Compliance and Governance Overview
Compliance and Governance Overview

BOARD/SENIOR EXECUTIVE ACCOUNTABILITY
GE’s Board of Directors and GE’s Risk Committee play a vital role in the oversight and management of the Company. From this senior leadership GE expects involvement, objectivity and accountability.

The Board
The primary role of GE’s Board of Directors is to oversee how management serves the interests of shareowners and other stakeholders. To do this, GE’s Directors have adopted corporate governance principles aimed at ensuring that the Board is independent and fully informed on the key risks and strategic issues facing GE. GE has met its goal to have two-thirds of its Board be independent under a strict definition of independence. Today, 13 of GE’s 16 Directors are independent.

The GE Board held 13 meetings in 2007, and outside Board members visited at least two GE businesses each in 2007 without senior management present in order to develop their own feel for the Company. The Board also meets periodically without management. The Board and its Committees focus on the areas that are important to shareowners—strategy, risk management and people—and in 2007 received briefings on a variety of issues including: controllership and risk management, compliance and litigation trends, U.S. and global tax policy, environmental risk management, social cost trends, acquisitions and dispositions, intellectual property and copyright protection, global trends, the reshaping and broadening of GE’s businesses, and cost reduction. At the end of the year, the Board and each of its committees conduct a thorough self-evaluation as part of its normal governance cycle.

Public Responsibilities Committee
The Public Responsibilities Committee reviews and oversees GE’s citizenship performance, including globalization and free trade, NBC Universal intellectual property protection, political contributions, and the GE Foundation budget. The committee also reviews GE’s citizenship reporting strategy. This committee met three times in 2007.

The Audit Committee
The Audit Committee, composed entirely of independent directors, held 22 meetings in 2007 to oversee our financial reporting activities, the activities and independence of GE’s external auditors, and the organization and activities of GE’s internal audit staff. It also reviewed GE’s progress in meeting the internal control requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and compliance with key GE policies and applicable laws.

In implementing the requirements of Section 301 of the Sarbanes-Oxley Act, the Audit Committee has established procedures for the receipt, retention and treatment of complaints regarding accounting and internal accounting controls for auditing matters.

The Management Development and Compensation Committee
The Management Development and Compensation Committee is also composed entirely of independent directors and held eight meetings in 2007. The objectives of the meetings were to approve all executive compensation actions for Executive Officers and to review all executive compensation plans, policies and practices, changes in executive assignments and responsibilities, and key succession plans.
The Nominating and Corporate Governance Committee
The Nominating and Corporate Governance Committee, composed entirely of independent directors, met three times in 2007 to consider GE’s response to corporate governance trends and to nominate directors.

GE Risk Committee
The Corporate Risk Committee includes the CEO, CFO, General Counsel, Senior VP for Human Resources, Chief Information Officer and the Vice Chairs. The Committee meets quarterly to review environmental, compliance, liquidity, credit, market and event risks.

Board Composition
Below reflects the GE board composition.

<table>
<thead>
<tr>
<th></th>
<th>Audit Committee</th>
<th>Nominating and Corporate Governance Committee</th>
<th>Management Development and Compensation Committee</th>
<th>Public Responsibilities Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outside Directors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Independent</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>James I. Cash, Jr.</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ann M. Fudge</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Claudio X. Gonzalez</td>
<td>X</td>
<td>Chair</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Susan Hockfield</td>
<td></td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Andrea Jung</td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>A.G. Lafley</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert Lane</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ralph S. Larsen</td>
<td>X</td>
<td></td>
<td>Chair</td>
<td></td>
</tr>
<tr>
<td>Rochelle B. Lazarus</td>
<td>X</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>James J. Mulva</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sam Nunn</td>
<td></td>
<td>X</td>
<td></td>
<td>Chair</td>
</tr>
<tr>
<td>Robert J. Swieringa</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Douglas A. Warner III</td>
<td>Chair</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Material Relationships with GE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roger S. Penske</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Sir William Castell</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Inside Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jeffrey R. Immelt</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
BOARD COMMITTEES
Sound principles of corporate governance are critical to obtaining and retaining the trust of investors—and to GE’s overarching goal of performance with integrity.

THE AUDIT COMMITTEE
Chaired by Douglas Warner, the Audit Committee assists the board of directors in its oversight of the integrity of the financial statements of the Company, as well as compliance with legal and regulatory requirements, and the performance of the Company’s internal audit function.

Audit Committee Members
- James I. Cash, Jr. (Director since 1997)
- Claudio X. Gonzalez (Director since 1993)
- Robert Lane (Director since 2005)
- Robert J. Swieringa (Director since 2002)
- Douglas A. Warner III (Audit Committee Chair, Director since 1992)

CHARTER
The Audit Committee of the board of directors of General Electric Company shall consist of a minimum of four directors. Members of the committee shall be appointed by the board of directors upon the recommendation of the Nominating and Corporate Governance Committee and may be removed by the board of directors in its discretion. All members of the committee shall be independent directors under the New York Stock Exchange’s listing requirements and GE’s independence guidelines, and shall also satisfy the Securities and Exchange Commission’s more rigorous independence requirement for members of the audit committee. All members shall have sufficient financial experience and ability to enable them to discharge their responsibilities and at least one member shall be a financial expert.

The purpose of the committee shall be to assist the board in its oversight of the integrity of the financial statements of the Company, of the Company’s compliance with legal and regulatory requirements, of the independence and qualifications of the independent auditor, and of the performance of the Company’s internal audit function and independent auditors.

In furtherance of this purpose, the committee shall have the following authority and responsibilities:

1. To meet to review and discuss with management and the independent auditor the annual audited financial statements and quarterly financial statements, including the Company’s specific disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and any other matters required to be reviewed under applicable legal, regulatory or New York Stock Exchange requirements.

2. To discuss with management and the independent auditor, as appropriate, earnings press releases and financial information and earnings guidance provided to analysts and to rating agencies.

3. To select the independent auditor to examine the Company’s accounts, controls and financial statements. The committee shall have the sole authority and responsibility to select, evaluate, compensate and oversee the work of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (including resolution of disagreements between management and the auditor.
regarding financial reporting). The independent auditor and each such registered public accounting firm will report directly to the committee. The committee shall have the sole authority to approve all audit engagement fees and terms and the committee, or a member of the committee, must pre-approve any audit and non-audit service provided to the Company by the Company’s independent auditor.

4. To discuss with management and the independent auditor, as appropriate, any audit problems or difficulties and management's response, and the Company’s risk assessment and risk management policies, including the Company’s major financial risk exposure and steps taken by management to monitor and mitigate such exposure.

5. To review the Company’s financial reporting and accounting standards and principles, significant changes in such standards or principles or in their application and the key accounting decisions affecting the Company’s financial statements, including alternatives to, and the rationale for, the decisions made.

6. To review and approve the internal corporate audit staff functions, including: (i) purpose, authority and organizational reporting lines; (ii) annual audit plan, budget and staffing; and (iii) concurrence in the appointment, compensation and rotation of the vice president-corporate audit staff.

7. To review, with the senior vice president-finance, the vice president-corporate audit staff, or such others as the committee deems appropriate, the Company’s internal system of audit and financial controls and the results of internal audits.

8. To obtain and review at least annually a formal written report from the independent auditor delineating: the auditing firm’s internal quality-control procedures; the auditing firm’s independence; and any material issues raised within the preceding five years by the auditing firm’s internal quality-control reviews, by peer reviews of the firm, or by any governmental or other inquiry or investigation relating to any audit conducted by the firm. The committee will also review steps taken by the auditing firm to address any findings in any of the foregoing reviews. Also, in order to assess auditor independence, the committee will review at least annually all relationships between the independent auditor and the Company.

9. To prepare and publish an annual committee report in the Company’s proxy statement.

10. To set policies for the hiring of employees or former employees of the Company’s independent auditor.

11. To review and investigate any matters pertaining to the integrity of management, including conflicts of interest, or adherence to standards of business conduct as required in the policies of the Company. This should include regular reviews of the compliance processes in general and the corporate ombudsman process in particular. In connection with these reviews, the committee will meet, as deemed appropriate, with the general counsel and other Company officers or employees.

12. To establish and oversee procedures for the receipt, retention and treatment of complaints on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Company employees of concerns regarding questionable accounting or auditing matters.
13. To resolve any conflicts of interest involving a director, the CEO, a vice chairman, or a senior vice president.

14. To review and approve or ratify any transaction between the Company and a related person, which is required to be disclosed under the rules of the Securities and Exchange Commission. For purposes of this requirement, the terms "transaction" and "related person" have the meaning contained in Item 404 of Regulation S-K.

The committee shall meet separately at least quarterly with management, with the corporate audit staff and also with the Company’s independent auditors.

The committee shall have authority to retain such outside counsel, experts and other advisors as the committee may deem appropriate in its sole discretion. The committee shall have sole authority to approve related fees and retention terms.

The committee shall report its actions and any recommendations to the board after each committee meeting and shall conduct and present to the board an annual performance evaluation of the committee. The committee shall review at least annually the adequacy of this charter and recommend any proposed changes to the board for approval.

**KEY PRACTICES**

The Audit Committee has adopted the following key practices to assist it in undertaking the functions and responsibilities set forth in its charter:

1. **Meetings.** The committee will meet at least seven times a year, generally on a day different than the regularly scheduled board meeting to allow time for in-depth discussion.

2. **Review of Periodic Reports.** The committee will review the Company’s Form 10-K in detail with the CEO, the CFO and the full board at an extended February board meeting. The committee will meet to review the Company’s Form 10-Qs with the CFO. These reviews will include the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section in the periodic reports. The head of the corporate audit staff and the Company’s independent auditor will be present at these meetings.

3. **Quarterly Review of CEO and CFO Certification Process.** In conjunction with its reviews of the Form 10-Ks and Form 10-Qs, the committee will also review the process for the CEO and CFO quarterly certifications required by the SEC with respect to the financial statements and the Company’s disclosure controls and procedures and internal control over financial reporting, including any material weaknesses or significant deficiencies in such internal control. The committee shall also meet twice a year with representatives of the corporate disclosure committee, including the chair of the committee.

4. **Review of Earnings Releases and Information Provided to Analysts and Rating Agencies.** The CFO shall review earnings releases with the chair of the committee prior to their release to the public. Prior to the event, the CEO or the CFO shall review with the committee, or the full board, the substance of any presentations to analysts or rating agencies which constitute a shift in company strategy or outlook. In addition, the CEO or CFO shall review subsequently with the committee, or the full board, a summary of major presentations that have been given to analysts or rating agencies that do not constitute a shift in strategy or outlook.
5. Approval of Audit and Non-Audit Services. To minimize relationships which could appear to impair the objectivity of the independent auditor, it is the committee’s practice to restrict the non-audit services that may be provided to the Company by the Company’s independent auditor primarily to tax services and merger and acquisition due diligence and integration services. The Company will obtain such limited non-audit services from the Company’s independent auditor only when the services offered by the auditor’s firm are more effective or economical than services available from other providers, and, to the extent possible, only following competitive bidding for such services. The committee has also adopted policies and procedures for pre-approving all non-audit work performed by the Company’s independent auditor. Specifically, the committee shall pre-approve the use of the Company’s independent auditor for detailed, specific types of services within the following categories of non-audit services: merger and acquisition due diligence and audit services; internal control reviews; tax compliance services; tax consulting services; employee benefit plan audits; and reviews and procedures that the Company requests the independent auditor to undertake to provide assurances on matters not required by laws or regulations, such as agreed upon procedures letters. For each category of non-audit service listed in the preceding sentence, the committee shall also set a specific annual limit on the amount of such services which the Company may obtain from the Company’s independent auditor, and shall require management to report the specific engagements to the committee on a quarterly basis, and also to obtain pre-approval from the committee for any single engagement over $1,000,000. Notwithstanding the foregoing, any engagement of the independent auditor to provide internal control-related services, including internal control-related non-audit services, must be specifically pre-approved by the committee. For all tax services, the committee must periodically review the details of each such engagement. The chair of the committee is authorized to pre-approve any audit and non-audit service on behalf of the committee, provided such decisions are presented to the full committee at its next regularly scheduled meeting.

6. Hiring Guidelines for Independent Auditor Employees. The committee has adopted the following practices regarding the hiring by the Company of any partner, director, manager, staff, advising member of the department of professional practice, reviewing actuary, reviewing tax professional and any other persons having responsibility for providing audit assurance to the Company’s independent auditor on any aspect of their certification of the Company’s financial statements. “Audit assurance” includes all work that results in the expression of an opinion on financial statements, including audits of statutory accounts.

   a. No member of the audit team that is auditing a GE business can be hired into that GE business or into a position to which that business reports for a period of two years following association with that audit.

   b. No former employee of the independent auditor may sign a GE or GE affiliate’s SEC filing for five years following employment with the independent auditor.

   c. No former employee of the independent auditor may be named a GE or major affiliate officer for three years following employment by the independent auditor.

   d. GE’s CFO must approve all executive-band and higher hires from the independent auditor.

   e. GE’s CFO shall report annually to the audit committee the profile of the preceding year’s hires from the independent auditor.
7. **Process for Handling Complaints About Accounting Matters.** As part of the board’s procedure for receiving and handling complaints or concerns about the Company’s conduct, the committee has established the following procedures for: (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by GE employees of concerns regarding questionable accounting or auditing matters.

a. GE has established and published on its Web site special mail and e-mail addresses and a toll-free telephone number for receiving complaints regarding accounting, internal accounting controls, or auditing matters.

b. All such complaints will be sent to the presiding director and to the chair of the Audit Committee.

c. All complaints will be tracked on a separate board of directors’ ombuds docket, but handled by the Company’s ombuds, finance and legal staffs in the normal manner, except as the Audit Committee may request.

d. The status of the specially docketed complaints will be reported on a quarterly basis to the presiding director and the chair of the Audit Committee and, if they so direct, to the committee or the full board.

e. The presiding director or Audit Committee chair may request special treatment, including the retention of outside counsel or other advisors, for any complaint addressed to them.

The Company’s integrity manual prohibits any employee from retaliating or taking any adverse action against anyone for raising or helping to resolve an integrity concern.

8. **Audit Committee Memberships.** The committee has determined that in view of the increasing demands and responsibilities of the Audit Committee, members of the committee should not serve on more than two additional Audit Committees of other public companies, and the chair of the committee should not serve on more than one other Audit Committee of a public company. Relationships that existed as of November 2002 exceeding these limits may continue in place provided that the full board of directors determines that such relationships do not impair the member’s ability to serve effectively on the committee.

9. **Code of Ethics for CEO and Senior Financial Officers.** GE’s integrity manual, The Spirit & The Letter, applies to all of the Company’s directors, officers and employees, including the CEO and all financial professionals. GE’s Conflicts of Interest policy and Controllership policy require all employees, including the CEO and senior financial officers, to resolve ethically any actual or apparent conflicts of interest, and to comply with all generally accepted accounting principles, laws and regulations designed to produce full, fair, accurate, timely and understandable disclosure in the Company’s periodic reports filed with the SEC. Annual acknowledgment of The Spirit & The Letter is required of all salaried employees, including the Company’s CEO and financial professionals.

10. **Conflict of Interest Review.** The committee will review twice a year the corporate audit staff’s audit of the application of GE Conflicts of Interest policy to the Company’s officers.
11. **Financial Expertise.** Each member of the committee will be financially literate, as determined by the board in its business judgment. At least one member of the committee will qualify as an “audit committee financial expert,” as defined by the SEC.

12. **Audit Partner Rotation.** The committee shall ensure that the lead audit partners assigned by the Company’s independent auditor to the Company, and to each of its subsidiaries that have securities registered with the SEC, as well as the audit partner responsible for reviewing the Company’s audit shall be changed at least every five years.

13. **Shareowner Ratification of Independent Auditor.** Although the committee has the sole authority to appoint the independent auditor, the committee will recommend that the board ask the shareowners, at their annual meeting, to ratify the committee’s selection of the independent auditor.

14. **Approval of Certain Related Party Transactions.** The committee shall review and approve or ratify any transaction between the Company and a related person, which is required to be disclosed under the rules of the SEC. For purposes of this practice the terms “transaction” and “related person” have the meaning contained in Item 404 of Regulation S-K. In the course of its review and approval or ratification of a transaction, the committee shall consider:

   a. the nature of the related person’s interest in the transaction;

   b. the material terms of the transaction;

   c. the significance of the transaction to the related person;

   d. the significance of the transaction to the Company;

   e. whether the transaction would impair the judgment of a director or executive officer to act in the best interest of the Company; and

   f. any other matters the committee deems appropriate.

Any committee member who is a related person with respect to a transaction under review may not participate in the deliberations or vote respecting such approval or ratification, provided, however, that such director may be counted in determining the presence of a quorum at a meeting of the committee which considers the transaction.

**The Management Development and Compensation Committee**

Chaired by Ralph Larsen, the Management Development and Compensation Committee approves all of the policies under which compensation is paid or awarded to the Company’s executive officers and assists the board in evaluating and developing candidates for executive positions.
Management Development and Compensation Committee Members

- **Claudio X. Gonzalez** (Director since 1993)
- **Andrea Jung** (Director since 1998)
- **Ralph S. Larsen** (Management Development and Compensation Committee Chair, Director since 2004)
- **Sam Nunn** (Director since 1997)
- **Douglas A. Warner III** (Director since 1992)

**CHARTER**

The Management Development and Compensation Committee of the board of directors of General Electric Company shall consist of a minimum of three directors. Members of the committee shall be appointed by the board of directors upon the recommendation of the Nominating and Corporate Governance Committee and may be removed by the board of directors in its discretion. All members of the committee shall be independent directors, and shall satisfy GE's independence guidelines for members of the Management Development and Compensation Committee.

The purpose of the committee shall be to carry out the board of directors' overall responsibility relating to executive compensation.

In furtherance of this purpose, the committee shall have the following authority and responsibilities:

1. To assist the board in developing and evaluating potential candidates for executive positions, including the chief executive officer, and to oversee the development of executive succession plans.

2. To review and approve on an annual basis the corporate goals and objectives with respect to compensation for the chief executive officer. The committee shall evaluate at least once a year the chief executive officer’s performance in light of these established goals and objectives and based upon these evaluations shall set the chief executive officer’s annual compensation, including salary, bonus and equity and non-equity incentive compensation.

3. To review and approve on an annual basis the evaluation process and compensation structure for the Company’s officers. The committee shall evaluate the performance of the Company’s senior executive officers and shall approve the annual compensation, including salary, bonus and equity and non-equity incentive compensation, for such senior executive officers, based on initial recommendations from the CEO. The committee shall also provide oversight of management’s decisions concerning the performance and compensation of other Company officers.

4. To review the Company’s equity incentive compensation and other stock-based plans and recommend changes in such plans to the board as needed. The committee shall have and shall exercise all the authority of the board of directors with respect to the administration of such plans.

5. To maintain regular contact with the leadership of the Company. This should include interaction with the Company’s leadership development institute, review of data from the employee survey and regular review of the results of the annual leadership evaluation process.
6. To review and discuss with management the Company’s Compensation Discussion and Analysis (CD&A) and to recommend to the Board that the CD&A be included in the Company’s annual report and proxy statement.

The committee shall have the authority to delegate any of its responsibilities to subcommittees as the committee may deem appropriate in its sole discretion.

The committee shall have authority to retain such compensation consultants, outside counsel and other advisors as the committee may deem appropriate in its sole discretion. The committee shall have sole authority to approve related fees and retention terms.

The committee shall report its actions and any recommendations to the board after each committee meeting and shall conduct and present to the board an annual performance evaluation of the committee. The committee shall review at least annually the adequacy of this charter and recommend any proposed changes to the board for approval.

**KEY PRACTICES**

The Management Development and Compensation Committee has adopted the following key practices to assist it in undertaking the functions and responsibilities set forth in its charter:

1. **Meetings.** The committee will meet at least eight times a year.

2. **Compensation Principles.** The committee individually reviews the performance of the senior executive officers — the CEO, the vice chairmen and the senior vice presidents — and establishes or approves every compensation action for them. The committee believes that its principal responsibility in compensating the Company’s senior executive officers is to design and implement compensation programs to reward those officers for sustained financial and operating performance and leadership excellence, to align their interests with those of our shareowners and to encourage them to remain with the Company for long and productive careers. The committee also reviews all compensation actions for other Company officers and regularly evaluates the effectiveness of the different elements of the Company’s overall executive compensation program. The elements of our executive compensation program are described immediately below.

The Committee relies upon its judgment in making compensation decisions, after reviewing the performance of the company and carefully evaluating an executive’s performance during the year against established goals, leadership qualities, operational performance, business responsibilities, career with the company, current compensation arrangements and long-term potential to enhance shareowner value.

The committee does not adhere to rigid formulas or necessarily react to short-term changes in business performance in determining the amount and mix of compensation elements.

Each year, the Company reports the compensation paid to its CEO, its CFO and its three most highly compensated senior executive officers in the proxy statement. The Committee provides a report that is included in the proxy statement with respect to the Compensation Discussion and Analysis.

3. **Elements of Executive Compensation Program.** Each element of the Company’s executive compensation program serves a somewhat different purpose, as described below:
a. Base Salary. Base salaries for the senior executive officers depend on the scope of their responsibilities, their performance, and the period over which they have performed those responsibilities.

b. Annual Bonus. Annual bonuses for the current year and the percent change from the prior year’s bonus for senior executive officers are determined after an evaluation of the overall performance of the Company, the performance of the business or function that the officer leads and an assessment of each officer’s performance against expectations, which were established at the beginning of the year. The bonuses also reflect (and are proportionate to) the annual financial results of the Company.

c. Stock Options and Restricted Stock Units (RSUs). The Company’s equity incentive compensation program is designed to recognize scope of responsibilities, reward demonstrated performance and leadership, motivate future superior performance, align the interests of the executives with our shareowners’ and retain the officers through the term of the awards. The committee considers the grant size and the appropriate combination of stock options and RSUs when making award decisions. When determining the appropriate combination of stock options and RSUs, the committee’s goal is to weigh the cost of these grants with their potential benefits as a compensation tool. Existing ownership levels are not a factor in award determination.

d. Contingent Long-Term Performance Awards. The committee also periodically grants contingent long-term performance incentive awards to senior executive officers. These awards provide a strong incentive for achieving specified financial performance goals that the Company considers to be consistent with our business strategy and important contributors to long-term shareowner value.

e. Performance Share Units (PSUs). Since 2003, we have compensated the CEO of GE with PSUs in lieu of any other equity incentive compensation because the committee believes that the CEO’s equity incentive compensation should be fully at risk and based on key performance measures that are aligned with shareowners’ interests. The PSUs will convert into shares of GE stock at the end of the five-year performance period only if the specified performance objectives have been achieved. If the performance objectives are not met, the PSUs will be cancelled. Beginning with PSUs granted in September 2006, GE accumulates dividends on each PSU equal to the quarterly dividends on one share of GE stock, and the CEO is entitled to receive those dividend equivalents (without interest) only on shares of GE stock that the CEO actually earns at the end of the performance period based upon satisfaction of the performance objectives. The PSUs and dividend accruals are forfeited if the CEO leaves GE prior to the end of the performance period.

All of the awards described above are granted in accordance with the terms of the Company’s long-term incentive plans.

4. Stock Ownership Guidelines. We require our senior executive officers to own specified amounts of GE stock. The number of shares of GE stock that must be held is set at a multiple of the officer’s base salary rate as of September 2002, when the Board of Directors adopted this requirement. For senior executive officers elected after September 2002, the number of shares depends upon their base salary effective with their promotion to a senior executive officer position, as follows:
<table>
<thead>
<tr>
<th>Position</th>
<th>Multiple</th>
<th>Time to Attain</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>6X</td>
<td>3 years</td>
</tr>
<tr>
<td>Vice Chair</td>
<td>5X</td>
<td>4 years</td>
</tr>
<tr>
<td>Senior VPs</td>
<td>4X</td>
<td>5 years</td>
</tr>
</tbody>
</table>

Individual and joint holdings of GE stock with immediate family members as specified by the committee, including those shares held in the Company’s 401(k) plan and any deferred compensation accounts, count toward the guidelines.

5. **Stock Option Holding Period and Trading Restrictions.** Senior executive officers are required to hold for at least one year any net shares of GE stock that they receive through the exercise of stock options. For this purpose, “net shares” means the number of shares obtained by exercising the option, less the number of shares the executive sells to pay the exercise price, withholding taxes and any applicable brokerage commissions. The committee prohibits short sales on GE stock by these officers, or the purchase or sale of options, puts, calls, straddles, equity swaps or other derivatives securities that are directly linked to GE stock.

6. **Prohibit Stock Option Repricing.** The committee reaffirms the board’s long-standing policy prohibiting the repricing of stock options, including by amendments to outstanding options to lower their exercise price, and the cancellation of outstanding options and replacing them with new options.

7. **Deferred Compensation.** The company has offered both a periodic deferred salary plan and an annual deferred bonus plan, with only the deferred salary plan providing the payment of an “above-market” rate of interest as defined by the U.S. Securities and Exchange Commission. These plans are intended to promote retention by providing a long-term savings opportunity on a tax-efficient basis. A deferred salary plan has been offered every three years and is viewed as a strong retention tool for the Company’s eligible executives because they generally must remain with the Company for at least five years from the time of deferral to receive any interest on deferred balances.

8. **Pension Plans.** The committee considers the Company’s pension plans to be an important retention tool, and balances the effectiveness of those plans as a compensation and retention tool with the costs to the company of providing them. The Company provides annual retirement benefits under the GE Pension Plan, the GE Supplementary Pension Plan and the GE Excess Benefit Plan. The Supplementary Pension Plan is a strong retention tool because executives are generally not eligible for such benefits if they leave the Company prior to reaching age 60.

9. **Other Compensation.** The Company provides executives with other benefits that it and the committee believes are reasonable, competitive and consistent with the Company’s overall executive compensation program.

10. **Compensation Consultants.** The committee does not have any contractual arrangement with any compensation consultant who has a role in determining or recommending the amount or form of senior executive or director compensation.
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Chaired by Claudio Gonzalez, the Nominating and Corporate Governance Committee assists the board in identifying qualified individuals to become directors, determining the composition and compensation of the board and its committees, monitoring a process to assess board effectiveness and developing and implementing the Company’s corporate governance guidelines.

Nominating and Corporate Governance Committee Members

- **Claudio X. Gonzalez** (Nominating and Corporate Governance Committee, Chair Director since 1993)
- **Susan Hockfield** (Director since 2006)
- **Andrea Jung** (Director since 1998)
- **A.G. Lafley** (Director since 2002)
- **Ralph S. Larsen** (Director since 2002)
- **Rochelle B. Lazarus** (Director since 2000)
- **Douglas A. Warner III** (Director since 1992)

CHARTER

The Nominating and Corporate Governance Committee of the board of directors of General Electric Company shall consist of a minimum of four directors. These should include the chairs of the Audit and the Management Development and Compensation committees. Members of the committee shall be appointed and may be removed by the board of directors. All members of the committee shall be independent directors, and shall satisfy GE’s independence guidelines for members of the Nominating and Corporate Governance Committee.

The purpose of the committee shall be to assist the board in identifying qualified individuals to become board members, in determining the composition of the board of directors and its committees, in monitoring a process to assess board effectiveness and in developing and implementing the Company’s corporate governance principles.

In furtherance of this purpose, the committee shall have the following authority and responsibilities:

1. To lead the search for individuals qualified to become members of the board of directors and to select director nominees to be presented for shareowner approval at the annual meeting. The committee shall select individuals as director nominees who shall have the highest personal and professional integrity, who shall have demonstrated exceptional ability and judgment and who shall be most effective, in conjunction with the other nominees to the board, in collectively serving the long-term interests of the shareowners.

2. To develop, and to recommend to the board of directors for its approval, qualifications for director candidates, and to review these qualifications with the board periodically.

3. To review the board of directors’ committee structure and to recommend to the board for its approval directors to serve as members of each committee, and, in consultation with the presiding director, as committee chairs. The committee shall review and recommend committee slates annually and shall recommend additional committee members to fill vacancies as needed.
4. To develop and recommend to the board of directors for its approval a set of corporate governance principles. The committee shall review the principles on an annual basis, or more frequently if appropriate, and recommend changes as necessary.

5. To develop and recommend to the board of directors for its approval an annual self-evaluation process of the board and its committees. The committee shall oversee the annual self-evaluations.

6. To review on an annual basis director compensation and benefits and recommend changes to the board as necessary.

The committee shall have the authority to delegate any of its responsibilities to subcommittees as the committee may deem appropriate in its sole discretion.

The committee shall have the authority to retain any search firm engaged to assist in identifying director candidates, and to retain outside counsel and any other advisors as the committee may deem appropriate in its sole discretion. The committee shall have sole authority to approve related fees and retention terms.

The committee shall report its actions and any recommendations to the board after each committee meeting and shall conduct and present to the board an annual performance evaluation of the committee. The committee shall review at least annually the adequacy of this charter and recommend any proposed changes to the board for approval.

**KEY PRACTICES**

The Nominating and Corporate Governance Committee has adopted the following key practices to assist it in undertaking the functions and responsibilities set forth in its charter:

1. **Method of Evaluating Board and Committee Effectiveness.** The committee will oversee the following self-evaluation process which will be used by the board and by each committee of the board to determine their effectiveness and opportunities for improvement. All of the board and committee self-evaluations should be done annually at the December board and committee meetings. Every November, an independent expert in corporate governance will contact each director soliciting comments with respect to both the full board and any committee on which the director serves, as well as director performance and board dynamics. These comments will relate to the large question of how the board can improve its key functions of overseeing personnel development, financials, other major issues of strategy, risk, integrity, reputation and governance. In particular, for both the board and the relevant committee, the process will solicit ideas from directors about:

   a. improving prioritization of issues;

   b. improving quality of written, chart and oral presentations from management;

   c. improving quality of board or committee discussions on these key matters;

   d. identifying how specific issues in the past year could have been handled better;
e. identifying specific issues which should be discussed in the future; and

f. identifying any other matter of importance to board functioning.

The independent expert in corporate governance will then work with the committee chairs and the presiding director to organize the comments received around options for changes at either board or committee level. At the December board and committee meetings, time will be allocated to a discussion of - and decisions relating to - the actionable items.

2. Principles for Board Compensation. In recommending to the board the compensation and benefits for non-employee directors, the committee will be guided by the following goals: compensation should fairly pay directors for work required in a company of GE’s size and scope; compensation should align directors’ interests with the long-term interests of shareowners; and the structure of the compensation should be simple, transparent and easy for shareowners to understand. In implementing these goals, the committee will adhere to the following practices, with specific compensation amounts to be determined at the end of each year by the board, based on the recommendation of the committee:

a. Board Compensation. Annual compensation will be paid to non-employee directors at the end of each quarter of service, 40% in cash and 60% in deferred stock units (DSUs). Each DSU will be equal in value to a share of GE common stock, but will not have voting rights. DSUs will accumulate regular quarterly dividends which shall be reinvested in additional DSUs. The DSUs will be paid out to non-employee directors beginning one year after they leave the board. Therefore, for their tenure on the board and for one year following board service, 60% of the non-employee directors’ annual compensation will be aligned with the long-term interests of GE shareowners because the value of their DSUs will increase or decrease in line with changes in the price of GE shares. There are no meeting fees because attendance is expected at all scheduled board and committee meetings, and at the Annual Meeting of Shareowners, absent exceptional cause.

b. Committee Compensation. Additional compensation, equal to 10% of the annual compensation, will be paid to directors serving on the Audit Committee and the Management Development and Compensation Committee. These additional payments will be made due to the workload and broad-based responsibilities of these two committees. These additional payments will be made in the same 40%-60% proportion between cash and DSUs, and in the same manner, as the annual compensation.

c. Deferral of Cash Fees. If they wish, non-employee directors may defer some or all of their annual cash payments in DSUs.

d. Benefits. The following benefits will be provided to the non-employee directors:

i. Charitable Award. GE maintains a plan that permits each director to designate up to five charitable organizations (excluding a director’s private foundation) to share in a $1 million contribution to be made by the Company upon the director’s termination of service. The directors do not receive any financial benefit from this program since the charitable deductions accrue solely to the Company. To avoid any appearance that a director might be unduly influenced by the prospect of receiving this benefit at retirement, the award vests upon the commencement of board service.
ii. Matching Gifts. Non-employee directors are able to participate in the GE Foundation’s Matching Gifts Program on the same terms as GE’s senior executive officers. Under this program, the GE Foundation will match up to $50,000 a year in contributions by the director to an institution of higher education or other charity approved by the GE Foundation.

iii. Executive Products Program. Non-employee directors participate in the Company’s Executive Products Program on the same basis as senior executive officers. Under this program, upon request, directors can receive GE appliances for use in their homes. Income is imputed based on the fair market value of the products received.

e. Stock Option Holding Period Requirement. There is no stock option plan for non-employee directors. Since 2003, DSUs have been the only equity-based compensation awarded to the non-employee directors. Any outstanding stock options held by non-employee directors from prior years’ grants are subject to the same holding period requirement as stock options held by senior executives. Specifically, like the senior executives, the non-employee directors are required to hold for at least one year the net shares obtained from exercising stock options after selling sufficient shares to cover the exercise price, taxes and broker commissions.

f. Stock Ownership Requirement. All non-employee directors are required to hold at least $500,000 worth of Company stock and/or DSUs while serving as a director of GE. Directors will have five years to attain this ownership threshold.

3. Director Nominee Qualifications and Process. The committee will consider shareowner recommendations for candidates for the board sent to the Nominating and Corporate Governance Committee, c/o Brackett B. Denniston III, Secretary, General Electric Company, 3135 Easton Turnpike, Fairfield, CT 06828. The committee’s minimum qualifications and specific qualities and skills required for directors are set forth in section 3 of GE’s Governance Principles. In addition to considering candidates suggested by shareowners, the committee considers potential candidates recommended by current directors, Company officers, employees and others. The committee considers all potential candidates in the same manner regardless of the source of the recommendation.

PUBLIC RESPONSIBILITIES COMMITTEE

Chaired by Sam Nunn, the Public Responsibilities Committee reviews and oversees the Company’s position on corporate social responsibilities and issues of public significance that affect investors and other GE key stakeholders.

Public Responsibilities Committee Members
- **James I. Cash, Jr.** (Director since 1997)
- **Sir William Castell** (Vice Chairman, Director since 2004)
- **Ann M. Fudge** (Director since 1999)
- **Susan Hockfield** (Director since 2006)
- **Jeffrey R. Immelt** (Chairman of the Board and CEO, General Electric Company, Director since 2000)
- **Rochelle B. Lazarus** (Director since 2000)
- **Sam Nunn** (Public Responsibilities Committee Chair, Director since 1997)
- **Roger S. Penske** (Director since 1994)
CHARTER
The purpose of the committee shall be to review and oversee the Company’s positions on corporate social responsibilities and public issues of significance which affect investors and other GE key stakeholders.

In furtherance of this purpose, the committee shall have the following authority and responsibilities:

1. To review the Company’s key public policy positions taken in legislative, regulatory and judicial forums around the globe.

2. To review the Company’s actions in furtherance of its corporate social responsibility.

3. To review key trends in legislation, regulation, litigation and public debate around the world in order to determine whether the Company should consider additional corporate social responsibility actions.

4. To consider the impact of Company procedures and processes on employees, citizens and communities, especially with respect to environmental, health and safety.

5. To consider the manner in which the Company conducts its public policy and government relations activities, including policies and guidelines regarding political contributions by the Company and lobbying activities.

6. To review the Company’s support of charitable, educational and business organizations.

The committee shall have the authority to delegate any of its responsibilities to subcommittees, as the committee may deem appropriate in its sole discretion. It may also recommend that its meeting be held with the board as a whole.

The committee shall have authority to retain such outside counsel, experts and other advisors, as the committee may deem appropriate in its sole discretion. The committee shall have sole authority to approve related fees and retention terms.

The committee shall report its actions and recommendations to the board after each committee meeting and shall conduct and present to the board an annual performance evaluation of the committee. The committee shall review at least annually the adequacy of this charter and recommend any proposed changes to the board for approval.

OPERATING MECHANISMS
One way that GE ensures leaders play an active role in governance is by conducting regular annual review periods for key operating functions within the Company, including compliance, environment, health & safety, and people development. This allows GE to create a cycle of continuous improvement at the senior level and incorporate evolving best practices. These sessions provide a vital system of accountability and allow topical focus as needed through the year. They create a singular point of focus to surface any issues, review performance and disseminate new information.
Operating System—These regular, annual reviews create a cycle of continuous improvement in areas including compliance, environment, health & safety, and people development.

**Global Leadership Meeting**
The annual GLM has been a foundation of GE’s management processes for over 35 years. At this session over 600 of GE’s top leaders from around the world spend two days sharing best practices with each other and learning about Jeff Immelt’s key strategic initiatives for the year. This meeting is followed by breakout meetings among the business and function groups to formulate plans on incorporating the strategic imperatives into their overall business plan for the year.

**Growth Playbook**
The Growth Playbook sessions develop and review long-term business strategy including organic growth and technology initiatives.

**CEC – Corporate Executive Council**
GE’s top 40 leaders, including business CEOs, meet quarterly to discuss progress on the Company’s strategy and performance, disseminate best practices and review citizenship initiatives.

**Operating Plan**
GE’s Operating Plan session develops the operating plan and budget for the following year.

**Session ‘C’**
Session C entails employees assessing their own accomplishments, strengths/development needs and career aspirations, followed by manager assessments and review.
Session 'D'
Session D is GE’s process to comprehensively review its business compliance programs. An integral part of the Session D is the discussion of specific compliance and regulatory risks for each business, including new and emerging issues, and the action plans to manage those risks. The Session D process includes a review of the alignment of compliance resources to ensure that sufficient resources are deployed to address potential compliance risks, as well as a review of key aspects of the business compliance infrastructure. Session D reviews culminate in an annual report by the leaders of each GE business to the corporate Policy Compliance Review Board, which consists of Company senior vice presidents and includes GE’s General Counsel and CFO.

EHS Operating Review
EHS Operating Review requires operations leaders to discuss their EHS performance for the prior year, including areas for improvement with both their business leaders and GE's senior environmental managers. These sessions are conducted in front of their peers and provide an opportunity to test knowledge and commitment. GE conducts about 25 Sessions throughout each year, with about half occurring outside the United States.

Risk Committee
The Corporate Risk Committee includes the CEO, CFO, General Counsel, Senior VP for Human Resources, Chief Information Officer and the Vice Chairs. The Committee meets quarterly to review environmental, compliance, liquidity, credit, market and event risks.

Liquidity risk is the risk of being unable to accommodate liability maturities, fund asset growth and meet contractual obligations through access to funding at reasonable market rates.

Credit risk is the risk of financial loss arising from a customer or counterparty’s failure to meet its contractual obligations. GE faces credit risk in its lending and leasing activities and derivative financial instruments activities.

Market risk is the risk of potential loss in value of investment and other asset liability portfolios, including financial instruments, caused by changes in market variables, such as interest and currency exchange rates and equity and commodity prices. GE is exposed to market risk in the normal course of business operations as a result of ongoing investing and funding activities.

Event risk includes the possibility of adverse consequences both within and beyond GE’s control. Examples of event risk include natural disasters, availability of necessary materials, guarantees of product performance and business interruption.

Governance Principles
The following principles have been approved by the board of directors and, along with the charters and key practices of the board committees, provide the framework for the governance of GE. The board recognizes that there is an ongoing and energetic debate about corporate governance, and it will review these principles and other aspects of GE governance annually or more often if deemed necessary.

1. Role of Board and Management
GE's business is conducted by its employees, managers and officers, under the direction of the chief executive officer (CEO) and the oversight of the board, to enhance the long-term value of the Company for its shareowners. The board of directors
is elected by the shareowners to oversee management and to assure that the long-term interests of the shareowners are being served. Both the board of directors and management recognize that the long-term interests of shareowners are advanced by responsibly addressing the concerns of other stakeholders and interested parties including employees, recruits, customers, suppliers, GE communities, government officials and the public at large.

2. Functions of Board
The board of directors has eight scheduled meetings a year at which it reviews and discusses the performance of the Company, its plans and prospects, as well as immediate issues facing the Company. Directors are expected to attend all scheduled board and committee meetings. In addition to its general oversight of management, the board also performs a number of specific functions, including:

a. selecting, evaluating and compensating the CEO and overseeing CEO succession planning;

b. providing counsel and oversight on the selection, evaluation, development and compensation of senior management;

c. reviewing, monitoring and, where appropriate, approving fundamental financial and business strategies and major corporate actions;

d. assessing major risks facing the Company — and reviewing options for their mitigation; and

e. ensuring processes are in place for maintaining the integrity of the Company - the integrity of the financial statements, the integrity of compliance with law and ethics, the integrity of relationships with customers and suppliers, and the integrity of relationships with other stakeholders.

3. Qualifications
Directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the shareowners. They must also have an inquisitive and objective perspective, practical wisdom and mature judgment. We endeavor to have a board representing diverse experience at policy-making levels in business, government, education and technology, and in areas that are relevant to the Company's global activities.

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serve on the board for an extended period of time. Directors should offer their resignation in the event of any significant change in their personal circumstances, including a change in their principal job responsibilities.

Directors who also serve as CEOs of publicly-traded companies or in equivalent positions should not serve on more than two boards of public companies in addition to the GE board, and other directors should not serve on more than four other boards of public companies in addition to the GE board. Current positions in excess of these limits may be maintained unless the board determines that doing so would impair the director’s service on the GE board.
The board does not believe that arbitrary term limits on directors’ service are appropriate, nor does it believe that directors should expect to be renominated annually until they reach the mandatory retirement age. The board self-evaluation process described below will be an important determinant for board tenure. Directors will not be nominated for election to the board after their 73rd birthday, although the full board may nominate candidates over 73 in special circumstances.

4. Independence of Directors
A majority of the directors will be independent directors, as independence is determined by the board, based on the guidelines set forth below.

All future non-employee directors will be independent. GE seeks to have a minimum of ten independent directors at all times, as independence is determined by the board based on the guidelines set forth below, and it is the board’s goal that at least two-thirds of the directors will be independent. Directors who do not satisfy GE’s independence guidelines also make valuable contributions to the board and to the Company by reason of their experience and wisdom.

For a director to be considered independent, the board must determine that the director does not have any direct or indirect material relationship with GE. The board has established guidelines to assist it in determining director independence, which conform to or are more exacting than the independence requirements in the New York Stock Exchange listing requirements (NYSE rules). In addition to applying these guidelines, the board will consider all relevant facts and circumstances in making an independence determination.

The board will make and publicly disclose its independence determination for each director when the director is first elected to the board and annually thereafter for all nominees for election as directors. If the board determines that a director who satisfies the NYSE rules is independent even though he or she does not satisfy all of GE’s independence guidelines, this determination will be disclosed and explained in the next proxy statement.

In accordance with NYSE rules, independence determinations under the guidelines in section (a) below will be based upon a director’s relationships with GE during the 36 months preceding the determination. Similarly, independence determinations under the guidelines in section (b) below will be based upon the extent of commercial relationships during the three completed fiscal years preceding the determination.

a. A director will not be independent if:
   i. the director is employed by GE, or an immediate family member is an executive officer of GE;
   ii. the director receives any direct compensation from GE, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);
   iii. an immediate family member receives more than $100,000 per year in direct compensation from GE;
   iv. the director is affiliated with or employed by GE’s independent auditor, or an immediate family member is affiliated with or employed in a professional capacity by GE’s independent auditor; or
v. A GE executive officer is on the compensation committee of the board of directors of a company which employs the GE director or an immediate family member as an executive officer.

b. A director will not be independent if, at the time of the independence determination, the director is an executive officer or employee, or if an immediate family member is an executive officer, of another company that does business with GE and the sales by that company to GE or purchases by that company from GE, in any single fiscal year during the evaluation period, are more than the greater of one percent of the annual revenues of that company or $1 million.

c. A director will not be independent if, at the time of the independence determination, the director is an executive officer or employee, or an immediate family member is an executive officer, of another company which is indebted to GE, or to which GE is indebted, and the total amount of either company’s indebtedness to the other at the end of the last completed fiscal year is more than one percent of the other company’s total consolidated assets.

d. A director will not be independent if, at the time of the independence determination, the director serves as an executive officer, director or trustee of a charitable organization, and GE’s discretionary charitable contributions to the organization are the greater of $200,000 or one percent of that organization’s annual consolidated gross revenues during its last completed fiscal year. (GE’s automatic matching of employee charitable contributions will not be included in the amount of GE’s contributions for this purpose.).

5. Size of Board and Selection Process
The directors are elected each year by the shareowners at the annual meeting of shareowners. Shareowners may propose nominees for consideration by the nominating and corporate governance committee by submitting the names and supporting information to: Secretary, General Electric Company, 3135 Easton Turnpike, Fairfield, CT 06828. The board proposes a slate of nominees to the shareowners for election to the board. The board also determines the number of directors on the board provided that there are at least 10. Between annual shareowner meetings, the board may elect directors to serve until the next annual meeting. The board believes that, given the size and breadth of GE and the need for diversity of board views, the size of the board should be in the range of 13 to 17 directors.

6. Board Committees
The board has established the following committees to assist the board in discharging its responsibilities: (i) audit; (ii) management development and compensation; (iii) nominating and corporate governance; and (iv) public responsibilities. The current charters and key practices of these committees are published on the GE website, and will be mailed to shareowners on written request. The committee chairs report the highlights of their meetings to the full board following each meeting of the respective committees. The committees occasionally hold meetings in conjunction with the full board. For example, it is the practice of the audit committee to meet in conjunction with the full board in February so that all directors may participate in the review of the annual financial statements and Management’s Discussion and Analysis of Financial Condition and Results of Operations for the prior year and financial plans for the current year.

7. Independence of Committee Members
In addition to the requirement that a majority of the board satisfy the independence standards discussed in section 4
above, members of the audit committee must also satisfy an additional NYSE independence requirement. Specifically, they may not accept directly or indirectly any consulting, advisory or other compensatory fee from GE or any of its subsidiaries other than their directors’ compensation. As a matter of policy, the board will also apply a separate and heightened independence standard to members of both the management development and compensation committee and the nominating and corporate governance committee. No member of either committee may be a partner, member or principal of a law firm, accounting firm or investment banking firm that accepts consulting or advisory fees from GE or any of its subsidiaries.

8. Meetings of Non-Employee Directors
The board will have at least three regularly scheduled meetings a year for the non-employee directors without management present. The chairman of the management development and compensation committee will preside at such meetings. The non-employee directors may meet without management present at such other times as determined by the presiding director.

9. Board Leadership
The CEO serves as the chairman of the board. The independent directors have appointed the chairman of the management development and compensation committee to serve as the presiding director. The presiding director leads meetings of the non-employee directors, and performs such other functions as the board may direct, including advising the nominating and corporate governance committee on the selection of committee chairs, advising the chairman of the board on the agenda for board meetings, determining (with the chairman of the board) the nature and extent of information provided to the board in advance of board meetings, and working with the chairman of the board to propose an annual schedule of major discussion items for the board’s approval. The presiding director also has the authority to call additional meetings of the non-employee directors.

10. Self-Evaluation
As described more fully in the key practices of the nominating and corporate governance committee, the board and each of the committees will perform an annual self-evaluation. Each November, each director will provide to an independent governance expert his or her assessment of the effectiveness of the board and its committees, as well as director performance and board dynamics. The individual assessments will be organized and summarized by this independent governance expert for discussion with the board and the committees in December.

11. Setting Board Agenda
The board shall be responsible for its agenda. At the December board meeting, the chairman of the board and the presiding director will propose for the board’s approval key issues of strategy, risk and integrity to be scheduled and discussed during the course of the next calendar year. Before that meeting, the board will be invited to offer its suggestions. As a result of this process, a schedule of major discussion items for the following year will be established. Prior to each board meeting, the chairman of the board will discuss the other specific agenda items for the meeting with the presiding director, who shall have authority to approve the agenda for the meeting. The chairman of the board and the presiding director, or committee chair as appropriate, shall determine the nature and extent of information that shall be provided regularly to the directors before each scheduled board or committee meeting. Directors are urged to make suggestions for agenda items, or additional pre-meeting materials, to the chairman of the board, the presiding director, or appropriate committee chair at any time.
12. Ethics and Conflicts of Interest
The board expects GE directors, as well as officers and employees, to act ethically at all times and to acknowledge their adherence to the policies comprising GE’s code of conduct set forth in the Company’s integrity manual, “The Spirit & The Letter”. GE will not make any personal loans or extensions of credit to directors or executive officers, other than consumer loans or credit card services on terms offered to the general public. No non-employee director may provide personal services for compensation to GE, other than in connection with serving as a GE director. The board will not permit any waiver of any ethics policy for any director or executive officer. If an actual or potential conflict of interest arises for a director, the director shall promptly inform the CEO and the presiding director. The audit committee shall resolve any such conflicts. If a significant conflict exists and cannot be resolved, the director should resign. All directors will recuse themselves from any discussion or decision affecting their personal, business or professional interests. The audit committee shall resolve any conflict of interest question involving the CEO, a vice chairman or a senior vice president, and the CEO shall resolve any conflict of interest issue involving any other officer of the Company.

13. Reporting of Concerns to Non-Employee Directors or the Audit Committee
The audit committee and the non-employee directors have established the following procedures to enable anyone who has a concern about GE's conduct, or any employee who has a complaint about the Company's accounting, internal accounting controls or auditing matters, to communicate that concern directly to the presiding director, to the non-employee directors or to the audit committee. Such communications may be confidential or anonymous, and may be e-mailed, submitted in writing or reported by phone to special addresses and a toll-free phone number that are published on the Company's website. All such communications shall be promptly reviewed by GE's ombudsman, and any concerns relating to accounting, internal controls, auditing or officer conduct shall be sent immediately to the presiding director and to the chair of the audit committee. All concerns will be reviewed and addressed by GE’s ombudsman in the same way that other concerns are addressed by the Company. The status of all outstanding concerns addressed to the non-employee directors, the presiding director or the audit committee will be reported to the presiding director and the chair of the audit committee on a quarterly basis. The presiding director or the audit committee chair may direct that certain matters be presented to the audit committee or the full board and may direct special treatment, including the retention of outside advisors or counsel, for any concern addressed to them. The Company’s integrity manual prohibits any employee from retaliating or taking any adverse action against anyone for raising or helping to resolve an integrity concern.

14. Compensation of the Board
The nominating and corporate governance committee shall have the responsibility for recommending to the board compensation and benefits for non-employee directors. In discharging this duty, the committee shall be guided by three goals: compensation should fairly pay directors for work required in a company of GE's size and scope; compensation should align directors' interests with the long-term interests of shareowners; and the structure of the compensation should be simple, transparent and easy for shareowners to understand. As discussed more fully in the key practices of the nominating and corporate governance committee, the committee believes these goals will be served by providing 40% of non-employee director compensation in cash and 60% in deferred stock units. Each year, the nominating and corporate governance committee shall review non-employee director compensation and benefits.

15. Succession Plan
The board shall approve and maintain a succession plan for the CEO and senior executives, based upon recommendations from the management development and compensation committee.
16. Annual Compensation Review of Senior Management
The management development and compensation committee has primary responsibility for assisting the board in developing and evaluating potential candidates for executive positions, including the CEO, and for overseeing the development of executive succession plans. As part of this responsibility, the committee oversees the design, development and implementation of the compensation program for the CEO and the other executive officers. The committee evaluates the performance of the CEO and determines CEO compensation in light of the goals and objectives of the compensation program. The CEO and the committee together assess the performance of the other executive officers and determine their compensation, based on initial recommendations from the CEO.

17. Access to Senior Management
Non-employee directors are encouraged to contact senior managers of the Company without senior corporate management present. To facilitate such contact, non-employee directors are expected to make two regularly scheduled visits to GE businesses a year without corporate management being present.

18. Access to Independent Advisors
The board and its committees shall have the right at any time to retain independent outside accounting, financial, legal or other advisors, and the Company shall provide appropriate funding, as determined by the board or any committee, to compensate such independent outside advisors, as well as to cover the ordinary administrative expenses incurred by the board and its committees in carrying out their duties.

19. Director Education
New directors participate in an orientation program provided by the general counsel and the chief financial officer. Each new director shall, within three months of election to the board, spend a day at corporate headquarters for personal briefing by senior management on the Company’s strategic plans, its financial statements, and its key policies and practices. In addition, directors shall be provided with continuing education on subjects that would assist them in discharging their duties, including regular programs on GE’s financial planning and analysis, compliance and corporate governance developments; business-specific learning opportunities through site visits and board meetings; and briefing sessions on topics that present special risks and opportunities to the Company. The Company will also provide the directors with access to outside educational programs pertaining to the directors’ responsibilities, such as “directors’ colleges.”

20. Policy on Poison Pills
The term “poison pill” refers to the type of shareowner rights plan that some companies adopt to make a hostile takeover of the Company more difficult. GE does not have a poison pill and has no intention of adopting a poison pill because a hostile takeover of a company of our size is impractical and unrealistic. However, if GE were ever to adopt a poison pill, the board would seek prior shareowner approval unless, due to timing constraints or other reasons, a committee consisting solely of independent directors determines that it would be in the best interests of shareowners to adopt a poison pill before obtaining shareowner approval. If the GE board of directors were ever to adopt a poison pill without prior shareowner approval, the board would either submit the poison pill to shareowners for ratification, or would cause the poison pill to expire, without being renewed or replaced, within one year.
21. Majority Vote Standard
Section 6 of the Certificate of Incorporation and Article II, Section C of the By-Laws set forth the Company’s majority vote standard for the election of directors, as follows: The vote required for election of a director by the shareholders shall, except in a contested election, be the affirmative vote of a majority of the votes cast in favor of or against the election of a director nominee at a meeting of shareholders. An election shall be considered contested if as of the record date there are more nominees for election than positions on the board of directors to be filled by election at the meeting. In any non-contested election of directors, any incumbent director nominee who receives a greater number of votes cast against his or her election than in favor of his or her election shall immediately tender his or her resignation, and the board of directors will decide, through a process managed by the nominating and corporate governance committee and excluding the nominee in question, whether to accept the resignation at its next regularly scheduled board meeting. The board’s explanation of its decision shall be promptly disclosed on Form 8-K filed with the Securities and Exchange Commission.

22. Stock Ownership Requirements
All non-employee directors are required to hold at least $500,000 worth of GE stock and/or deferred stock units while serving as a director of GE. Directors will have five years to attain this ownership threshold. In addition, as described more fully in the key practices of the management development and compensation committee, our senior executive officers are required to own specified amounts of GE stock, set at a multiple of the officers’ base salary rates.

**DIRECTOR INDEPENDENCE**
“Directors will be considered ‘independent’ if the sales to, and buys from, GE are less than one percent of the revenues of companies they serve as executive officers, and if loans provided by GE to a company they serve as executive officers, and loans received by GE from such companies, constitute less than one percent of the total assets of such company. Moreover, if a GE director serves as an officer or director of a charitable organization, the GE director will be considered ‘independent,’ if GE donates less than one percent of that organization’s annual charitable receipts.”

Jeff Immelt, Chairman of the Board & CEO
Thirteen of 16 GE directors are independent under NYSE guidelines. Below is a list of the independent directors.

**Independent**
- James I. Cash, Jr. (Director since 1997)
- Ann M. Fudge (Director since 1999)
- Claudio X. Gonzalez (Director since 1993)
- Susan Hockfield (Director since 2006)
- Andrea Jung (Director since 1998)
- A.G. Lafley (Director since 2002)
- Robert W. Lane (Director since 2005)
- Ralph S. Larsen (Director since 2002)
- Rochelle B. Lazarus (Director since 2000)
- James J. Mulva (Director since 2008)
- Sam Nunn (Director since 1997)
- Robert J. Swierenga (Director since 2002)
- Douglas A. Warner III (Director since 1992)
Certificate of Incorporation of General Electric Company*

Section 1. Name
The name of the corporation is General Electric Company.

Section 2. Purposes
The purposes of the corporation are as follows:

A. To manufacture, process, construct, develop, assemble, and produce in any way, to sell, lease, supply, and distribute in any way, to purchase, lease, mine, extract, and acquire in any way, to own, operate, experiment with, deal in, service, finance, and use in any way, equipment, apparatus, appliances, devices, structures, materials, processes, information, tangible and intangible property, services and systems of every kind, nature and description:

1. for any electrical, or energy-conversion, application or purpose, including but not limited to the production, transmission, distribution, storage, regulation, control and use in any manner of electricity, or in any way connected with or deriving from any electrical, or energy-conversion, application or purpose, and,

2. for any other application or purpose, whatsoever, including but not limited to industrial, utility, consumer, defense, governmental, scientific, educational, cultural, financial, recreational, agricultural, transportation, construction, mining, and communication applications or purposes.

B. To conduct studies and research and development, and to engage in any other activity relating to the development, application, and dissemination of information concerning science, technology, and other fields of endeavor.

* Text of Certificate of Incorporation as set forth in Restated Certificate of Incorporation filed by the Department of State of New York on April 30, 1965. Section 3.A was subsequently amended on April 29, 1971, to change the authorized number of common shares from 105,000,000 shares with a par value of $5 to 210,000,000 shares with a par value of $2.50; on December 20, 1976, to change the authorized number of common shares, par value $2.50, from 210,000,000 shares to 251,500,000 shares; on April 28, 1983, to change the authorized number of common shares, par value $2.50, from 251,500,000 shares to 550,000,000 shares, par value $1.25; on April 23, 1987, to change the authorized number of common shares, par value $1.25, from 550,000,000 shares to 1,100,000,000 shares, par value $0.63; and to change the authorized number of preferred shares, par value $1, from 2,000,000 to 50,000,000 shares; on April 28, 1994, to change the authorized number of common shares, par value $0.63, from 1,100,000,000 shares to 2,200,000,000 shares, par value $0.32; on April 28, 1997, to change the authorized number of common shares, par value $0.32, from 2,200,000,000 shares to 4,400,000,000 shares, par value $0.16; and on April 27, 2000, to change the authorized number of common shares, par value $0.16, from 4,400,000,000 shares to 13,200,000,000 shares with a par value of $0.06. Section 3.C. relating to preemptive rights was added by amendment effective May 2, 1975. Section 6 relating to Directors was amended effective April 28, 1988, to limit their personal liability to the corporation and its shareholders and was amended again, effective June 15, 1993, to set the minimum number of directors at ten and remove the upper limit and effective April 25, 2007 to implement the election of director nominees by an affirmative vote of the majority of votes cast in non-contested director elections. General Electric Company was created by a Special Act of the New York Legislature, Chapter 323, Laws of 1892, effective April 15, 1892.
C. To acquire by purchase, subscription or otherwise all or part of any interest in the property, assets, business, or good will of any corporation, association, firm, or individual, and to dispose of, or otherwise deal with, such property, assets, business or good will.

D. To engage in any activity which may promote the interests of the corporation, or enhance the value of its property, to the fullest extent permitted by law, and in furtherance of the foregoing purposes to exercise all powers now or hereafter granted or permitted by law, including the powers specified in the New York Business Corporation Law.

Section 3. Authorized Shares
A. General Authorization
The aggregate number of shares which the corporation is authorized to issue is 13,250,000,000 shares, consisting of:

1. 13,200,000,000 shares of common stock having a par value of $0.06 per share; and

2. 50,000,000 shares of preferred stock having a par value of $1 per share.

B. Preferred Stock
1. The Board of Directors is authorized, subject to limitations prescribed by law and the provisions of this subsection B, to provide for the issuance of the preferred shares in series, and by filing a certificate pursuant to the Business Corporation Law, to establish the number of shares to be included in each such series, and to fix the designation, relative rights, preferences and limitations of the shares of each such series. The authority of the Board with respect to each series shall include, but not be limited to, determination of the following:

   a. The number of shares constituting that series and the distinctive designation of that series;

   b. The dividend rate on the shares of that series, whether dividends shall be cumulative and, if so, from which date or dates;

   c. Whether that series shall have voting rights, in addition to the voting rights provided by law and, if so, the terms of such voting rights;

   d. Whether that series shall have conversion privileges and, if so, the terms and conditions of such conversion, including provision for adjustment of the conversion rate in such events as the Board of Directors shall determine;

   e. Whether or not the shares of that series shall be redeemable, and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

   f. The rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the corporation;

   g. Any other relative rights, preferences and limitations of that series.
2. Dividends on outstanding preferred shares shall be declared and paid, or set apart for payment, before any dividends
shall be declared and paid, or set apart for payment, on the common shares with respect to the same dividend period.

C. Preemptive Rights
No present or future holder of any shares of the corporation of any class or series, whether heretofore or hereafter issued,
shall have any preemptive rights with respect to: (1) any shares of the corporation of any class or series, or (2) any other
security of the corporation (including bonds and debentures) convertible into or carrying rights or options to purchase such
shares.

Section 4. Office
The office of the corporation is located in the City of Schenectady, County of Schenectady, State of New York.

Section 5. By-Laws
The by-laws may be amended or repealed, and new by-laws may be adopted, by the shareholders or the Board of
Directors, except that the Board of Directors shall have no authority to amend or repeal any by-law which is adopted by
the shareholders after April 20, 1948, unless such authority is granted to the Board by the specific provisions of a by-law
adopted by the shareholders.

Section 6. Directors
The Board of Directors of the corporation shall consist of not less than ten directors, the exact number to be determined
pursuant to procedures set forth in the by-laws.

A person who is or was a director of the corporation shall have no personal liability to the corporation or its shareholders for
damages for any breach of duty in such capacity except that the foregoing shall not eliminate or limit liability where such
liability is imposed under the Business Corporation Law of the State of New York.

The vote required for election of a director by the shareholders shall, except in a contested election, be the affirmative vote
of a majority of the votes cast in favor of or against the election of a nominee at a meeting of shareholders. In a contested
election, directors shall be elected by a plurality of the votes cast at a meeting of shareholders by the holders of shares
entitled to vote in the election. An election shall be considered contested if as of the record date there are more nominees
for election than positions on the board of directors to be filled by election at the meeting.

Section 7. Agent for Process
The Secretary of State of the State of New York is designated as the agent of the corporation upon whom process against
it may be served, and the post office address to which the Secretary of State shall mail a copy of such process served upon
him is Senior Litigation Counsel, General Electric Company, 3135 Easton Turnpike, Fairfield, CT 06828.
BY-LAWS

By-Laws of General Electric Company*

Article I
Office
The office of this Company shall be in the City of Schenectady, County of Schenectady, State of New York.

Article II
Directors

A. The stock, property and affairs of this Company shall be managed by a Board of Directors consisting of not less than ten members. The number of Directors shall be such number, not less than the aforesaid minimum, as shall be determined by vote of a majority of the entire Board of Directors, except as the number of Directors for any year shall be fixed by the shareholders at any annual statutory meeting by a majority vote of the outstanding shares entitled to vote thereon.

The Directors shall be elected each year, at the annual statutory meeting of the shareholders, to hold office until the next statutory meeting, and until their successors have been elected and have qualified. One-third of the number of Directors constituting the entire Board, as that number shall be determined from time to time, shall be a quorum for the transaction of business.

B. Meetings of Directors

1. The Board of Directors may fix the time or times and the place or places of regular and special meetings of the Board. Special meetings of the Directors also may be held at any time by order of the Chairman of the Board, or in the absence of the Chairman of the Board, by order of the President, if then a separate officer, or upon the written direction of two of the Directors.

2. Notice of each special meeting shall be mailed or telegraphed to each Director at his residence or place of business at least two days before the meeting and notice shall be deemed to be given at the time of mailing or delivery to a telegraph office for transmission, but the said two days' notice need not be given to any Director who submits a signed waiver of notice, whether before or after the meeting, or who attends the meeting without protesting prior thereto or at its commencement, the lack of notice to him. If the time and place of a regular meeting have not been fixed by the Board, notice of such meeting shall be given as in the case of a special meeting.

3. The Board of Directors may prescribe an order of business for its meetings.

* As last amended and restated by Board of Directors on September 10, 1976, except for Article XI which was amended by shareholders on April 22, 1987; the first two sentences of Article II, Section A, which were amended on June 15, 1993; and Article III, which was amended by the Board of Directors on December 18, 1998; and Article II, Section C, which was amended by the Board of Directors on April 25, 2006 and again on April 25, 2007; and Article VII, which was amended by the Board of Directors on April 25, 2007.
4. Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consent thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

5. Any one or more members of the Board of Directors or of any committee of the Board of Directors may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at any such meeting.

C. Election of Directors. In any non-contested election of directors, any incumbent director nominee who receives a greater number of votes cast against his or her election than in favor of his or her election shall immediately tender his or her resignation, and the Board of Directors shall decide, through a process managed by the Nominating and Corporate Governance Committee and excluding the nominee in question, whether to accept the resignation at its next regularly scheduled Board meeting. The Board's explanation of its decision shall be promptly disclosed on Form 8-K filed with the Securities and Exchange Commission (SEC).

D. In respect to things not herein specially provided for, the Board of Directors may exercise the powers conferred on them by law.

Article III
Committees of Directors
The Board of Directors, by resolution adopted by a majority of the entire Board, may designate from among its members, a Management Development and Compensation Committee, an Audit Committee, a Finance Committee, an Operations Committee, a Public Responsibilities Committee, a Technology and Science Committee, and other committees, each consisting of one or more directors, and each of which, to the extent provided in the applicable resolution, shall have all the authority of the Board to the fullest extent permitted by law. The Board may designate one or more directors as ex officio members of any such committee who may replace any absent member or members at any meeting of such committee.

Article IV
Officers
A. As determined by the Board of Directors, the officers of this Company shall include:

1. A Chairman of the Board, who shall be chosen by the Directors from their own number. The Chairman of the Board shall be the Chief Executive Officer of the Company and in that capacity shall have general management, subject to the control of the Board of Directors, of the business of the Company, including the appointment of all officers and employees of the Company for whose election or appointment no other provisions is made in these By-Laws; he shall also have the power, at any time, to discharge or remove any officer or employee of the Company, subject to the action thereon of the Board of Directors, and shall perform all other duties appropriate to this office. The Chairman of the Board shall preside at all meetings of Directors, and he may at any time call any meeting of the Board of Directors; he may also at his discretion call or attend any meeting of any committee of the Board, whether or not a member of such committee.
2. One or more Vice Chairmen of the Board, who shall also be chosen by the Directors from their own number. The Board may designate one or more of the Vice Chairmen to be Executive Officers of the Company accountable to the Chief Executive Officer.

3. A President of the Company, who shall be chosen by the Directors from their own number. The office of President will normally be vested in the Chairman of the Board, provided, however, that in the discretion of the Board, the position of President may be established independent of, but accountable to, the Chairman during transition periods.

4. Two or more Vice Presidents, one or more of whom may also be designated Executive Vice Presidents or Senior Vice Presidents accountable to the Chief Executive Officer.

5. A Vice President-Finance, who shall be the principal financial officer of the Company, and who shall have such duties as the Board, by resolution, shall determine. In the absence or disability of the Vice President-Finance, the Chairman of the Board may designate a person to execute the powers of such office.

6. A Comptroller and a Treasurer who shall be officers of the Company. The Treasurer and Comptroller shall perform such duties as may be assigned by the Vice President-Finance. In the absence or disability of the Comptroller or Treasurer, the Chairman of the Board may designate a person to execute the powers of such office.

7. A Secretary, who shall record in proper books to be kept for that purpose and have custody of the minutes of the meetings of the shareholders of the Company and of meetings of the Board of Directors and of committees of the Board (other than the Compensation Committee) and who shall be responsible for the custody and care of the seal of the Company. He shall attend to the giving and serving of all notices of the Company and perform such other duties as may be imposed upon him by the Board of Directors.

The Secretary may appoint an Associate Secretary and Attesting Secretaries, each of whom shall have the power to affix and attest the corporate seal of the Company, and to attest the execution of documents on behalf of the Company and who shall perform such other duties as may be assigned by the Secretary; and in the absence or disability of the Secretary, the Associate Secretary may be designated by the Chairman to exercise the powers of the Secretary.

8. Such other officers as the Board may from time to time appoint.

B. One person may hold two or more offices, except that no person shall simultaneously hold the offices of President and Secretary.

C. All officers shall be elected by the Board of Directors for an initial term which shall continue until the first Board meeting following the next annual statutory meeting of shareholders, and thereafter all officers shall be elected for one-year terms; provided, however, that all officers shall serve at the pleasure of the Board. Officers shall exercise such powers and perform such duties as the Chief Executive Officer may from time to time direct, provided that these powers and duties are not inconsistent with any outstanding Board resolutions.
D. In the event of the absence, incapacity, illness or the death of the Chairman of the Board, the President, if then a separate officer, shall assume the duties of the Chairman of the Board pending action by the Board of Directors; provided, however, that if there is not a separate President in office, the duties of the Chairman of the Board, pending action by the Board of Directors, shall be assumed by that Vice Chairman who is senior to the others in length of General Electric Company service.

Article V
Removal of Officers and Employees
A. Any officer or employee of the Company may be at any time removed by the affirmative vote of at least a majority of the Board of Directors. In case of such removal the officer so removed shall forthwith deliver all the property of the Company in his possession, or under his control, to some person to be designated by the Board. Nothing herein contained shall limit the power of any officer to discharge any subordinate.

B. The Board may at any time, in the transaction of business, temporarily delegate any of the duties of any officer to any other officer or person selected by it.

Article VI
Vacancies
Any vacancy occurring in the Board of Directors, or in any office, may be filled for the unexpired term by the Board of Directors.

Article VII
Meetings of Shareholders
Meetings of shareholders may be held at such time and in such place within or without the State of New York as the Board of Directors may determine, and the annual statutory meeting required by Section 602(b) of the New York Business Corporation Law shall be held on the fourth Wednesday in April of each year, or as the Board of Directors may from time to time otherwise determine.

Special meetings of the shareholders may be called by the Board, or upon the written request therefor of shareholders holding forty percent of the then issued stock of the Company, filed with the Secretary.

The Board of Directors may prescribe an order of business for meetings of shareholders. The Chairman of the Board, or in his absence, the President, if then a separate officer, shall preside at meetings of the shareholders; provided, however, that the Board of Directors may for any meeting of shareholders designate another officer or officers to preside.

No business shall be conducted at a meeting of the shareholders except in accordance with the procedures set forth in this Article VII. Nominations for the election of directors may be made by the Board of Directors or by any shareholder entitled to vote for the election of directors who complies with the notice procedures set forth in this Article. The proposal of other business that may properly be considered by shareholders at a meeting may be made only (i) pursuant to the Company’s notice of meeting given by or at the direction of the Board of Directors, (ii) otherwise by or at the direction of the Board of Directors as permitted by law or (iii) by any shareholder of the Company who was a shareholder of record at the time such
shareholder gives notice of such proposal as provided for in this Article, who is entitled to vote on the proposal and who complies with the notice procedures set forth in this Article. For business to be properly brought by a shareholder before the annual meeting of shareholders, the shareholder must give timely notice thereof in writing to the Secretary of the Company and such business must otherwise be a proper matter for shareholder action. To be timely, a shareholder’s notice of intention to make a nomination or to propose other business at the annual meeting must either (i) be sent to the Company in compliance with the requirements of SEC Rule 14a-8, if the proposal is submitted under such rule, or (ii) if not, be mailed and received by, or delivered to, the Secretary at the principal executive offices of the Company not later than the close of business on the 90th day prior to the anniversary date of the most recent annual meeting of shareholders or, if the date of the annual meeting of shareholders is more than 30 days earlier or later than such anniversary date, then not later than the close of business on the 75th day prior to the anniversary date of the most recent annual meeting of shareholders.

Only matters as are stated in the notice of a special meeting of shareholders shall be brought before such a meeting and, in the case of a special meeting properly noticed for the election of directors, notice of a shareholder’s intention to make a nomination, in order to be timely, must be mailed and received by, or delivered to, the Secretary at the principal executive offices of the Company not later than the close of business on the 10th day after notice of the meeting is properly given.

A shareholder’s notice to the Secretary to submit business for action at the annual meeting of shareholders shall set forth either the information required by SEC Rule 14a-8 if submitted in accordance with and permitted by such rule or, if a nomination for the election of a director at the annual meeting or a special meeting of shareholders or otherwise not in accordance with such rule: (i) the name and address of the shareholder, (ii) the number of shares of stock of the Company held of record and beneficially by such shareholder, (iii) a representation that the shareholder intends to appear at the meeting in person or by proxy to submit the business specified in such notice, (iv) a brief description of the business desired to be submitted to the meeting of shareholders, including the complete text of any resolutions and any amendment to any Company document intended to be presented at the meeting of shareholders, (v) any personal or other direct or indirect material interest of the shareholder in the business to be submitted, (vi) all other information relating to the proposed business which may be required to be disclosed under the New York Business Corporation Law or included in a proxy statement filed pursuant to the proxy rules of the SEC and (vii) if the shareholder intends to make a nomination, (a) information regarding each nominee proposed by such shareholder as would have been required to be included in a proxy statement filed pursuant to the proxy rules of the SEC and (b) a description of all arrangements or understandings between the shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder. Notice of intention to make a nomination shall be accompanied by the written consent of each nominee to serve as director of the Company if elected.

The officer presiding at the meeting of shareholders shall determine all matters relating to the efficient conduct of the meeting, including, but not limited to, the items of business. The presiding officer shall, if the facts warrant, determine and declare that any putative business was not properly brought before the meeting in accordance with the procedures prescribed by this Article VII, in which case such business shall not be transacted.
Article VIII
Stock and Transfer
A. Certificates of stock, signed by the Chairman of the Board, or a Vice Chairman, or the President, if then a separate officer, or a Vice President and the Secretary or Treasurer, shall be issued to the shareholders. Such signatures may be facsimiles, engraved or printed, and in case any such officer who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such before such certificate is issued, such certificate may be issued by the Company with the same effect as if that officer had not ceased to be such at the date of its issue.

B. The stock shall be transferable only upon the books of the Company, by the holder thereof, in person, or by properly authenticated power of attorney.

C. The Board of Directors or Executive Committee may appoint suitable agents in the City of New York and elsewhere, to facilitate transfers by shareholders under such regulations as the Board may from time to time prescribe. The transfer books may be closed by the Board for such periods as may be deemed advisable for dividend or other purposes.

D. The Board of Directors or Executive Committee may appoint any Bank or Trust Company in the City of New York or elsewhere, to act as registrar of transfers of stock until otherwise ordered by the Board of Directors. After the appointment of any such registrar of transfers, no certificate thereafter issued for stock shall be binding upon the Company, or have any validity, unless countersigned by any such registrar of transfers, or by a successor of any such registrar appointed by the Board of Directors.

E. The Board of Directors may make such other and further regulations, with reference to the stock and its transfer, as to them may seem advisable from time to time.

F. The Board of Directors may call a meeting or meetings of shareholders for the purpose of authorizing an increase of the stock of this Company, at such time or times as to the Board may seem advisable.

Article IX
Examination of Books
The Board of Directors may, by resolution, make regulations respecting the examination of the books of the Company by shareholders.

Article X
Engineering Decisions and Activities
All engineering decisions made in a particular state pertaining to any project or engineering activities conducted by the Company in such state where so required by law, or where the Chief Executive Officer so directs, shall be made (a) by the employee of the Company who holds a certificate of registration as an engineer in such state and who has been specified by the Chief Executive Officer or the person designated by the Chief Executive Officer to make such specification, as the engineer in responsible charge of such project or engineering activities, or (b) by other responsible engineers under his direction or supervision.
Article XI

Indemnification

A. The Company shall, to the fullest extent permitted by applicable law as the same exists or may hereafter be in effect, indemnify any person who is or was or has agreed to become a director or officer of the Company and who is or was made or threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Company to procure a judgment in its favor and an action by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which such person is serving, has served or has agreed to serve in any capacity at the request of the Company, by reason of the fact that he or she is or was or has agreed to become a director or officer of the Company, or is or was serving or has agreed to serve such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, amounts paid or to be paid in settlement, taxes or penalties, and costs, charges and expenses, including attorney’s fees, incurred in connection with such action or proceeding or any appeal therein, provided, however, that no indemnification shall be provided to any such person if a judgment or other final adjudication adverse to the director or officer establishes that (i) his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and, in either case, were material to the cause of action so adjudicated, or (ii) he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled. The benefits of this Paragraph A shall extend to the heirs and legal representatives of any person entitled to indemnification under this paragraph.

B. The Company may, to the extent authorized from time to time by the Board of Directors, or by a committee comprised of members of the Board or members of management as the Board may designate for such purpose, provide indemnification to employees or agents of the Company who are not officers or directors of the Company with such scope and effect as determined by the Board, or such committee.

C. The Company may indemnify any person to whom the Company is permitted by applicable law to provide indemnification or the advancement of expenses, whether pursuant to rights granted pursuant to, or provided by, the New York Business Corporation Law or other rights created by (i) a resolution of shareholders, (ii) a resolution of directors, or (iii) an agreement providing for such indemnification, it being expressly intended that these By-Laws authorize the creation of other rights in any such manner. The right to be indemnified and to the reimbursement or advancement of expenses incurred in defending a proceeding in advance of its final disposition authorized by this Paragraph C shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, By-Laws, agreement, vote of shareholders or disinterested directors or otherwise.

D. The right to indemnification conferred by Paragraph A shall, and any indemnification extended under Paragraph B or Paragraph C may, be retroactive to events occurring prior to the adoption of this Article XI, to the fullest extent permitted by applicable law.

E. This Article XI may be amended, modified or repealed either by action of the Board of Directors of the Company or by the vote of the shareholders.
Article XII
Amendments of By-Laws
These By-Laws may be altered, amended or repealed, at any time, in the manner provided in the Certificate of
Incorporation of this Company.

Article XIII
Emergency By-Law
A. This Emergency By-law shall become effective if the Defense Council of New York, as constituted under the New
York State Defense Emergency Act now in effect or as it may hereafter be amended from time to time, shall order the
effectiveness of emergency By-Laws of New York Corporations and shall cease to be effective when the Council shall so
declare. This Emergency By-law may also become effective in the manner outlined in Section E of this Article.

B. In the event this Emergency By-law shall become effective, the business of the Company shall continue to be
managed by those members of the Board of Directors in office at the time the emergency arises who are available
to act during the emergency. If less than three such Directors are available to act, additional Directors, in whatever
number is necessary to constitute a Board of three Directors, shall be selected automatically from the first available
officers or employees in the order provided in the emergency succession list established by the Board of Directors and
in effect at the time an emergency arises.

C. For the purposes of Sections B and D(3) of this Article, a Director shall be deemed unavailable to act if he shall fail to
attend a Directors meeting called in the manner provided in Section D(l) of this Article. This section, however, shall not
affect in any way the right of a Director in office at the time an emergency arises to continue as a Director.

D. The Board of Directors shall be governed by the following basic procedures and shall have the following specific
powers in addition to all other powers which it would otherwise have.

1. Meetings of the Board of Directors may be called by any Director, or by the first available officer or employee
in the order provided in the emergency succession list referred to in Section B of this Article, by mailing to all
Directors written notice thereof at their residence or place of business at least two days before the meeting and
by using other reasonably available means of communication in an effort to contact each Director

2. Three Directors shall constitute a quorum which may in all cases act by majority vote

3. If the number of Directors who are available to act shall drop below three, additional Directors, in whatever
number is necessary to constitute a Board of three Directors, shall be selected automatically from the first
available officers or employees in the order provided in the emergency succession list referred to in Section B of
this Article

4. Additional Directors, beyond the minimum number of three Directors, but not more than three additional
Directors, may be elected from any officers or employees on the emergency succession list referred to in Section
B of this Article

5. Any Director, other than a Director in office at the time an emergency arises, may be removed by a
majority vote
6. The Board of Directors may establish any additional procedures and may amend any of the provisions of this Article concerning the interim management of the affairs of the Company in an emergency if it considers it to be in the best interests of the Company to do so, except that it may not change Sections C or D(5) of this Article in any manner which excludes from participation any person who was a Director in office at the time an emergency arises.

7. To the extent that it considers it practical to do so, the Board of Directors shall manage the business of the Company during an emergency in a manner which is consistent with the Certificate of Incorporation and By-Laws. It is recognized, however, that in an emergency it may not always be practical to act in this manner and this Emergency By-law is intended to and hereby empowers the Board of Directors with the maximum authority possible under the New York State Defense Emergency Act, and all other applicable law, to conduct the interim management of the affairs of the Company in an emergency in what it considers to be in the best interests of the Company.

E. If an obvious defense emergency exists because of an enemy attack and, if by reason of the emergency, the Defense Council of New York is itself unable to order the effectiveness of emergency by-laws as contemplated by Section A of this Article, then:

1. A quorum of the Board of Directors pursuant to Article II of these By-Laws may order the effectiveness of this Emergency By-law or

2. If a quorum of the Board of Directors pursuant to Article II of these By-Laws is not present at the first Board of Directors meeting called, in the manner provided in Section D(1) of this Article, after an emergency arises, then the provisions of this Emergency By-law shall automatically become effective and shall remain in effect until it is practical for a normally constituted Board of Directors to resume management of the business of the Company.

CONTACT GE’S BOARD OF DIRECTORS

Please choose one of the options listed below to report complaints about GE accounting, internal accounting controls or auditing matters or other concerns to the Board of Directors or the Audit Committee.

Call GE’s Board
(800) 417-0575
or
(203) 373-2652

Write to GE’s Board
GE’s Board of Directors
General Electric Company (W2E)
3135 Easton Turnpike
Fairfield, CT 06828

E-mail GE’s Board
Directors@corporate.ge.com

- Complaints relating to GE accounting, internal accounting controls or auditing matters will be referred to members of the Audit Committee.
- Other concerns will be referred to the presiding director of the GE Board.
- All complaints and concerns will be received and processed by the GE Corporate Ombudsperson’s Office.
- You will receive a written acknowledgment from the GE Corporate Ombudsperson’s Office upon receipt of your written complaint or concern.
- A person may choose to report concerns anonymously.
- All reports are treated confidentially.
OMBUDSPERSON PROCESS

GE has an extensive ombudsperson process that serves as a mechanism for individuals to ask questions and report integrity concerns without fear of retaliation.

Employees and others with connections to the Company must have confidence that they can freely report concerns about legal or ethical violations, and that their concerns will be objectively investigated by subject matter experts such as Finance, Legal, and Human Resources (and outside specialists, if necessary) with appropriate individual and remedial action and without fear or favor.

Employees are subject to discipline if they fail to report a known or suspected concern. In addition, retaliation against those who raise integrity concerns is prohibited and is grounds for disciplinary action. GE has processes in place for objectively investigating and resolving integrity concerns, and ombudsperson system activity is reported to the Audit Committee of the Board of Directors.

With an extensive global ombuds network of more than 700 ombudspersons, coverage is provided for every business and country in which GE operates. As GE employment has increased through acquisitions, increased rigor around the ombudsperson appointment process has been added. The ombudsperson network is continually assessed and measured to ensure it is operating with peak efficiency while providing the most comprehensive global coverage. The global ombudsperson network averaged around 600 individuals for 2007.

All ombudspersons speak the local language and understand the culture and business environment of their location. GE ombudspersons are trained in procedures for receiving concerns, initiating investigations, monitoring case progress, and closure. Training in 2007 was refreshed and revitalized to be more closely aligned with the ombudsperson digitized case management process. Nineteen training sessions and 11 regional workshops were held in 2007, ensuring all ombudspersons receive prompt and regular refresher training.

Employees may raise their concerns anonymously if they choose. Investigations are conducted with the highest level of confidentiality when concerns about possible violations of GE policy or the law are raised.

Prompt corrective action and discipline demonstrate a strong integrity culture at GE. During 2007, 1,596 integrity concerns were reported through the ombudsperson process (36% anonymously) covering a variety of issues. The rising rate of reported concerns is an indicator of a healthy integrity and compliance culture, and a growing company. It demonstrates that employees recognize their responsibilities to raise compliance questions and concerns that come to their attention. Increased usage of the ombudsperson process also demonstrates that leaders have set the right integrity culture, creating an environment that encourages employees to come forward with their questions and concerns without fear of retribution.

The results of these 1,596 investigations led directly to 343 disciplinary actions being taken, including 130 employee separations, 178 warnings, 10 job changes, and 25 financially impacted employees. Of the disciplinary actions, approximately 58% occurred outside the United States. Ombudspersons monitor investigations to ensure timely closure and prompt feedback to those who raise concerns. 94% of last year’s investigations are closed to date, averaging approximately 45 days to complete.
Confirmed violations of Company policies and procedures result in corrective actions such as training, strengthening routines, and simplifying /updating processes. Although many non-conformances violations result from unintended mistakes, disciplinary actions are taken in appropriate cases involving intentional wrongdoing.

It is critical that all GE employees worldwide understand how to raise their integrity questions and concerns and trust the system. Employees come to know their local business ombudsperson through postings, articles, various company intranet sites, and by ombudsperson introductions at business all-employee meetings including integrity events and training.

Ombudsperson Concerns by Area (reports per policy)

<table>
<thead>
<tr>
<th>Area</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair Employment Practices</td>
<td>308</td>
<td>319</td>
<td>363</td>
<td>390</td>
<td>402</td>
<td>421</td>
<td>434</td>
<td>425</td>
</tr>
<tr>
<td>Conflicts of Interest</td>
<td>220</td>
<td>227</td>
<td>237</td>
<td>212</td>
<td>240</td>
<td>253</td>
<td>198</td>
<td>209</td>
</tr>
<tr>
<td>International Trade Controls</td>
<td>16</td>
<td>20</td>
<td>36</td>
<td>44</td>
<td>39</td>
<td>64</td>
<td>100</td>
<td>91</td>
</tr>
<tr>
<td>Routines, Documentation, Internal Measurements</td>
<td>--</td>
<td>--</td>
<td>45</td>
<td>51</td>
<td>93</td>
<td>108</td>
<td>98</td>
<td>106</td>
</tr>
<tr>
<td>Business Records (T&amp;L, Time &amp; Attend)</td>
<td>--</td>
<td>--</td>
<td>65</td>
<td>45</td>
<td>70</td>
<td>80</td>
<td>87</td>
<td>81</td>
</tr>
<tr>
<td>Environment, Health &amp; Safety</td>
<td>42</td>
<td>63</td>
<td>63</td>
<td>88</td>
<td>83</td>
<td>119</td>
<td>85</td>
<td>101</td>
</tr>
<tr>
<td>Supplier Relationships</td>
<td>62</td>
<td>67</td>
<td>78</td>
<td>82</td>
<td>71</td>
<td>69</td>
<td>72</td>
<td>72</td>
</tr>
<tr>
<td>Regulatory Excellence*</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>58</td>
</tr>
<tr>
<td>Theft</td>
<td>--</td>
<td>--</td>
<td>58</td>
<td>36</td>
<td>42</td>
<td>55</td>
<td>70</td>
<td>38</td>
</tr>
<tr>
<td>Privacy</td>
<td>15</td>
<td>25</td>
<td>26</td>
<td>48</td>
<td>35</td>
<td>42</td>
<td>64</td>
<td>54</td>
</tr>
<tr>
<td>Controllership (Accounting, Financial Reporting, Billing)</td>
<td>--</td>
<td>--</td>
<td>56</td>
<td>49</td>
<td>42</td>
<td>43</td>
<td>58</td>
<td>47</td>
</tr>
<tr>
<td>Improper Payments</td>
<td>78</td>
<td>29</td>
<td>22</td>
<td>33</td>
<td>28</td>
<td>34</td>
<td>58</td>
<td>49</td>
</tr>
<tr>
<td>Security &amp; Crisis Management</td>
<td>--</td>
<td>--</td>
<td>18</td>
<td>2</td>
<td>10</td>
<td>22</td>
<td>37</td>
<td>91</td>
</tr>
</tbody>
</table>

(*) In response to today’s regulatory environment where GE is subject to a growing number of regulations and enforcement activities around the world, a new category of “Regulatory Excellence” has been added to provide additional visibility into this critical area.
CONTINUED: Ombudsperson Concerns by Area (reports per policy)

<table>
<thead>
<tr>
<th>Area</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intellectual Property</td>
<td>16</td>
<td>27</td>
<td>51</td>
<td>35</td>
<td>34</td>
<td>41</td>
<td>36</td>
<td>45</td>
</tr>
<tr>
<td>Working with Governments</td>
<td>70</td>
<td>91</td>
<td>80</td>
<td>75</td>
<td>55</td>
<td>52</td>
<td>31</td>
<td>30</td>
</tr>
<tr>
<td>Complying with Competition Laws</td>
<td>16</td>
<td>18</td>
<td>46</td>
<td>36</td>
<td>23</td>
<td>27</td>
<td>4</td>
<td>29</td>
</tr>
<tr>
<td>Other Integrity Concerns</td>
<td>--</td>
<td>--</td>
<td>122</td>
<td>133</td>
<td>71</td>
<td>67</td>
<td>82</td>
<td>70</td>
</tr>
</tbody>
</table>

Ombudsperson Process — Investigation Results

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concerns Reported</td>
<td>1,338</td>
<td>1,497</td>
<td>1,514</td>
<td>1,596</td>
</tr>
<tr>
<td>Disciplinary Actions</td>
<td>368</td>
<td>293</td>
<td>395</td>
<td>343</td>
</tr>
</tbody>
</table>

Geographic Breakout of Investigations Conducted (% of investigations)

<table>
<thead>
<tr>
<th>Region</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. and Canada</td>
<td>56%</td>
</tr>
<tr>
<td>Europe</td>
<td>15%</td>
</tr>
<tr>
<td>Asia</td>
<td>16%</td>
</tr>
<tr>
<td>Latin America</td>
<td>13%</td>
</tr>
</tbody>
</table>

2007 Results
1,596 concerns reported
343 disciplinary actions
Closed-to-Date Average 94%
Average Days to Close ~45