



PRESS STATEMENT

Driven by Changing Customer Preferences and Legislation, GE Lighting's Incandescent Production Plant in Winchester to Close on September 24

September 2010 – As announced more than one year ago, GE Lighting's Winchester Lamp Plant in Winchester, Virginia, where a variety of traditional, household types of incandescent light bulbs are manufactured, will officially close on September 24. Due to changing customer preferences, and as energy regulations that establish lighting efficiency standards are implemented in the U.S. and other countries, familiar lighting products that had been made at the Winchester Plant will be phased out.

The action affects 193 hourly and 10 salaried employees, with approximately 65 percent of employees eligible for a GE retirement package. All employees are eligible for GE's extensive plant-closing benefits.

Ron Wilson, general manager of GE Lighting's Global Supply Chain, said, "Legislation requiring tougher energy standards, customers moving to more energy-efficient light bulbs, and old technology being replaced with higher-technology light sources are driving a profound transformation in the lighting industry worldwide. Even without the new regulations, which will begin to take effect in January 2012 in the U.S. – and in California a year earlier – the market for traditional household incandescent light bulbs has declined by half over the past five or so years, according to data from the National Electrical Manufacturers Association. This has created considerable overcapacity, rising costs and inefficiencies across our manufacturing system. As difficult as this action is because of the impact on employees, given these fundamental changes, we have to take action now to reshape GE's lighting business and invest in and develop the types of energy-efficient lighting products being demanded in world markets."

Joseph Cenin, plant manager for Winchester Lamp Plant, said, "Our Winchester employees have been a great work force for our company. The last year has been difficult, and I'm proud of each employee. In addition to continuing to manufacture high-quality products for our customers, our other focus has been to do our very best to help employees make a successful transition to retirement or to using GE education benefits for retraining for other careers. All impacted, eligible employees will receive: GE's extensive plant-closing benefits, including continued medical, dental and life insurance coverage for the employee and his/her covered dependents; thousands of dollars in tuition reimbursement for education and retraining; preferential job placement at other GE locations; cash benefits; and more."

Cenin noted that the approximately 25 percent of Winchester's products that are currently exempted from legislation – 3-way incandescent and appliance bulbs, for example – will be consolidated in GE Lighting's existing plant in Monterrey, Mexico, where similar products are already made.

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GE Plant Closing Benefits

Special GE job package provisions apply to GE employees affected by a plant closing. The following is a summary of the major elements of the package available to eligible employees under current plan provisions.*

Advance Notice

- GE provides at least one year of advance notice before closing a plant.

Benefits

- **Lump-sum severance payment:** Employees with 15 or more years of service receive a lump-sum severance payment equal to two weeks of pay for each year of service. For example, an eligible employee with 25 years of service making \$1000 a week would receive a severance payment equal to \$1000 x 2 weeks x 25 years for a total payment of \$50,000. Employees with one to 14 years of service receive one and one-half weeks of pay for each year of service calculated on the same basis. The severance payment for eligible employees equals at least four weeks of pay.
- **Special Early Retirement Option (SERO):** Employees who are ages 55 through 59 with 25 or more years of pension qualification service will have the opportunity to elect early retirement with full benefits instead of severance. Benefits include full pension earned as of the date of the plant closing. In addition, supplements of \$18 a month for every year of pension benefit service, plus \$375 per month, are paid to the age when an employee is eligible to begin receiving 80 percent of his or her Social Security benefit. Benefits for those retiring under this option are the same as those available to long-service employees who retire at age 60.
- **Plant Closing Pension Option (PCPO):** Long-service employees not eligible for SERO who are between the ages of 50 and 59 (with 10 or more years of pension qualification service based on an age/service table), age 60 or older (with 10 to 24 years of pension qualification service), and those under 50 who will have 30 years of pension qualification service in the year employment ends can elect this benefit, which provides an unreduced lifetime pension. Pension benefits under this option are the same as those available to long-service employees who retire at age 60 or under SERO, including pension supplements.
- **Continued medical and dental benefits:** All employees receive continued medical and dental coverage under the GE plans for one year from the date of employment termination. After one year, continued coverage under GE's medical benefits is provided

* Employees covered by the GE Job & Income Security Plans or the GE Layoff Benefit Plan

to eligible retirees who are age 60 or older with 10 years of service, those age 50 or older with 25 years of service, and those under age 50 with 30 years of service.

- **Continued life insurance:** Life insurance coverage equal to two-and-one-half times annual pay continues for one year from the date of employment termination. After one year, continued coverage is provided to eligible retirees who are age 60 or older with 10 years of service, those age 50 or older with 25 years of service, and those under age 50 with 30 years of service.
- **Special benefits protection:** This benefit provides long-service employees who have at least 25 years of service with continued medical and life insurance coverage at special rates and protection for certain pension benefits. It applies if other GE benefits provisions do not provide greater protection based on the employee's age and service.
- **Pension vesting:** Employees with five years of pension qualification service are fully vested in the GE Pension Plan. Full retirement benefits are immediately available to employees who are age 60 at the date of termination and are paid in addition to lump-sum severance benefits.
- A **Special Supplement Benefit Option** provides \$13,500 to \$18,000 to employees under age 60 with 25 or more years of pension qualification service who are not eligible to retire. The \$375-a-month supplement is paid from age 60 to the age at which the individual is eligible for 80 percent of his or her Social Security benefit. An eligible participant can choose to receive this supplement before age 60 - as early as six months after the date of termination. Payments can be rolled over to an IRA to defer taxes.
- An **Accelerated Pension Payment Option** provides employees under age 50 with 25 or more years of pension qualification service and who are not eligible to retire with an option to begin receiving pension payments as early as age 55 at a reduced level.
- **GE Savings and Security Program (S&SP):** Prior to their plant closing termination date, employees may withdraw money from their S&SP account under certain circumstances (including employee savings, plus company matching payments and earnings), subject to taxes. Upon terminating service, employees may request a total distribution of their S&SP account balance, leave the account balance in S&SP for later distribution or elect full or partial distribution of S&SP savings. However, distributions must begin at age 70-1/2. Those who leave savings in the plan remain eligible for investment switching and the GE Stock Dividend Payout Option.
- **Preferential Placement:** Hourly and nonexempt employees can elect preferential placement status for three years at up to ten GE locations in the United States.

Employees who accept a placement offer and relocate will be eligible for transfer assistance benefits of up to \$7,000 for an employee with dependents and up to \$3,500 for an employee without dependents.

- **Education and Retraining Assistance:** Up to \$12,500, payable within three years, is available for education and retraining expenses to help prepare an employee for a new job or occupation. Programs beginning within 12 months of the employee's termination date are eligible.
- **Employment Assistance Program:** A special program is established to provide job placement assistance services, such as individual skills development and training programs, job search counseling, job availability information, resume preparation, and interviewing techniques. Counseling is provided to help employees in making benefits choices.