

Results of the February 7, 2008 U.S. District Court Hearing.

We are very pleased to tell you that the Court approved the Partial Settlement. We anticipate that retired class members may receive payments of their equal share of the remaining funds beginning in July, or slightly sooner, if they are in the Fractional Reduction class (for participants with more than 35 years of service). The former Garrett employees who are still employed by Honeywell will receive their share at the time of retirement or termination.

We continue to litigate the Remaining Claims vigorously and both parties have filed several motions, including cross motions for summary judgment on the statute of limitations issues. Defendants have also filed a motion for reconsideration of the Court's prior rulings on some of the Remaining Claims. We have opposed that motion. We cannot predict how long it will take to fully litigate the Remaining Claims but we will keep you apprised of significant new developments.