paid to beneficiary in event of death in addition to A plus coverage level
- Opportunity to purchase paid-up life insurance

GE Life Insurance Plans

Dependent Life Insurance

Spouse and eligible children may remain covered, plan limits apply going into retirement - \$25,000 maximum for spouse if covered under the Flexible Choice Option or a maximum of up to \$20,000 for spouse if covered under the traditional option

Insurance Overview

Continues in Retirement	Ceases in Retirement
GE Medical Care Options	GE Flexible Spending
GE Dental Care	GE PAI
GE Life Insurance	GE Short Term Disability
GE Dependent Life Insurance	GE Long Term Disability
GE Long Term Care	
GE Personal Excess Liability	
GE A-Plus GUL & Cash Fund	

Plans and Rates

Rates as of 1/1/2011

	15 or More Years Continuous Service	10-14 Years Continuous Service	Less Than 10 Years Continuous Service
GE Medical Care Plan for Pensioners	0.00	5.71	N/A
GE Pensioners' Hospital Indemnity Plan	9.50	9.50	9.50
GE Pensioners' Prescription Drug Plan	0.00	33.63	N/A
GE Medicare Insurance Plan	100.00	100.00	100.00

Actions for Tomorrow

Request Estimates of Pension, S&SP, and Social Security

Contact Previous Employer(s) for additional benefits

Review anticipated retirement income and anticipated expenses

Decide Which Benefit Payout Options Work for You

Choose Retirement date

If SERO or VRIP Window eligible, watch for package from Corporate Benefits (Early October) and submit your request form to Hourly Placement Office

Obtain copies of Birth Certificates and Marriage Certificate