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GE - General Electric Co Annual Shareholders Meeting

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Dennis Rocheleau *Retiree*

PRESENTATION

Jeff Immelt - ***General Electric - CEO***

Good morning. And welcome to G.E.'s 2015 annual meeting. I'm Jeff Immelt, chairman of the board of G.E. And here with me today are Jeff Bornstein and Brackett Denniston.

Each year, we hold our annual meeting in a town that's important to G.E. and its shareholders, and this year it's Oklahoma City and we're very proud to be here.

We have over 1,000 employees in the state of Oklahoma. We do business in Oklahoma City because we like the community and its people. This week we made a donation to the Oklahoma Center for the Advancement of Science and Technology to support STEM education and accelerate workforce readiness.

At a time when Oklahoma City is looking to the future, we also want to acknowledge the past and the enormous tragedy that this community faced 20 years ago. The city has recently been through a tough, but important anniversary, and our thoughts this week have been with the victims of the 1995 bombing, and we applaud your strength.

In 2013, G.E. broke ground with a tremendous facility here in Oklahoma City. With an investment of $125 million and a strong commitment from our partners, we began the construction of G.E.'s first oil and gas technology center.

Its construction is based on our belief that innovation is at the heart of our strategy in oil and gas. And we will continue to invest in technology and stay close to our customers.

And it's here in Oklahoma City that we're creating the future of our oil and gas business. While the market for oil and gas companies has become tougher in the short term, this won't stop G.E. from thriving. We will navigate this period in the same way we've taken advantage of past cycles, through our strength as a diversified company and by investing in technology at the right moments. We're in this business for the long term.

We compete aggressively, because other businesses have come out winners in similarly tough cycles. Our Aviation business invested in next generation aircraft engines after 9/11, at a time when our competitors did not. Now we have a $134 billion backlog in Aviation.

And just a couple of years ago, our Transportation business invested in new locomotive technology, ahead of demand and ahead of our competitors.

As a result, we've been able to capture the majority of the market and will ship more than 2,000 Tier 4 compliant locomotives over the next two years.

We've positioned G.E. to compete as a connected industrial company. We stand at the intersection of the physical and analytical worlds. We blend the best elements of speed, scale and flexibility, and we use our breadth to capitalize on volatility, coming out of each cycle with a stronger hand.

We are executing. In 2014, we grew industrial earnings per share by 10%, and in the first quarter of '15, grew by 14%. We continue to deliver solid organic growth and margin expansion. We finished last year with cash flow of over $15 billion, while returning $11 billion to you in dividends and buyback.

Meanwhile, we continue to invest $15 billion each year in new products, new factories, new systems and new companies. And for 2015, we're on track for industrial earnings per share of $1.10 to $1.20, up substantially from 2014.

Since our last meeting, we announced some significant changes to the G.E. portfolio. We plan to acquire Alstom, a European engineering leader, an excellent complement for our power and grid business. This investment will generate an excellent return.

And we announced the sale of our appliance business to Electrolux, and this allows us to focus on our core strengths and should also benefit our employees and customers.

Two weeks ago, we announced a significant strategic change for G.E. Capital. In the future, we'll focus only on financing businesses connected to G.E.'s industrial markets and sell the remainder of G.E. Capital. We've already achieved a large part of this goal through the Synchrony split and the sale of our commercial real estate business.

Executing this plan should allow us to deliver $90 billion in dividends and buyback over the next few years.

Going forward, every piece of G.E. creates value for the G.E. store. The G.E. store leverages our broad horizontal strength in technology, globalization, services and shared processes. Our collective intellect makes G.E. more valuable to investors. And you should see this in expanding growth, margins, and returns.

Improving and sustaining execution requires running the company differently. We're in the midst of a culture change that's redefining the way we make decisions, work together, align with customers and hold ourselves accountable.

We're focusing on speed, efficiency, and market impact, calling this the culture of simplification. We already see that this is helping us drive better operating performance.

As we continue to change, we won't lose touch with the values that have made G.E. And there's really five core G.E. beliefs. Customers determine our success, this is a statement of fact. Great teams win in the market. Stay lean to go fast, scarcity drives teamwork. We're driven by purpose, not bureaucracy. Learn, adapt and win; good companies make mistakes quickly, but they learn and adjust, and winning has to be our goal.

Empower, inspire each other. The days of centralized command are in the past. Our teams have the expertise to accept empowerment and drive results. And deliver results in an uncertain world, this is our commitment to you. G.E. beliefs drive performance and shape careers.

As investors, you can see the big changes in portfolio, our product launches. You can't always see how we run the company day to day. And the fact is, we think very differently about business leadership today.

We have the ambition to lead the next generation of industrial progress. We're a different company, a deeply interconnected one, a company in motion, a company well-positioned to seize this moment and lead the future.

Now, to our order of business. I'm advised that this meeting is properly convened, that we have a quorum and that the proposed resolutions presented in the proxy statement are filed as part of these proceedings.

We've received proxies representing over 75% of the 10 billion outstanding shares eligible to vote. And the management proxy committee has voted these shares in accordance with share owner wishes.

It's now my privilege to introduce the director nominees and members of your board of directors who are here with us today. And I'm going to ask the directors to stand briefly as I introduce them, so you can see who they are.

Sandy Warner, former chair of the board of JPMorgan Chase and director since 1992. Sandy is chairman of the audit committee. Jim Cash, emeritus, James E. Robison professor of business administration, the Harvard Business School, a director since 1997. Andrea Jung, president and chief executive officer of Grameen America, a director since 1998. Shelly Lazarus, chairman emeritus of Ogilvy and Mather, a director since 2000. Shelly is chair of the governance and public affairs committee. Bob Swieringa, former dean, Johnson Graduate School of Management, Cornell University, a director since 2002. Bob Lane, former chairman and CEO of Deere, a director since 2005. Jim Mulva, former chairman and chief executive officer, ConocoPhillips, a director since 2008. Geoff Beattie, former chief executive officer of the Woodbridge Company, a director since 2009. Geoff is chairman of the risk committee. Jim Tisch, chairman and executive officer, Loews Corporation, a director since 2010. Marijn Dekkers, chairman of the management board of Bayer, a director since 2012. Jack Brennan, chairman emeritus and senior adviser of Vanguard, a director since 2012. Jack is our lead director and chair of the management development and compensation committee. Frank D'Souza, chief executive officer, Cognizant, a director since 2013. Mary Schapiro, vice chair of the advisory board, Promontory Financial Group and former chairman, SEC, a director since 2013. And Jim Rohr, executive chair and former chief executive, PNC Financial, a director since 2013.

I would like to acknowledge one director who's not standing for reelection, Ann Fudge, who is not with us here today. Ann has been a director for 16 years, and we'll always remember her wisdom and judgment, and we'll miss Ann.

I'd also like to ask Dan Heintzelman, John Rice and Keith Sherin to stand briefly. They are vice chairmen of G.E. And I'd like to give our board a round of applause, please, on behalf of the investors.

And now, on to the second item on the agenda, our report on company operations. I'll ask Jeff Bornstein, our CFO, to help us go through the company. Jeff, why don't you start and then I'll finish.

Jeff Bornstein - ***General Electric - SVP, CFO***

Great. Thanks, Jeff.

So, there's a lot going on in the world. The world continues to be a slow-growth environment with lots of volatility. Some things are better. The U.S. economy seems to get slightly better each successive quarter.

The underpinnings of a lot of our big segments, in the case of air and rail travel and transportation, are very strong globally. And in the U.S., our health care business gets stronger each of the last three quarters, and we feel really good about the demand there, and that's improving dramatically.

Many things are as they were. Europe continues to be slow growth. Mining still continues to be very challenged. And China is growing at 6% or 7% GDP. Some things are tougher. Oil and Gas has definitely put a challenge on the oil and gas industry. It's had our customers rethink their CapEx spending. We think we have a great plan and a great business in our Oil and Gas business, but that's definitely a headwind we're working with. And then foreign exchange has introduced more volatility into the world, particularly as the euro has devalued versus the dollar. Having said all of that, we think we have a great set of industrial franchises and service businesses, and we have the tools to grow, even in this environment.

So I just thought I'd just recap quickly our 2014 performance, and particularly versus what we told investors we would do. So, in industrial segment growth, we committed to grow operating earnings 10%. We did that. We said we'd grow organically 4% to 7% on revenue. We grew 7%. We said we'd improve operating margins 50 basis points. We did that. We said we'd return more than $10 billion to shareholders with dividends and buybacks, and we delivered $11 billion.

And then, at that point in time, we talked about reshaping the company, 75% industrial, 25% financial services over time, and I'll come back to that, because we've pivoted on that strategy here recently.

Just a few key indicators on the right, to give you a sense of the strength of the company. Our backlog grew last year to more than $260 billion of future revenue. Cash and liquidity of the company is very, very strong. The dividend is very attractive.

And then the big initiatives that we've had that have driven the growth in company, despite the low growth and volatility in the world. Globalization, very strong. Our service franchise, very strong. And we continue to reinvest in the business in both new products, new capability, through our research and development, and remaking the cost structure of the company to both improve profitability and improve the competitiveness of our business and products.

Here's just a quick look at our industrial earnings over the last several years. In '14 we delivered $0.96 a share of industrial earnings. That was up 10%, as Jeff mentioned.

Our plan this year is $1.10 to $1.20. That would be up roughly 20% year over year, so very strong. So we think we've got a set of industrial franchises relative to our peers that have a very good growth trajectory over the next few years. And I'll come back to that in a moment.

Two Fridays ago, we announced to the world that we're taking a different tack with G.E. Capital, that we were going to refocus G.E. Capital down to its core, vertical companies that complement our industrial companies, our aviation leasing business and our aviation jet engine business, energy finance and our health care businesses.

In that process, we're going to reduce the investment in G.E. Capital from just under $400 billion at the end of 2014 to less than $100 billion in 2017, 2018. And the businesses that you'll be left with will be those businesses that are synergistically aligned to our industrial businesses and provide real competitive advantage, and importantly, from a capital allocation perspective, generate a return that's well in excess of our cost of capital. And that's what you see on the right side of the page.

We arrived here for a number of different reasons. One is, it's obvious to us from a capital allocation perspective that going forward from a wholesale-funded finance company is not going to be in a position to return -- generate a return on capital that's attractive to shareholders. And we want to get that capital back and redeployed to shareholders and to reinvest in our businesses.

We've also seen several proof points, including Synchrony, our credit card business in the U.S., which we IPO'd in 2014, our sale recently of Australia consumer business, that many of our assets are more valuable outside the company than they're being valued inside the company by shareholders.

Third, this is probably the most attractive financial service market to be a seller of assets in recent memory. Interest rates are virtually zero in the U.S. and Europe. There's enormous amounts of liquidity around the world. And banks and investment funds are raising enormous amounts of capital with very few options to put that capital to work.

So we think the timing is absolutely right to maximize value for investors. And we have more clarity now regulatorily on the off ramp from de-designated from being a systemically important financial institution. And we've got an approach that we think is shareholder friendly, allows us to execute this with a level of purchasing cost that we think is plausible for shareholders. And over time, as Keith Sherin and the team execute this plan, we see an opportunity to return about $35 billion of capital from GE Capital back to the company, and ultimately, back to you.

So between now and 2018, our view is, we can deliver $90 billion plus back to shareholder, and we'll do that a number of different ways. One is through the dividends. We are very focused and supportive of the dividend. It's one of our single biggest priorities.

We plan for the dividend to remain where it is today, probably through 2016. We expect it from there to grow as earnings grow into the future.

Soon, hopefully at the end of the year, we will finalize the split-off from our credit card business to shareholders. It'll act like a buy-back. We think that'll reduce the share count in GE and return $20 billion of capital to shareholders. And that is, Keith and the team, deliver against the plan to shrink GE Capital and return $35 billion of capital back to GE. It gives us the opportunity with the buy-back to retire between a 1 billion to 1.5 billion shares of GE stock outstanding. And I'll show you in a moment, we think that creates real value for the company.

And then lastly, we'll be opportunistic around M&A where we see opportunities to enhance our industrial franchises. And we can do it at really attractive returns for shareholders. We'll be opportunistic around bolt-on acquisitions as the opportunities present themselves.

So here' a little bit of a walk that we shared with investors two weeks ago, on kind of how you go from where we thought we'd be this year to where we think we're going to be in 2018.

We told investors we thought we'd earn $1.70 to $1.80 in 2015, $0.60 of that coming from GE Capital. Once we effect the exchange of our credit card business, Synchrony, we'll lose $0.17 a share of earnings. We'll get back $0.10 as we withdraw our roughly $20 billion worth of shares.

And then in the plan that Keith and the team are executing, where we shrink GE Capital to just the core, return $35 billion of excess capital, and we use those proceeds to buy back the company stock, we'll lose $0.25 a share of earnings from GE Capital from those businesses we sold, but we'll get $0.25 back in accretion with a lower share count outstanding.

And then it's about our industrial businesses growing at high single digits, low single -- low double digits over the next three years through 2018. And where we end up is exactly where we otherwise thought we would be in 2018 from an EPS perspective. But instead of being there with a 75% industrial company mix and 25% financial services, we'll be greater than 90% high valued industrial earnings and less than 10% financial services. We think that's enormously more value-creating for investors. And it's a significant de-risking of enterprise risk, we think, for the company.

So, before I turn it back to Jeff, I just wanted to give you a quick recap on the first quarter. We got off to a good start. We earned $0.31 before the charges associated with GE Capital. That was better than consensus. We grew organically 3% in the quarter despite all the volatility you see in the world. And we delivered 120 basis points of margin improvement versus last year.

So with that, I'll turn it back to Jeff.

Jeff Immelt - ***General Electric - CEO***

Great, Jeff. Thanks. And that's where our financially -- I thought I'd just give you a brief update on some of the technologies and innovations we're driving as a company.

I always think about GE in three ways. A purposeful company. We compete in some of the big infrastructure markets around the world to -- to really make the world a more productive place. A valuable company -- all the things Jeff talked about in terms of the ways we create shareholder value. We return capital back to you and grow our company.

And then a competitive company. We were out there every day competing in every country around the world. And we do that with technology, with driving new innovations. The diversity of our portfolio. And so when you think about the company you own, I think about it as purposeful, valuable and competitive as the three key words for the company.

Well, Jeff mentioned we made some portfolio changes. We made some investments last year. We announced a big acquisition, a global franchise called Alstom, which will help our -- both our power business and our grid business, and dramatically grow our install base and help us grow around the world.

And we announced the sale of our appliance business to Electrolux. This is a 100-year GE franchise, but we think the combination of Electrolux and GE will be better in the future, better for our employees, better for our customers.

And so these are the kind of moves we make around the portfolio to strengthen it and help us grow in the future.

You heard Jeff talk a little bit about what we call the GE Store. And, you know, we're a multi-business company. And so what we try to do across the company is share intellect and ideas from one division to another. So we do that in technology, we do that in globalization, we do that in services.

So we have technology from Healthcare that we use in the Aviation business. We have service shops in Energy that the Aviation business also uses. And so we're constantly trying to make the company better by sharing ideas in what we call the GE Store. It's the reason why GE really makes sense as a -- as a combined entity.

Technology is always core to your company. The H turbine is the most efficient gas turbine in the world that we've launched this year.

The LEAP engine will go on Boeing 737s and Air Bus A320s. These two products to the top in their life -- these would be $100 billion products over their lifetime. It's quite astounding, some of the things the company can do.

The Tier 4 Locomotive is the fastest selling, best locomotive on the rails today. And -- and the PET/MR is a great GE product in Healthcare that allows us to spot disease earlier and treat it more effectively. So technology remains key to your company.

We are quite a global company. We compete in 175 countries around the world. Alstom helps us grow our global franchise. We're $60 billion in the growth markets, emerging markets around the world. The whole company was $20 billion in revenue the year I joined in 1982. So today globally, we're multitudes of that. And we're big exporters. So we export $21 billion every year from the U.S. globally. We're net exporter in almost every country around the world. So we're out there fighting for business and winning business each and every day. So globalization is key.

The installed base is very valuable -- what we call services. This is almost $50 billion of revenue -- high margin. And these are the ways that we upgrade jet engines and gas turbines and scanners to make them more valuable for our customers. And we're working very hard to create a more valuable installed base and grow our service business. And this has immense value to the people in this room in terms of the overall valuation of the company and where we're going.

One of the new things that we're doing is, GE is investing in analytics and software. So all of us grew up industrially. For 100 -- more than 100 years, we've been a company that's based on physics and mechanical engineering and electrical engineering. In the next decades, we're going to be -- it's going to be more important for us to be around software and analytics -- some of the things you see or read about in the newspaper -- to drive better outcomes for our customers. And the work we're doing around software and analytics is about $6 billion each year. And some of the key customers that you might see every day -- Norfolk Southern or E.ON doing wind turbines in the United States. This is really critical to the company in terms of long-term strategy and where we're -- where we're going.

It's always important to be efficient. We -- basically, our cost base is about $100 billion. We also have $60 billion of investment. And when we talk about margins and returns, this is the way we can make your company more valuable. So we're really working hard to lower our product cost, to run -- run our business more efficiently. And that shows up in margins. So we've cut our structural costs down to about 12%. We've taken multiple billion dollars of cost out. And what's called gross margins is really the value of taking cost out of our products.

So we continue to grow our margins with a target of getting 17% margins over time. And our returns are also heading toward 17%. So these are the things that the mass of our investors appreciate. And they want us to run the company efficiently and run it well. And you see that in the work we're doing here.

Just a last couple thoughts really about the company -- the culture of the company to drive what we call lean management, digitization. Focus on customers. Making speed a bigger part of what we're doing. I think as we've done this, we've really achieved a lower cost company. We've cut out a lot of layers and steps and processes. A smarter and faster company to -- to improve our speed to market on products. That H turbine I showed you -- we got that to market in two and a half years. Its predecessor took us seven years to get it to market.

So that's one of the ways we can help be more competitive.

Driving market share, winning in the marketplace -- our market shares are backlogged, so they've never been higher than they are today. And, again, driven by beliefs. Customers determine our success, stay lean to go fast, deliver results in an uncertain world. These are all things that are -- that are important.

Now, I always think it's important for the leadership of the team to be aligned with investors. And when you talk about the way I'm compensated, the people in this room are compensated, the way our leaders are compensated -- it's directly based on the metrics Jeff showed you earlier. So we basically take the things that are important to our investors. We put those into our compensation plan so that we're completely aligned on cash flow, operating profit -- the things that ought to be consistent with a more valuable company. And we're all kind of in this together. So we all have skin the game in terms of the compensation and the way we think about running the company in the future.

I always know it's important to a lot of the groups in here about pension and health care. And this just shows over the years, the company basically has about a $6 billion headwind as it pertains to pension expense, health care cost -- things like that. That's grown dramatically since the year 2000.

We always want our pension plan to be strong and supported, and it's that way today. And it'll always be that way. But we've constantly evolved our strategies around health care, and provided more alternatives this year in the post-65 health care to take advantage with some of the things that are going on in the government around health care exchanges and try to leverage a much bigger purchasing pool.

We're going to continue to contribute and access to one exchange. But these are the kind of changes that every company in the world is making and we will continue to try to drive the company and make it more competitive. There's a lot of constituencies, as it pertains to the company and we need to make sure that we're running the company for the long term. We're always going to stay contemporary in the things we do.

Lastly, in terms of just what Jeff shows, how do you get a higher-value company it's more industrial? It's returning cash to investors. It's growing our industrial EPS ahead of our peers, which we planned to do. It's leading in the big-growth themes. It's expanding margins and returns. It's an accountable team.

In the past five years, we've basically tracked the S&P 500. Last year, we trailed. Year-to-date this year, we're ahead. And we think with the moves we've made around the portfolio, the backlogs, the strategy, the activities we got going in the company, we think the profile for the company going forward is quite strong. So that's just a little update on the company.

And now let's go to the rest of the agenda. Let's move on to a discussion of voting matters set forth in the proxy statement. The independent inspectors of election for this year's meeting or the representatives of IBS associates, the inspectors have taken the Oath of Office required by law and have been at work since the proxies started coming in.

If you've already voted by proxy, there's no need to vote by ballot today, unless you would like to change your vote. You will find a ballot on your seat. We'll take up the election of directors and management proposals first. After the election of directors and management proposals are introduced, there'll be an opportunity for discussion. And then after the shareholder proposals are introduced, there'll be a chance to discuss those. There'll be time later in the meeting for a discussion on other business matters. But first, we want to address the items that are presented in the proxy statement.

The first item is the election of directors. I have placed before the meeting the service directors for the coming year. There's 16 individuals whose names and their biographies appear on pages 2 through 7 of the proxy statement. Each of these nominees has received the overwhelming majority of the 8 billion shares voted by proxy.

Next on the agenda is the proposal to approve our named executives' compensation. Your board of directors recommends the vote for the approval of our named executives' compensation.

And then lastly, is the ratification of KPMG as independent auditors for '15. We have with us today Bill O'Mara and Larry Bradley, the KPMG partner responsible for the GE audit. And they're available after the meeting to respond to appropriate questions. Your board of directors recommends a vote for the ratification of KPMG as independent auditors.

So those are the management proposals. Is there any discussion? Bill, let's start with you. Good morning.

Bill Freeda ***Shareholder***

Good morning, fellow shareholders. My name is Bill Freeda and I'm here to tell you that I am voting against Jeff Immelt and the members of the Management Development and Compensation Committee. That is John J. Brennan, chairman, lead director. James I. Cash, Marge E. Deckers, Andrea Jung, Robert W. Lane and Douglas A. Warner, III. And I would like to urge all of you to do the same. It has always been my understanding that a CEO's compensation was based on performance.

Let's examine Mr. Immelt's performance during 2014. On January 2, 2014, our stock price was $27.86. And on December 31st, it stood at $25.42, a decline of almost 10%. But, let's be fair, we should take into account the generous $0.01 increase in the dividend. In all, Mr. Immelt's salary and cash bonus increased 8%. And his total 2014 compensation nearly doubled to $37.5 million.

Much of his increase came from a big jump in his supplementary pension from $52 million to more than $70 million. It does make you wonder what the board would have granted Mr. Immelt, had he been successful in 2014. I know the board says Mr. Immelt has met all the company's goals, but is it possible the company's goals for 2014 were to have our stock price decline 10% and increase the dividend by a mere $0.01? I very much doubt it.

So my question to the board of directors is, with all due respect, have you all lost your minds? GE executives bending terms around like cash flow from operating activities, operating margin, organic growth, in an attempt to justify their inflated compensation packages. When, in fact, the only term that really matters to shareowners is ROI, Return on Investment. And there can be no doubt that when it comes to ROI, Mr. Immelt has been a colossal failure during his tenure as CEO. Yet the Board of Directors bestows great praise and greater riches on him.

What makes Mr. Immelt's more than 30% increase in his supplementary pension even more egregious is that it was granted against the background of GE's all but eliminating the company's post-65 retirement benefits for tens of thousands of long-tenured GE retirees on January 1st of this year.

So I ask the members of the Board, how is it possible that a group of intelligent and accomplished men and women like you can be so totally tone deaf and disrespectful to the men and women who built this company? Though some may differ, it my belief that the Board of Directors was not given all the facts before a vote was taken on this issue.

Did all or any of you do your due diligence? Let us revisit this issue of post-65 retirement benefits. Did you know that beginning January 1, 2005 newly hired GE employees would no longer be eligible for these plans? Therefore, guaranteeing a slow, but steady decline and eventual elimination of these benefits? Did you know that the program has four components, two of which are paid entirely by the participants in the plan? Did you know that the course of GE retiree health care, including prescription drugs, has been declining in recent years? Did you know that by forcing us to move from the GE plans to individual Medigap plans, retirees may be declined coverage due to pre-existing conditions if they to switch to another Medigap plan in the future.

If the answer to any of these questions is "no," you should be asking Mr. Immelt and his surrogates why. Based on these factors, what was the urgency for Mr. Immelt to terminate these longstanding and long-promised plans. I can only come to one conclusion. Mr. Immelt does not feel retirees are dying fast enough.

As I stand here today, a day before my 75th birthday I can assure you, Mr. Immelt, that as you get older, you may look back on your career to see what impact you have made in peoples' lives. During that reflection, I hope you will finally realize the damage you have caused tens of thousands of GE employees, retirees and their families, all members of the GE family, by making them scapegoats for your inability to increase the return on investment to GE's shareowners. In closing, I would ask all the GE retirees who are here today to stand. And join me -- and join me in turning their backs on Jeff Immelt, because that is exactly what he has done to us.

Jeff Immelt *- General Electric - CEO*

Great, Bill. Thank you. And now we'll move on to shareowner proposals to be sure that all of the proponents have an opportunity to present their proposals today, we ask that the presenters combine their comments during this portion of the meeting to the subject matter of the proposal being presented. And we ask that other speakers wait until all sharing of proposals represented before providing their comments. We'll have an opportunity for discussion of other matters, after we finish the balloting and report of inspectors of election on the voting results.

So the first proposal is on cumulative voting. And I would like to ask Mr. Harangozo to speak with us today. Hi, Martin. Good morning.

Martin Harangozo ***Shareholder***

Good morning. My name is Martin Harangozo. I am grateful and excited to be a shareholder. I love this company, people and products. I care enough to raise my hand, to stand and to speak. This year marks my 25th year as a shareholder. I hope to be a shareholder for another 50 years. As a shareholder, I am just a baby, a resilient baby. This proposal is my first on that was not challenged many times by a corporate counsel and outside council Gibson Dunn.

As an engineer, I prevailed at each of your legal challenges confirming something Warren Buffet had said, that is smart people can do anything. Mr. Immelt, I believe that you and I should sit on the same side of the table.

Cumulative voting is recommended by Warren Buffet's Investment mentor, the Late Benjamin Graham in the book, "Security Analysis", a book he co-authored by Colombia colleague David Dodd. Nazi concentration camp survivor Evelyn Davis placed his proposal on the GE proxy many times in previous years.

I am honored and humbled to stand on the shoulders of great minds and great people in presenting this cumulative voting proposal. Cumulative voting gives shareholders a company with more distinction capability in director elections. Directors provide oversight to the company on behalf of the shareholders.

Oversight matters of interest to me are transparency and sustainability. I find the best transparency is a generous dividend to show that the earnings are, indeed, tangible. The best show of sustainability is the removal of debt. Academically, it is well-understood that there are taxes on dividends. And there is an opportunity cost when you can borrow money at, for example, 1%, loan it at 11% to enjoy a double-digit spread.

Real-life examples, however, can steer us to financial success. When Apple announced that it was debt-free, the stock was about an adjusted $1.60. Today it did 75 times that. I'd like 75x growth better than breaking promises to retirees. Trusted work by Benjamin Graham in the book "The Intelligent Investor" show that generous dividends stabilize the company whereas share buybacks drive volatility. A generous dividend focuses the company, loads the company and exercises the company to reduce the risk of financial obesity.

Dow companies with a fraction of the debt-to-earnings that we have, such as Apple, Johnson & Johnson, Walmart, McDonald's, did not have price drops of 90%. They did not cut the dividend. Their performance is nearly a straight line onward and upward. These examples show that low debt and generous dividends go hand in hand. The sustainability of low debt drives the transparency of uninterrupted dividends.

Forbes 2000 showed former CEO Mr. Welch to be among the richest people, at nearly $700 million. Soon after, shareholders lose over $500 billion in valuation. For every dollar to make Welch the richest, shareholders lose nearly $1,000. I believe you can agree with me that if CEO performance was perfectly correlated to the dividend, both during employment as well as from retirement to heaven, we hope, the company would've been managed better for the shareholders instead of at the expense of the shareholders, still biased nearly $1,000 to $1.

Debt and shareholder buybacks drive volatility in both price and dividends, making CEOs very rich, but leaving shareholders very poor. The growing of dividends and the removal of debt are the hallmarks of Dow companies performing much better than us.

While transparency and sustainability, as demonstrated by dividends and low debt, are oversight matters of interest to me, I know there are other matters of interest to other shareholders. I urge all shareholders to vote for cumulative voting shareholder proposal number one.

Jeff Immelt - *General Electric - CEO*

Thank you, Martin. Proposals number two and number five, number two is on written consent, and number five is on limit equity investing, are going to be offered this morning by Olivia Gray. Is Olivia here? Hi, good morning.

Olivia Gray *Representative*

Good morning. Shareowner proposal two, right to act by written consent, sponsored by William Steiner of Piermont, New York, resolved. Shareholders requested our board of directors undertake such steps as may be necessary to permit written consent by shareholders entitled to task the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote thereon were present and voting.

This written consent is to be consistent with getting shareholders the fullest power to act by written consent in accordance with applicable law. This includes shareholder ability to initiate any topic for written consent, consistent with the applicable law.

This proposal topic won majority shareholder support at 13 major companies in a single year. This included 67% support at both Allstate and Sprint. Please vote to protect shareholder value right to act by written consent proposal number two.

Shareowner proposal number five, limit accelerated executive pay, sponsored by Kenneth Steiner of Great Neck, New York. Resolved.

Shareholders ask our board of directors to adopt a policy in the event of a change in control. There shall be no acceleration of vesting of any equity award granted to any senior executive provided however that our board executive pay committee may be provided in an applicable grant or purchase agreement that any unvested award will vest on a partial, pro rata basis up to the time of the senior's executive termination, which sets qualifications for an award as the committee may determine.

For purposes of this policy, equity award means an award granted under an equity incentive plan as defined in item number 402 of the SEC's regulation S-K, which addresses executive pay. This resolution shall be implemented so as to not effect any contractual rights in existence on the date this proposal is adopted.

The vesting of this equity pay over a period of time is intended to promote long term improvements in performance. The link between executive pay and long term performance can be broken as such pay is made on an accelerated schedule, accelerated equity vesting allows executives to realize pay opportunities without necessarily having earned them through strong performance. Please vote to -- sorry. Please vote to protect shareholder value. Limit accelerated executive pay proposal number five.

Jeff Immelt - *General Electric - CEO*

Great, thank you, Miss Gray.

Olivia Gray *Representative*

Thank you.

Jeff Immelt - *General Electric - CEO*

Proposal number three, I think would be offered today by Mr. Tim Roberts. Is -- is Tim here? Good morning.

Tim Roberts *Shareholder*

Good morning. Mr. Galeson requested me to present his proposal. The objective of this presentation is to give shareholders a company more incentivized towards price stability and growth. From 2001, the market is up over 50%. Yet we are down nearly 50% ending 2014. We have learned that among the largest six sigma initiatives and the most rigorous succession plans do not prevent protective dividends to be nearly eliminated, share price to fall to one tenth, or promised benefits to retirees cut.

Clearly there is no man or method that can replace sound financial practices.

Dow companies such as Walmart, Johnson & Johnson, and McDonald's did not interrupt dividend increases, nor did their earnings drop, nor did their price drop. Their performance is nearly a straight line onward and upward. So, what does a retailer, a bandaid maker, and a burger maker know and do so differently as to be growing when we are sinking?

Value Line Dow 30 free website shows the total debt of these companies. If you look at the total debt to earnings, we see that Johnson & Johnson has a debt to earnings of less than one. In other words, they earn more in a year than they have of debt. McDonald's has $3.22 of debt for each dollar of earnings. WalMart has $3.34 of debt for each dollar of earnings. Dow valuation champion Apple also has less than a dollar of debt for each dollar of earnings.

Each of these companies has an A++ financial rating according to Value Line.

General Electric has more than $19 of debt for each dollar of earnings. Our financial grade is three grades below the companies mentioned with good performance.

Why as the oldest Dow company, are we at G.E. among the financially weakest? Why do we not strive to become the financially strongest Dow company and set yet new standards for financial strength?

Japanese company Kongo Gumi, mentioned in a G.E. 2013 shareholder proposal, showed that companies over 1,000 years old can easily slip into bankruptcy when they take on high levels of debt.

I believe removing the company's debt will be G.E.'s smartest move, second only to Edison's lightbulb.

First it will nearly ensure that we stay alive. Secondly, it will remove the recklessness that make our CEOs very rich, leaving the risk and financial disaster to shareholders.

Former CEO Jack Welch, an engineer, claimed the real money is in capital. Mr. Immelt, a business major, wants to grow manufacturing. The grass seems greener on the other side. I see ancient business history and current business examples hitting us over the head and telling us that the devil is in our debt.

Although there may be a method to the madness. The volatility of performance driven by debt and share buybacks makes the shareholder poor, but the CEO very, very rich. Jeff Immelt for example sold his shares at over $57 near the all-time high, and repurchased below $9 during the price collapse.

This money gained more for him than if the G.E. stock price today were at $100, but grown in a straight line. As the CEO, he hears the canary in the mine, and bails out and reloads while the shareholders are left holding the bag.

It is great for the CEO to get rich from the G.E. price swings when he is pushing the swing in conjunction with getting $40 million for dropping the price 10%.

Retirees who do not get nearly $40 million when the G.E. stock price drops 10%, are more inclined to pursue the steady growth initiatives mentioned above.

I urge all shareholders to vote for employing a retiree as a director shareholder, as in proposal number three, and correspond with management starting each sentence with four words, and ending each sentence with four words.

The beginning and ending four words are, "Show me the debt," and "Take the debt to zero."

Jeff Immelt - ***General Electric - CEO***

Great, thank you.

Tim Roberts ***Shareholder***

Thank you.

Jeff Immelt - ***General Electric - CEO***

I understand that on proposal number four, the Holy Land principles were to be offered by Father Sean McManus and Barbara Flaherty. I don't believe they're here this morning. There we go. Please. Yes sir.

Father Sean McManus ***Representative***

Good morning Mr. Chairman, and everybody present.

My name is Father Sean McManus from Washington, D.C., and I rise to move resolution number four on the Holy Land principles. The Holy Land principles are pro-Jewish, pro-Palestinian, and pro-company. The principles do not call for quotas, reverse discrimination, divestment, disinvestment, or boycotts. The principles do not take any position on solutions to the Palestinian-Israeli issue. The principles do not try to tell the Palestinians or the Israelis what to do.

The Holy Land principles only call for fair employment by American companies in Palestine-Israel. That and only that.

Irrespective of what Americans think about the Palestinian-Israeli issue, one thing is certain. Americans expect American companies in the Holy Land to practice fair employment.

Our resolution calls on G.E. to set the standard by signing and implementing the Holy Land principles which are based on the very effective McBride principles for Northern Ireland.

Initially, American companies resisted the McBride principles, but now 116 American companies, including G.E., including G.E., have signed the McBride principles. So now, why would an American company refuse to sign the Holy Land principles?

G.E. tried to get the SEC to exclude this resolution, but the SEC ruled in favor of the Holy Land principles. Therefore, you will all know that the Holy Land principles are intrinsically valid, inherently fair and reasonable, and in the best American tradition.

This is a historic moment in that this is the first time ever an American company is voting on the Holy Land principles. Please, I ask you, vote for the Holy Land principles resolution. It is the American way. And God bless America. And thank you.

QUESTION AND ANSWER

Jeff Immelt - ***General Electric - CEO***

Thank you, sir. Thank you, Father.

And now we have time for some other questions on the five proposals that were offered, so I would welcome people, if they have questions, to ask them now. Kevin, good morning.

Kevin Mahar ***Retiree***

Good morning, again.

My name is Kevin Mahar, M-A-H-A-R. I'm a retiree of G.E.

There was another issue that is in your proxy, and it's called the director nominees for inclusion in next year's proxy statement, proxy access.

We recently amended our bylaws to permit a group of share owners, up to 20, who have owned a significant amount of G.E. stock, at least 3%, for a significant period of time, at least three years, the ability to submit director nominees, up to 20% of the board, for inclusion in our proxy statement. That's -- and that's already been adopted.

You should know, as share owners, that that was tried to be excluded by General Electric Company. You'd have to look and see the amount of paper that was sent to me by the law firm of Gibson and Dunn. I didn't know Father Sean had probably the same kind of an ordeal that I had.

But, let me tell you, I thought about that a lot. I don't know what the amount of money it cost us as share owners to have that try to be excluded, and then have the company turn around and include it, OK?

They changed the bylaws. But the amount of money that was spent, our money, from the share owners, that was spent on that law firm must have been very, very substantial, because I couldn't get over the amount of paper that they did.

And I thought about that a little bit. And, of course, thinking of what they paid for Gibson and Dunn for this to be excluded and for Father Sean's to be excluded, what should have been done with that money is the retirees that have been retired for 10 or more years, if they had 2% increase in the amount of time that they are retired, it would be a great increase to them, for those that are getting -- and it might even include your own father might have been for more than 10 years.

And we really need to do that, because the retirees are really getting hurt out there this year and going forward. But that's what I'd propose that you do, have an increase of 2% for every year that you've been retired after a period of time. Thank you.

Jeff Immelt - ***General Electric - CEO***

Kevin, thanks. I'm glad your hip's doing better. So let's move on to agenda item number four, balloting. Remember, we'll provide an opportunity for discussion on other business matters in a few minutes, but balloting on the items in the proxy statement comes first. You'll find a ballot on your seat. If you have a ballot ready to turn in, please hold it up. And I'll ask the ushers to collect it.

So, ballots collected in this meeting will be reflected in the final vote results, so let's move on. I believe the inspectors of election are ready to announce the outcome of the voting. So let's go to the inspectors' report. Mr. Michael Barbera of I.B.S. Associates will be presenting the report of the inspectors.

Mr. Barbera, do you have a report for us?

Michael Barbera - ***IBS Associates - Inspector of Elections***

Yes, Mr. Chairman.

The inspectors of election have completed an initial count of the votes cast at this meeting in person or by proxy. Proxies representing approximately 7,720,000,000 shares, or 76.7% of the total shares eligible to vote were received. Other shares have been voted at this meeting by ballot or by proxy.

On the basis of our initial count, the inspectors of election announce the following results.

On the election of directors, each director received at least 5.1 billion favorable votes, and all nominees have been elected.

The management proposal on the advisory approval of our named executives' compensation, for, 92.1 of shares voted; against, 7.9%.

On the ratification of KPMG as independent auditor for 2015, for, 97.6%; against, 2.4%.

Regarding the shareholders proposals, number one, cumulative voting, for, 10.8%; against, 89.2%. Written consent, for, 12.1%; against, 87.9%. One director from ranks of retirees, for, 3.2% of shares voted; against, 96.8%. The Holy Land principles, for, 3.1% of shares voted; against, 96.9%. Limit equity vesting upon change in control, for, 40.7% of shares voted; against, 59.3%.

Mr. Chairman, this initial tally is subject to verification, and the final tabulation may reflect small changes in the vote I have announced. The final tabulation will be set forth in the formal report of the inspectors of election to the secretary of the company, which will be made after the count has been verified. This concludes our report.

Jeff Immelt - ***General Electric - CEO***

Thanks. So that's the formal business. We now turn to agenda item number 6, which opens up again a chance to ask questions. We've heard comments on the proposals raised today, and we have a chance for other shareowners, who have not spoken, to get a chance to discuss matters that may be on their mind.

So if you wish to speak, please come to one of the microphones. And please remember to give us your name when you're recognized. So, microphone number 1, yes, sir?

Julian Martinez - ***SER Jobs for Progress National, Inc. - Director***

OK, thank you, Mr. Chairman. My name is Julian Martinez, and I represent SER Jobs for Progress National, Inc.

SER is a 501c3 not-for-profit corporation serving the workforce needs of Hispanic Americans. We were organized in 1964 by the League of United Latin American Citizens and the American GI Forum.

I would like to speak briefly about G.E. and the Hispanic community and the incredible growth of the Hispanic population in our country. I would like to thank you for participating in the Hispanic Association on Corporate Responsibility annual survey.

The survey indicates G.E. has continued to improve its efforts in working with the Latino community. G.E.'s participation in Hispanic Forum scholarship awards and on SER's Young Hispanic Corporate Achievers program is a testament to G.E.'s commitment.

What is lacking, however, is a Latino member on your board of directors and a Latino as part of your senior management team. As you may know, the Hispanic population has been increasing dramatically in the U.S. One out of four children are now Latino. And the number of Latino-owned businesses has grown 44% in a five-year period, as compared to 15% for non-Latino firms.

The combined Latino population of the U.S. is greater than the total population of Canada and any Latin American country, except Mexico and Brazil. It would be the world's 14th largest economy.

G.E. must harness the power of the Hispanic consumer and employee as a means of sustaining their competitive edge. The continued under-representation of Hispanics in key positions throughout corporate America means companies are not leveraging this talent to their fullest potential.

SER National would welcome an opportunity to partner with General Electric to increase the pipeline of Hispanics into the upper ranks of corporate America and to further develop the Hispanic entrepreneur and middle class. Thank you for allowing me this opportunity.

Jeff Immelt - ***General Electric - CEO***

Thank you. Microphone number two, yes, sir?

Reverend John Mitchell - ***VOICE - Representative***

Good morning. My name is Reverend John Mitchell. I'm representing Pastor Keith Savage of First Baptist Church Manassas with VOICE.

Deana Snow - ***VOICE - Representative***

Good morning. I'm Deana Snow, and I'm representing Reverend Clyde W. Ellis, III, from Woodbridge, Virginia. And I am also a representative of VOICE.

Mike Wilson - ***VOICE - Representative***

Mr. Immelt, I am Mike Wilson, a faith leader for VOICE, Virginians Organized for Interfaith Community Engagement and an Industrial Areas Foundation affiliate.

On October 17th, 2012, you met with Reverend Ellis, Reverend Savage and me in your Fairfield office to discuss the foreclosure disaster in Prince William County, Virginia. During that meeting, you pledged financial support to restore our neighborhoods.

Now, two and a half years later, we are here to commend G.E. for following through on their initial $1 million grant. And we look forward to working with G.E. in the future.

Now, Mr. Immelt, during the next year, as do rehab, we're asking you to come visit our neighborhoods. And will you do that?

Jeff Immelt *- General Electric - CEO*

Thank you for the invitation. And let me see what we can do. Thanks. Microphone number 1, yes, sir?

Justin Danhof *- National Center for Public Policy Research - General Counsel*

Hi, good morning. I'm Justin Danhof with the National Center for Public Policy Research, a free market think tank and company shareholder. I have a comment and then a quick question.

I want to first thank G.E. and commend the company for taking an important step in protecting its employees from potential workplace discrimination. When we asked G.E. to consider protecting its employees' right to engage in personal political and civic activities outside of the workplace without retribution, the company did not hesitate to amend its corporate policies to do just that.

Some major American corporations have resisted adopting such protection. So G.E. employees should feel proud to work at a company whose leadership realizes the importance of employee freedoms. So thank you for doing that.

My question concerns, however, the company's dealings with the Clinton Foundation. Numerous sources have recently reported, including the Wall Street Journal and the New Yorker, that while she was Secretary of State, Hillary Clinton lobbied foreign governments on behalf of companies, including General Electric, at a time when those companies were making donations to the Clinton Foundation.

In late 2012, for example, Clinton urged the Algerian government to award a power plant contract to G.E. G.E. partnered with the Clinton Foundation on a health initiative. Then, in 2013, Algeria awarded the power plant contract to G.E. So by donating to the Clinton Foundation while receiving a huge favor from the Secretary of State, did we not expose our company to the risk of being charged with honest services fraud?

I'm not accusing the company of any wrongdoing. Don't get me wrong. But you have to admit the optics suggest a quid pro quo could have occurred. And a public official pushing a foreign government to buy a company's products while that company makes a generous donation to the public official's family-run foundation, appears to fit the very limited definitions of honest services fraud.

And since Mrs. Clinton had control of her business e-mails during this time, and has said that she deleted many of them, G.E. is presumably the only entity with every -- with evidence that everything was above board.

To prevent the company from being the focus of any media or public investigation, I'm asking, would you consider making public all the company's written communications with the State Department during the relevant period.

Jeff Immelt *- General Electric - CEO*

Again, it's great to see you this morning, I think it's -- for a global company it's very normal business where the State Department or other officials actually help us around the world. And we do that today. We did that in the past. I hope we do that always, that this is...

Justin Danhof *- National Center for Public Policy Research - General Counsel*

They don't always have a...

Jeff Immelt - ***General Electric - CEO***

... a way to create great American jobs. And so that's what we did, and that's what we do today.

Justin Danhof - ***National Center for Public Policy Research - General Counsel***

Okay. Thank you. Would you provide the documentation?

Jeff Immelt - ***General Electric - CEO***

Again, I think that's not something we -- we would do, all right?

Justin Danhof - ***National Center for Public Policy Research - General Counsel***

Okay.

Jeff Immelt - ***General Electric - CEO***

So -- but, again, I appreciate you being here and I appreciate your thoughts. Thank you.

Dennis, Good morning. How are you?

Dennis Rocheleau *Retiree*

Fine, Jeff. Good morning to you, too. I appreciated your introductory comments regarding pension and health care issues. Yeah, in the spirit of Kurosawa's "Rashomon," I see the world quite differently.

Jeff Immelt - ***General Electric - CEO***

You know, I'm glad to see your vocabulary and reading list has remained robust in it's in retirement.

Dennis Rocheleau *Retiree*

Yes. In retirement, you go to movies. At the last two annual meetings, I spoke against GE's unconscionable $832 million cut in salaried retiree health and life insurance coverage announced in 2012. I said it was a bad design, badly implemented.

And what did we get after my comments were branded by the company's leaders as thoughtful at last year's meeting? Even more draconian cuts to health care plans announced last September to the tune of $586 million reduction in company liabilities, and more costs shifted to fixed income retirees.

La Rochefoucauld was right. Hypocrisy is the tribute vice pays to virtue.

My response, as I said it would be, was a lawsuit in federal court. So far, the district court has initially indicated that there is merit in our arguments. We have succeeded in introducing GE and its high-priced outside legal team to the concepts of fairness, equity and meaning what you say.

GE, for its part, has demonstrated a willingness to spend millions of the share owners' money to advance its discredited theories and richly reward departing executives like retired Senior VP John Lynch, and the current architects of this devastation, like Health Benefits Director, Virginia Perstokus.

The fight will continue in multiple fora. The company's image will -- will likely be further tarnished. And its pious platitudes about balancing interests will receive the derision they richly deserve.

There is no balancing of interests. Terminating these long-promised post-65 health plans at a cost to individual retirees of $25,000 to $100,000 to replace this coverage during their retirement years simply enriches the company.

GE's few words of public commentary are unadulterated sanctimony.

The board of directors still has the opportunity to demand a reappraisal of these savage cuts. Please take it. Move away from greed and legalese and toward fair and decent treatment of men and women who have devoted long years of productive service to make GE great.

Fulfill the commitments made to GE retirees in the same manner you expect to pay the extraordinary post-retirement benefits described in the GE proxy statement to the top five named GE executives and to thousands of other GE officers and execs when they retire.

Full disclosure, I'm one of them.

The current GE leadership also has the chance in the next couple of months to walk the talk of good intentions at the bargaining table. The IUE-CWA, the UE, the IAM, the IBW, UAW and other CBC unions know your predatory and pernicious intentions. They know the arguments against these take-aways, and they have the skill, energy and commitment to express their opinions and opposition.

These unions have long had my respect and admiration, even when I strongly opposed some of their initiatives and proposals at the bargaining table. On these critical matters -- on this critical matter, they will have my full support, should they seek it.

I am not being disloyal to the company that has been very good to me, but loyal to the core values this company taught me. The spirit and letter of integrity, compassion, and candor. Here is a chance for the CEC and the board to do the right thing. Carpe diem.

Thank you so much.

Jeff Immelt - ***General Electric - CEO***

Thanks, Dennis.

Good morning, Ron.

Ron Flowers - ***Retirees Association of General Electric - PA - President***

Good morning, Jeff. I'm Ron Flowers, president of the Retirees Association of General Electric in Erie, Pennsylvania.

I sit monthly in front of about between 80 and 120 retirees. And we don't go over how many billion dollars are here and how many billion dollars are there. We sit and we talk about how come it went from $35 up to $65 for this particular drug? How come this costs more this month than it did last month? And we're not talking about billions of dollars. We're talking about people sitting there making between $600, $800 and $1,500 a month in pensions.

You know, this is big money to these people. I went through six sets of negotiations with General Electric at the table in New York. Before each set of negotiations, the National Union requests certain information. When we get this information, we go over it to see, you know, how profitable the company is and what we -- how our demands work in with whether GE can afford it.

Well, our -- my National Union got the information this -- you know, this time from the negotiations. And GE tells them their health care costs are flat or going down. Flat or going down.

Then, on the other hand, the GE executives tell our union leadership, "We want to talk about the over 65 health insurance for retirees." Now, why would they want to talk about it? They want to talk about it because they want to cut it. You know, GE doesn't do anything at the table for the sake of conversation.

Why would they want to cut it if it's flat or going down, by the information that GE gave us? They've been doing it -- I was looking at the annual report, and I thought I was reading one of Kevin Mahar's "Wall of Shame" leaflets. And GE says -- and proud of the fact in 2011, 2012, they moved to a defined contribution retirement for new hires. That means they took the pension plan away from new hires. 2012, the announcing the closing of retiree health plans. 2014 introduced private exchanges for salaried and Medicare.

Now, some of our -- some of my members are exempt. I went through this. I spent two, three, four hours on the telephone with this one exchange trying to get an insurance policy for these people. The one person I was talked with about three hours -- it was -- 82 years old. The only thing she knows about insurance is she hands them the card and it says "GE Insurance." And then she has to get on the telephone and talk about 22 different plans that General Electric has.

Is it really necessary for the bottom line to take this insurance away from the people that built your company? The over-65 people? And General Electric says, "Well, we give them money. You know, we give them $1,000." Well, that's for the people that are 65 now. What about the people -- a really good friend of mine that was 65 two months late? Okay? Cost him $1,700 a month for insurance -- to get the same insurance, because his wife had cancer.

Is it really necessary for General Electric to do this to their retirees? To the people that built their company? The people that I sat in negotiations and heard the company say, "You will get this for the rest of your life." Is it really necessary? Does the bottom line really require that?

I hope -- I really hope that with all of the stuff that General Electric is doing -- and I have no problem -- General Electric is a fine company -- do they have to do this to the retirees? Have they lost all of their heart?

Thank you.

Jeff Immelt *- General Electric - CEO*

Thank you very much, Ron.

Well, again, I'd like to thank the people of Oklahoma City for being such a great host for this year's annual meeting.

I'd like to say to the retirees, thanks for coming. We listened to you. We honor your service. Thanks for being here today.

Again, I would like to thank all of our investors and shareholders who are here today for being here. Thank you very much. This meeting is adjourned.

Operator

Thank you for your participation in today's webcast. This concludes the presentations. You may now disconnect. Good day.