

December 14, 2017

VIA E-MAIL

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Re: *General Electric Company*  
*Shareowner Proposal of Martin Harangozo*  
*Securities Exchange Act of 1934—Rule 14a-8*

Ladies and Gentlemen:

This letter is to inform you that our client, General Electric Company (the “Company”), intends to omit from its proxy statement and form of proxy for its 2018 Annual Meeting of Shareowners (collectively, the “2018 Proxy Materials”) all or portions of the shareowner proposal (the “Proposal”) and statements and images submitted therewith, which was received from Martin Harangozo (the “Proponent”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2018 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareowner proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

Office of Chief Counsel  
Division of Corporation Finance  
December 14, 2017  
Page 2

## THE PROPOSAL

The Proposal requests that the Company's Board of Directors take the necessary steps to provide for cumulative voting in the election of directors. In addition to the text of the Proposal, the supporting statements consist of three unattributed quotes and the sentence, "The increase in shareholder voice as represented by cumulative voting, may serve to better align shareholder performance to CEO performance (see image)." In the cover letter to the Proposal, the Proponent stated, "Please include my attached proposal *and images* in the GE 2018 Proxy" (emphasis added). Attached to the Proposal is a full page image that includes a chart, some text and nonsensical equations, and emoji (collectively, the "Images").<sup>1</sup>

A copy of the Proposal, the supporting statement, the Images and related correspondence with the Proponent is attached to this letter as Exhibit A.

## BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that some or all of the Proposal and supporting statements, including the Images, may be excluded from the 2018 Proxy materials pursuant to Rule 14a-8(i)(3). As discussed below, the Proposal is false and misleading under Rule 14a-8(i)(3) because the supporting statements include three quotations without attribution, one of which is irreconcilably vague and misleading as to the effects of voting for the Proposal, and because the Images render the Proposal vague and indefinite, and are irrelevant to a consideration of the subject matter of the Proposal, such that there is a strong likelihood that a reasonable shareowner would be uncertain as to the matter on which he or she is being asked to vote.<sup>2</sup>

---

<sup>1</sup> The Proponent, as in 2017 (see discussion under Analysis below), also included a photograph of himself and requested that it be included in the Company's proxy statement with his Proposal. Because Rule 14a-8 does not require companies to identify shareowner proponents, and the photograph does not constitute part of the Proposal, the Company is not addressing its exclusion of the photograph in this letter.

<sup>2</sup> In addition, for the reasons set forth in our no-action request dated December 13, 2016 in *General Electric Co.* (avail. Feb. 3, 2017, *recon. granted* Feb. 23, 2017), relating to the identical proposal submitted by the same shareowner, we continue to be of the view that the Proposal properly may be excluded under Rule 14a-8(i)(4), because as demonstrated by the Images, the Proposal is designed to redress a personal claim or grievance that the Proponent holds against the company and its former chief executive officer. We believe

[Footnote continued on next page]

Office of Chief Counsel  
Division of Corporation Finance  
December 14, 2017  
Page 3

## ANALYSIS

Rule 14a-8(i)(3) permits the exclusion of a shareowner proposal if the proposal “or” supporting statement is contrary to any of the Commission’s proxy rules or regulations, including Rule 14a-5(a), which requires information in a proxy statement to be clearly presented, and Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials.

In Staff Legal Bulletin No. 14I (Nov. 1, 2017) (“SLB 14I”), the Staff addressed the use of images in shareowner proposals, stating that “the Division recognizes the potential for abuse in this area” but noting that “these potential abuses can be addressed through other provisions of Rule 14a-8.” The Staff provided as an example that graphs and/or images can be excluded under Rule 14a-8(i)(3) as false and misleading where they:

- render the proposal so inherently vague or indefinite that neither the stockholders voting on the proposal, nor the company in implementing it, would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires; . . . or
- are irrelevant to a consideration of the subject matter of the proposal, such that there is a strong likelihood that a reasonable shareholder would be uncertain as to the matter on which he or she is being asked to vote.

Notably, the footnote accompanying this statement in SLB 14I – footnote 17 – cites *General Electric Co.* (avail. Feb. 3, 2017, recon. granted Feb. 23, 2017) (“*General Electric 2017*”). The proposal in *General Electric 2017* (the “2017 Proposal”) was submitted by the Proponent, and its text is identical to the text of the Proposal. See Exhibit B. Additionally, as in the current instance, the 2017 Proposal included images that were irrelevant to consideration of cumulative voting. In fact, the Images accompanying the Proposal are a slightly updated form of images that were excluded from the 2017 Proposal as being false and misleading.

The Images are nonsensical. A line of text appears to address two stock transactions by “Immelt” (the Company’s former chief executive officer), one in which each dollar invested returns approximately \$7.65 and a second in which each dollar invested returns approximately \$2.14. The text suggests this is a gain of “over 2,700%”. Another line of text

---

[Footnote continued from previous page]

this argument is reinforced by the fact that the Proponent, in the Images, continues to impugn the Company’s former chief executive officer.

Office of Chief Counsel  
Division of Corporation Finance  
December 14, 2017  
Page 4

states that “during the same time” (without specifying what time frame is being referred to) a shareowner who purchased and held would be “down 46%” (although the chart has an entry for shareowners showing 0.65, a decline of 35%). Without any further explanation, the supporting statements assert, “The increase in shareholder voice as represented by cumulative voting, may serve to better align shareholder performance to CEO performance (see image).” But there is no clear connection to how alleged historical securities transactions could be available to shareowners through adoption of cumulative voting. As such, consistent with the standard set in SLB 14I and just as with the precedent set in *General Electric 2017*, the Images and the sentence in the supporting statements referring to the Images are excludable under Rule 14a-(i)(3) because they are irrelevant to the subject matter of the Proposal.

The remainder of the supporting statements also are vague and misleading. The first two sentences are quotes making assertions about cumulative voting. Without any identification of who is being quoted, and that person’s consent to being quoted, shareowners will not know whom these assertions are attributable to or what weight to place in these assertions. The last sentence of the supporting statements immediately follows the sentence cross-referencing the Images and consists of a quote reading, “If you AGREE, please mark your proxy FOR this resolution.” However, it is unclear whether this quotation references agreement with the immediately preceding sentence (which refers to the Images and which we believe should be excluded for the reasons addressed above), or whether it references agreement with the other quotations in the supporting statements. Accordingly, this sentence is vague and misleading, as it could confuse shareholders as to what they are agreeing to by voting for the Proposal (particularly if the sentence is referring to agreement with the sentence immediately before it that references the Images). Accordingly, we believe the three quotations in the supporting statements properly may be excluded under Rule 14a-8(i)(3).

The Images render the Proposal vague and indefinite, so that shareowners would not be able to determine with any reasonable certainty exactly what actions or measures the Proposal requires. In addition to being irrelevant to consideration of the subject matter of the Proposal for the reasons addressed above, the Images and the sentence in the supporting statements referring to the Images suggest that the adoption of cumulative voting would enhance shareowners performance in trading the Company’s securities, along the lines purported to have been obtained in the past by the company’s former chief executive officer. In addition to the lack of a basis for any such connection, the Images and sentence referring to them are materially false and misleading because they suggest that Mr. Immelt is currently the Company’s CEO, a position from which he retired months before the Proposal was submitted on October 28, 2017.

Office of Chief Counsel  
Division of Corporation Finance  
December 14, 2017  
Page 5

As stated in Staff Legal Bulletin 14B (Sept. 15, 2004) (“SLB 14B”), in the context of challenges under Rule 14a-8(i)(3), the Staff has a long-standing practice of issuing no-action responses that permit shareholders to make revisions that are minor in nature and do not alter the substance of the proposal. For the reasons addressed above, we request the Staff to concur with our view that the Images and the sentence in the supporting statements that refers to the Images are properly excludable under Rule 14a-8(i)(3). However, for the reasons discussed above, we also believe that some or all of the other sentences in the supporting statements likewise are excludable under Rule 14a-8(i)(3) since, for example, it is unclear whether the last sentence in the supporting statements refers to the immediately preceding sentence. As stated in SLB 14B, exclusion of an entire proposal and supporting statements is appropriate when detailed and extensive editing would be necessary in order to bring the proposal and supporting statements into compliance with the proxy rules. Because of the extensive editing that would be necessary to bring the Proposal and its supporting statements into compliance with the proxy rules and avoid false and misleading statements, we request the Staff further to concur with our view that the Proposal and the supporting statements properly are excludable under Rule 14a-8(i)(3).

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to [shareholderproposals@gibsondunn.com](mailto:shareholderproposals@gibsondunn.com). If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671, or Brandon Smith, the Company’s Executive Counsel, Corporate, Securities and Finance, at (617) 443-2919.

Sincerely,



Ronald O. Mueller

Enclosures

cc: Brandon Smith, General Electric Company  
Martin Harangozo

**EXHIBIT A**

**From:** Martin Harangozo  
**To:** ~CORP ShareownerProposals; shareholderproposals@sec.gov; Martin Harangozo  
**Subject:** GE Harangozo 2017 shareowner proposal  
**Date:** Saturday, October 28, 2017 1:22:35 PM  
**Attachments:** Harangozo 2017 Proposal.docx  
Harangozo GE Image.pptx  
HarangozoFacialExpression.pptx

---

Ladies and Gentlemen,

Please include my attached proposal and images in the GE 2018 Proxy.

I intend to continue holding the required number or amount of Company shares through the date of the Company's 2018 Annual Meeting of Shareowners.

Kindest regards

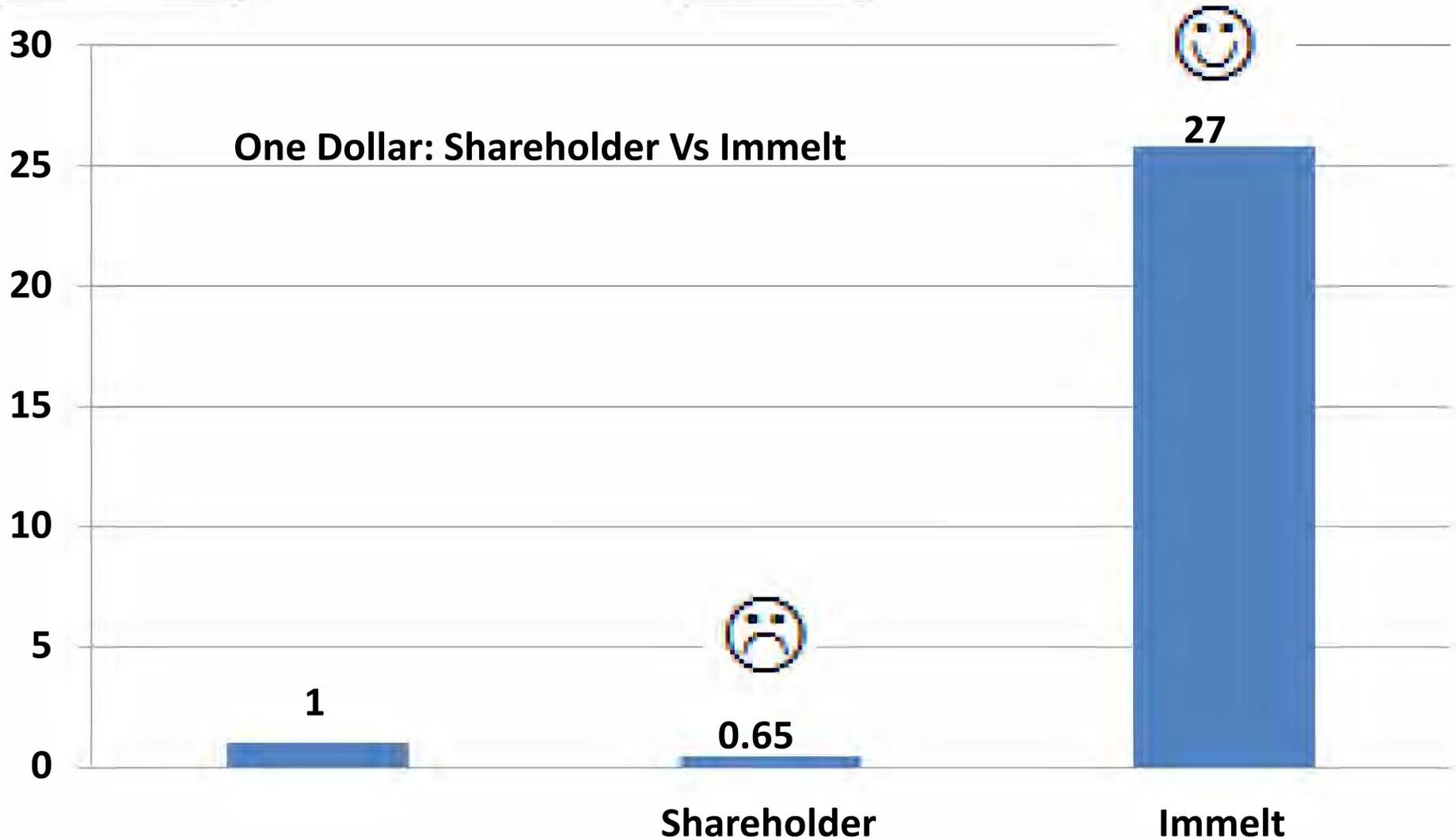
Martin Harangozo  
\*\*\*

**RESOLVED: “That the stockholders of General Electric, assembled in Annual Meeting in person and by proxy, hereby request the Board of Directors to take the necessary steps to provide for cumulative voting in the election of directors, which means each stockholder shall be entitled to as many votes as shall equal the number of shares he or she owns multiplied by the number of directors to be elected, and he or she may cast all of such votes for a single candidate, or any two or more of them as he or she may see fit.” REASONS: “Many states have mandatory cumulative voting, so do National Banks”. “In addition, many corporations have adopted cumulative voting.” The increase in shareholder voice as represented by cumulative voting, may serve to better align shareholder performance to CEO performance (see image). “If you AGREE, please mark your proxy FOR this resolution.”**

## GE Shareholder, Immelt Comparison

**Immelt** (10-1-00) buys @ 6.67, sells @ 57.75 (options), then buys @ 8.26. On 8-31-17 (26), he **gains over 2,700%**

**Shareholders** during the same time are **down 46%**.





**EXHIBIT B**

-----Original Message-----

\*\*\*

From: Martin Harangozo [mailto:

Sent: Thursday, November 10, 2016 2:25 PM

To: ~CORP ShareownerProposals <Shareowner.Proposals@ge.com>

Cc: shareholderproposals@sec.gov

Subject: HarangozoGEPoposal2017

Please include the attached shareholder proposal and image in the proxy for voting at the GE 2017 shareholder meeting.

I have sufficient shares to submit a proposal in my 401K account held with the company. As in previous years, you can confirm this.

I intend to hold my shares until the end of the GE 2017 annual shareholder meeting.

As the GE proxy previously contained photos of directors, please in kind recognize proxy contributors who make shareowner recommendations photographically when so requested.

Please include my photo with my proposal. This photo is also attached.

Kind regards

-Martin Harangozo

\*\*\*

Sent to:

shareowner.proposals@ge.com

cc:

shareholderproposals@sec.gov

RESOLVED: "That the stockholders of General Electric, assembled in Annual Meeting in person and by proxy, hereby request the Board of Directors to take the necessary steps to provide for cumulative voting in the election of directors , which means each stockholder shall be entitled to as many votes as shall equal the number of shares he or she owns multiplied by the number of directors to be elected, and he or she may cast all of such votes for a single candidate, or any two or more of them as he or she may see fit."

REASONS: "Many states have mandatory cumulative voting, so do National Banks".

"In addition, many corporations have adopted cumulative voting."

The increase in shareholder voice as represented by cumulative voting, may serve to better align shareholder performance to CEO performance (see image).

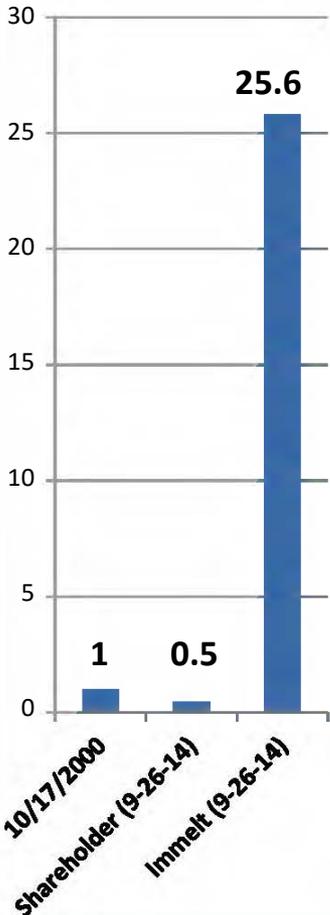
"If you AGREE, please mark your proxy FOR this resolution."

# Debt/Earnings (DE) Study: GE, JNJ, AAPL

Immelt (10-1-00) buys @ 6.67, sells @ 57.75 (options), then buys @ 8.26. On 9-26-14 (26.53), he **gains 2,580%**

Shareholders during the same time are **down 55%**.

**One Dollar:  
Shareholder Vs Immelt**



DE = 25 **Very High**  
**45% Drop** (9/11/01- 9/26/2014)



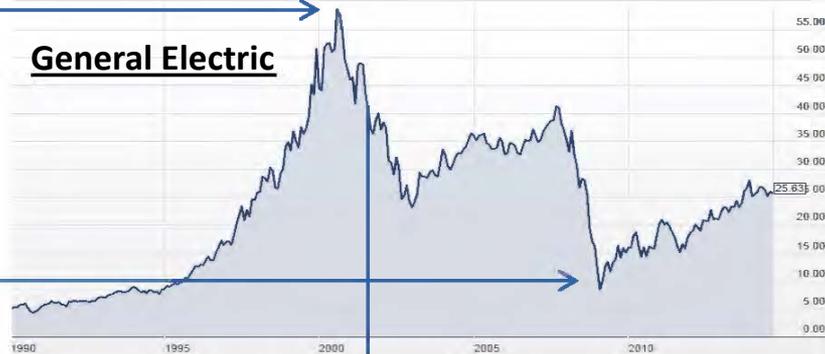
DE = 1 **Very Low**  
**92% Gain** (9/11/01- 9/26/2014)



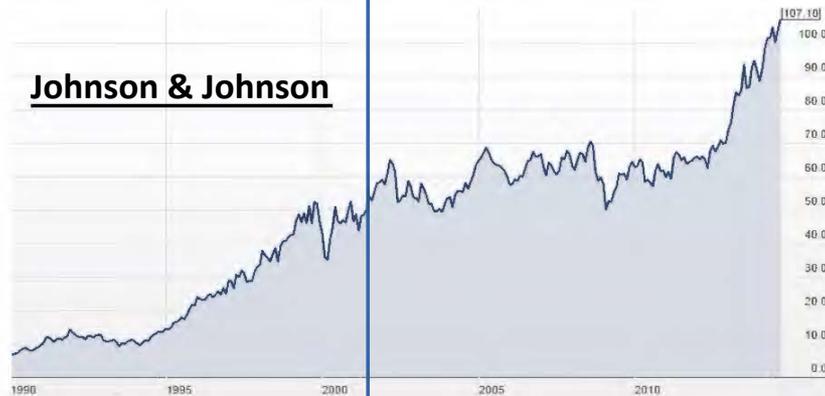
DE = 0 (2-3-2004) **Perfect!**  
**480% Gain** (9/11/01- 9/26/2014)



General Electric



Johnson & Johnson



Apple



Harangozo Image

**Debt Driven Volatility Hurts Shareholders, yet Enriches the CEO who 'wisely' trades**

