

**DELPHI CORPORATION**

**Delphi Retirement Program  
for Salaried Employees**

**(Effective January 1, 1999  
With Modification Through September 30, 2002)**

**PBGC-000250**

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## DELPHI RETIREMENT PROGRAM FOR SALARIED EMPLOYEES

The Delphi Retirement Program for Salaried Employees ("Program") provides:

- (a) non-contributory benefits, as described in Part A, of this Program which are applicable to all salaried employees who have a length of service date prior to January 1, 2001,
- (b) contributory benefits, as described in Part B, of this Program, which are available to salaried employees who have a length of service date prior to January 1, 2001, and who contribute under the Program while eligible, and
- (c) *cash balance* non-contributory benefits, as described in Part C of this Program, which are applicable to all salaried employees who have a length of service date on or after January 1, 2001.

Provisions applicable to Part A, Part B and Part C, including certain defined terms used throughout the Program, are included in the General Provisions which immediately follow Part C. References to the "Corporation" or "Delphi" mean General Motors Corporation, ("GM") through January 1, 1999, and Delphi Automotive Systems Corporation on and after January 1, 1999 and prior to March 15, 2002 and Delphi Corporation on and after March 15, 2002.

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Except as expressly provided in Sections 7 and 8 of Article I of Part A, Section 7 of Article I of Part B, and Sections 2 and 7 of General Provisions, the provisions set forth in this Program are applicable only to employees of Delphi who retire with benefits payable commencing on or after September 15, 1999, or who have credited service on or after October 1, 1999. Employees retired with benefits payable commencing prior to September 15, 1999 or who lost credited service prior to October 1, 1999, or eligible surviving spouses, contingent annuitants and beneficiaries of such employees, will be entitled to the benefits, if any, under the Program as it existed immediately prior to the amendments which became effective as of September 15, 1999.

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Eligibility

**ELIGIBILITY FOR RETIREMENT**

Any separation from service, other than by death, will be considered, for purposes of this Program, as a retirement if the separation occurs:

- (a) (1) at or after age 55 and prior to age 65 and the employee has 10 or more years of credited service; or 55/10
- (2) prior to age 55 and the employee has 30 or more years of credited service, and the employee's most recent date of hire is prior to January 1, 1988; or 30yos
- (3) at or after age 55 and prior to age 60 where age and years of credited service total at least 85, and the employee's most recent date of hire is prior to January 1, 1988. 85pt

except that an employee to whom this subsection (a) applies who is separated in a layoff classification, prior to June 1, 2002, will not be considered a retirement until the employee loses credited service,

- (b) at age 65 or over, or
- (c) prior to age 65 because of total and permanent disability and the employee has 10 or more years of credited service and is eligible to receive total and permanent disability benefits under Part A.

For an employee hired or rehired on or after January 1, 2002, only (a)(1) and (b) apply.

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Sect. 1

**Section 1. Automatic Retirement For Bona Fide Executive At Age 65**

An employee will be retired automatically on the first day of the month coinciding with or next following the employee's attaining age 65 if that employee is, for the two-year period immediately before retirement, employed in a bona fide executive or high policy-making position and if that employee is entitled to immediate nonforfeitable annual retirement benefits attributable to Corporation contributions under this Program of at least \$44,000, or such other amount that may be set forth in applicable regulations.

Such employee may continue in service beyond automatic retirement age only upon invitation of the Corporation. This invitation requires action by the Committee of the Board of Directors having jurisdiction over the activity by which the employee is employed, or by the Board of Directors if the employee is a member of the Board of Directors. Such invitation to continue work will not be for a period of more than one year at a time.

**Section 2. Normal Retirement At or After Age 65**

An employee may retire at or after age 65. Any employee or former employee who elects to continue to work full time (i.e., 40 or more hours per month) for the Corporation or a successor company beyond age 65 will be notified that, while such employee has entitlement to a normal retirement benefit at age 65, such benefit is suspended and will not be paid while such employee or former employee works for the Corporation or a successor company beyond age 65. This notification will not be provided to those employees with a length of service date on or after January 1, 2001.

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Sect. 3

**Section 3. Retirement Between Ages 60 and 65**

An employee may retire voluntarily at or after age 60 and prior to age 65, with 10 or more years of credited service.

**Section 4. Retirement Prior to Age 60**

- (a) An employee who has 10 or more years of credited service and who is separated from service at or after age 55 and prior to age 60 for any reason other than death or total and permanent disability, is entitled to retirement benefits determined under the provisions of this Program which are applicable to an employee who retires voluntarily.
  
- (b) An employee who (i) was hired prior to January 1, 1988, (ii) has 30 or more years of credited service, and (iii) is separated from service prior to age 55 for any reason other than death or total and permanent disability, is entitled to retirement benefits determined under the provisions of this Program which are applicable to an employee who retires voluntarily.

**Section 5. Retirement Prior to Age 65 Due to Total and Permanent Disability**

An employee who has 10 or more years of credited service may be retired prior to age 65 for total and permanent disability. An employee will be deemed to be totally and permanently disabled only if such employee makes application for total and permanent disability retirement on a form approved by the Corporation and (I) the employee is not engaged in regular employment or occupation for remuneration or profit, and (II) on the basis of medical evidence satisfactory to the Corporation the employee is found to be wholly and

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Sect. 5

permanently prevented from engaging in regular employment or occupation with the Corporation at the location where the employee last worked for remuneration or profit as a result of bodily injury or disease, either occupational or non-occupational in cause, but excluding disabilities resulting from service in the armed forces of any country unless the employee becomes totally and permanently disabled after accumulating at least 5 years of credited service following separation from service in the armed forces. An individual who is not an employee is not eligible to apply for total and permanent disability retirement.

**Section 6. Retirement Under Section 9 of the General Provisions**

An employee who has 10 or more years of credited service may retire prior to age 62 under provisions set forth in Section 9 of the General Provisions of this Program.

**Section 7. Employees Not in Active Service**

The absence of an employee (or former employee) from active service at the time such employee would be (or would have been) eligible to retire under the Program will not preclude such employee's retirement without return to active service, provided that there has been no loss of credited service.

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A, Art. I

## **PART A -- NON-CONTRIBUTORY BENEFITS**

The benefits described in this Part A are not applicable to credited service accrued on or after January 1, 2001 for any employee whose length of service date is after December 31, 2000.

### **ARTICLE I BENEFIT AMOUNTS**

#### **Section 1. Retirement At or After Age 65**

- (a) Any employee who has attained the age of 65, has accumulated credited service as provided in Section 1 of Article II of this Part A, and ceases active service is entitled to receive a retirement benefit under this Part A.
  
- (b) The monthly benefit payable to an employee retired pursuant to the provisions of Section 1(a) of this Article I with benefits payable commencing on or after October 1, 1999 will be a basic benefit for each year of credited service that the employee had at the first of the month coinciding with or next following the employee's retirement, determined by the applicable Benefit Class Code in accordance with (c) below and based on the month for which payment is being made as set forth in the table immediately following:

a

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A, Art. 1, 1(b)

Retirement With Benefits Payable Commencing	Benefit Class Code	Basic Benefit Rate Per Year of Credited Service For Months Commencing			
		10-1-99 through 9-1-00	10-1-00 through 9-1-01	10-1-01 through 9-1-02	10-1-02 and After
October 1, 1999 and After	A	\$ 40.80	\$ 42.50	\$ 44.50	\$ 46.70
	B	41.05	42.75	44.75	46.95
	C	41.30	43.00	45.00	47.20
	D	41.55	43.25	45.25	47.45

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A, Art. I, 1(c)

- (c) As set forth below, a Benefit Class Code is established for the purpose of this Article I for each salaried position on the basis of the following salaried position levels:

Salaried Position Level	Benefit Class Code
1 and 2	A
3	B
4	C
5 and Above	D

The Benefit Class Code applicable to an employee is the Benefit Class Code for the salaried position level held by the employee for the greatest number of calendar days during the 24 consecutive months immediately preceding the last day worked.<sup>1</sup>

In the event an employee is transferred to a lower salaried position level, which results in a lower Benefit Class Code, such employee's vested retirement benefit, if any, will not be less than the amount of such employee's accrued retirement benefit on the date of such transfer plus benefits earned in the 12 consecutive months following the date of transfer.

A, Art. I, 1(d)

- (d) The amount of any monthly retirement benefit otherwise payable to the employee at retirement, or earlier commencement, will be reduced by the value of any past and future benefits paid or payable to any alternate payee(s) under a Qualified Domestic Relations Order ("QDRO") within the meaning of the Internal Revenue Code of 1986, as amended ("the Code") Section 414(p).

The actuarial value will be used to determine any amount to be paid to any such payee(s), if applicable, and the remaining benefit entitlement of the employee.

## **Section 2. Early Retirement**

- (a)
  - (1) An employee who retires voluntarily after attainment of age 55 but not age 65 and who has 10 or more years of credited service will be entitled to receive a retirement benefit under this Part A.
  - (2) An employee who (i) was hired prior to January 1, 1988, (ii) retires voluntarily before attainment of age 55, and (iii) has 30 or more years of credited service will be entitled to receive a retirement benefit under this Part A.
- (b)
  - (1) The monthly basic benefit payable to an employee who retires voluntarily with benefits payable commencing on or after October 1, 1999 will be the basic benefit set forth in Section 1(b) of this Article I but adjusted as set forth in (2) below.

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A, Art. I, 2(b)(2)(i)

- (2) (i) For an employee retired (1) pursuant to Section 2(a)(1) above after age 60, or (2) after age 55 but not age 60 and whose combined years of age and years of credited service (to the nearest 1/12th in each case) at retirement total 85 or more, or (3) pursuant to Section 2(a)(2) above and, in the case of either (2) or (3) of this subparagraph, the employee was hired prior to January 1, 1988, such benefit will commence on the first day of the month coinciding with or next following the employee's attaining age 62 (or, if later, the first day of the month coinciding with or next following the employee's first day of absence because of retirement) or, in lieu thereof, the employee may elect to receive the benefit commencing on the first day of any month coinciding with or following the employee's first day of absence because of retirement and prior to age 62 in an amount equal to the benefit payable at age 62, multiplied by a percentage as set forth in the following table:

A. Art. I, 2(b)(2)(i)

ERF table  
for 30 or  
Rule of  
85  
those w/  
60/10

Age When Benefit Commences	Percentage
42	21.0%
43	22.6
44	24.3
45	26.1
46	28.2
47	30.4
48	32.8
49	35.4
50	38.3
51	41.5
52	45.0
53	48.9
54	53.2
55	57.9
56	63.5
57	69.4
58	75.2
59	80.8
60	86.7
61	93.3
62 or Over	100.0

\* Prorated for intermediate ages computed on the basis of the number of complete calendar months by which the employee is under the age attained at the employee's next birthday.

If an employee hired prior to January 1, 1988 (i) with 30 or more years of credited service retires voluntarily, or (ii) whose combined years of age and years of credited service (to the nearest 1/12th in each case) at retirement total 85 or more retires voluntarily, with benefits payable commencing on or after October 1, 1999, the monthly basic benefits otherwise payable to such employee after age 62 and one month shall be redetermined without

a

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A, Art. I, 2(b)(2)(i)

reduction for commencement prior to age 62.

- (ii) For an employee retired pursuant to Section 2(a)(1) above after age 55 but not age 60, and whose combined years of age and years of credited service at retirement total less than 85, or an employee who elects to retire prior to age 60 and was hired on or after January 1, 1988, such benefit will commence on the first day of the month coinciding with or next following the employee's attaining age 65, or, in lieu thereof, the employee may elect to receive the benefit commencing on the first day of any month coinciding with or following the employee's first day of absence because of retirement, in which case the benefit, if elected to commence prior to age 65, will be multiplied by a percentage as set forth in the following table:

ERRF  
table  
for 55/10

Age When Benefit Commences	Percentage
55	46.0%
56	49.6
57	53.2
58	56.8
59	60.4
60	64.0
61	71.2
62	78.4
63	85.6
64	92.8
65	100.0

- Prorated for intermediate ages computed on the basis of the number of complete calendar months by which the employee is under the age attained at the employee's next birthday.

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A, Art. I, 2(b)(2)(iii)

- (iii) The basic benefit payable in any month will not be reduced below an amount which results in the early retirement supplement paid to a participant in such month, under Section 7(a)(1) of this Article I, exceeding the old age insurance benefits, unreduced on account of age, payable under Title II of the Social Security Act, as amended.
- (c) An employee discharged for cause after such employee is eligible to retire voluntarily pursuant to Section 2(a) of this Article I will be entitled to the benefits provided under Sections 2(b)(1) and 2(b)(2) of this Article I.

**Section 3. Automatic Retirement For Bona Fide Executive At Age 65**

A bona fide executive employee retired on or after the executive's automatic retirement date will be entitled to the benefits provided under Section 1 of this Article I.

**Section 4. Total and Permanent Disability Retirement**

- (a) An employee who is totally and permanently disabled prior to age 65, and has 10 or more years of credited service, and who retires on or after October 1, 1999, will be eligible for a monthly disability retirement benefit as follows:
  - (i) A monthly basic benefit for each year of credited service as set forth in Section 1(b) of this Article I and determined by the applicable Benefit Class Code as set forth in Section 1(c) of this Article I, and

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A, Art. I, 4(a)(ii)

- (ii) A temporary benefit for each year of credited service, up to 30, as set forth in the table immediately following:

Retiree With Benefits Payable Commencing	Monthly Temporary Benefit Amount	
	Per Year of Credited Service	Maximum
October 1, 1999 through September 1, 2000	38.85	1,165.50
October 1, 2000 through September 1, 2001	40.45	1,213.50
October 1, 2001 through September 1, 2002	42.35	1,270.50
October 1, 2002 and After	44.45	1,333.50

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A, Art. I, 4(a)(II)

The monthly temporary benefit will be payable until the earlier of (1) age 62 and one month, or (2) the age at which the employee becomes, or could have become, eligible for a Social Security benefit for disability or an unreduced Social Security benefit for age. At such age the temporary benefit will cease to be payable.

- (iii) Such benefits will be payable in accordance with Section 2 of the General Provisions to the disability retiree during the continuance of total and permanent disability.
  
- (b) Any disability retiree may be required to submit to medical examination at any time during retirement prior to age 65, but not more often than semi-annually, to determine whether the retiree is eligible for continuance of the disability retirement benefit. If on the basis of such examination it is found that the retiree is no longer disabled or if the retiree engages in gainful employment, except for purposes of rehabilitation as determined by the Corporation, the retiree will be deemed recovered and such disability retirement benefit will cease. In the event the disability retiree refuses to submit to medical examination, the retirement benefit will be discontinued until the retiree is examined.
  
- (c) Notwithstanding the provisions of Section 11(a) of the General Provisions, the provisions of this Section 4 will not apply to employees of any wholly-owned or substantially wholly-owned domestic subsidiary of the Corporation unless specifically approved by the Corporation's Board of Directors.

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A, Art. I, 5

**Section 5. Surviving Spouse Coverage**

- (a) In lieu of the monthly basic benefit otherwise payable, an employee who retires, or who loses credited service and is eligible for a deferred retirement benefit pursuant to the provisions of Article III of this Part A, will be deemed to have elected automatically a reduced amount of monthly basic benefit to provide that, if the designated spouse is living at the employee's death after such election has become effective, a survivor benefit shall immediately be payable to such spouse commencing on the first of the month following the employee's death and such survivor benefit will be payable during the spouse's lifetime. In the event (1) such spouse predeceases such employee, or (2) they are divorced by court decree and (i) a QDRO so provides, or (ii) written consent of the former spouse which acknowledges the effect of the cancellation and is witnessed by a notary public is obtained, such employee may cancel the survivor benefit election with respect to the monthly basic retirement benefit and have such benefit restored to the amount payable without such election, effective the first day of the month following the month in which the Corporation receives evidence satisfactory to the Corporation of the spouse's death or written revocation of the election because of divorce, on a form approved by the Corporation. For deaths occurring on or after October 1, 1999, restoration of the monthly basic benefit will be effective the first day of the month following the date of the death upon receipt by the Corporation, of notice satisfactory to the Corporation, of the spouse's death.

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A. Art. I, 5(a)

The automatic election provided in this subsection (a) becomes effective on the latest of (i) the commencement date of the employee's monthly basic benefit, (ii) the first day of the month coinciding with or next following the employee's attaining age 55 (except that this item (ii) shall not apply to an employee with 30 or more years of credited service who was hired prior to January 1, 1988 or to an employee who has elected and commences deferred retirement benefits prior to age 55), or (iii) one-year anniversary of the marriage; except that, in the case of a bona fide executive employee who has reached automatic retirement date but whose basic benefit has not commenced, the effective date of any such coverage will be the later of such automatic retirement date or the date determined in (iii) of this paragraph and the basic benefit payable to such employee after the effective date will be reduced in accordance with the coverage.

An employee may prevent the automatic election provided in this subsection (a) during the 90-day period prior to the effective date of such automatic election by executing a specific written rejection of such election, which includes the written consent of the employee's spouse that acknowledges the effect of the rejection, and that is witnessed by a notary public, on a form approved by the Corporation and filing it with the Corporation. An employee may revoke a written rejection of this automatic election, without the consent of the spouse, at any time prior to commencement of benefits.

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A, Art. I, 5(a)

Within the time period set forth in Section 2(l) of the General Provisions, each participant will be provided a written explanation of: (i) the terms and conditions of the surviving spouse coverage; (ii) the participant's right to make and the effect of an election to waive the surviving spouse coverage; (iii) the rights of the participant's spouse; and (iv) the right to make and the effect of revocation of a previous selection to waive the surviving spouse coverage.

- (b) The beneficiary of a survivor benefit election under subsection (a) of this Section 5 only will be the person who is the employee's spouse at such time and who has been such spouse for at least one year immediately prior to the effective date of such election.
- (c) Except as provided in subsections (g) and (h) below, a survivor benefit election will be revoked automatically upon the death of the employee or the designated spouse, or both, prior to the effective date of the election.
- (d) Once the election has become effective it cannot be rescinded, except as otherwise provided under subsection (a) of this Section 5, without the submission of evidence, satisfactory to the Corporation, of the good health of the designated spouse. Moreover, the employee's right to rescind the election is contingent on the written consent of the designated spouse. The benefit will be restored the first of the month following the month the required proofs are received by the Corporation.

A, Art. I, 5(e)

- (e) For an employee who does not prevent the automatic election provided in this Section 5, the reduced amount of the monthly basic benefit will be equal to an amount determined by multiplying the monthly basic benefit payable to the employee by 95%; except that, in the case of an employee whose monthly basic benefit is subject to redetermination at age 62 and one month, the amount of reduction in the monthly basic benefit for the survivor benefit election before the employee attains the age at which the monthly benefit is redetermined will be based on the monthly benefit payable to such employee after the monthly benefit is redetermined. Such percentage will be (i) increased by one-half of one percent (1/2%) (up to a maximum of 100%) for each 12 months in excess of five (5) years that the spouse's age exceeds the employee's age, and (ii) decreased by one-half of one percent (1/2%) for each 12 months in excess of five (5) years that the spouse's age is less than the employee's age.

Notwithstanding the above, for a former employee who has elected and commences deferred retirement benefits prior to age 55 pursuant to General Provision 2(g) of this Program, the reduced amount of monthly basic benefit will have no reduction for survivor coverage.

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A, Art. I, 5(f)

- (f) Effective October 1, 1999, the survivor benefit payable to the surviving spouse of a retired employee who has the automatic election provided in this Section 5, and who retires or loses credited service on or after October 1, 1999 and is eligible for a deferred retirement benefit pursuant to the provisions of Article III of this Part A, and who dies after such election becomes effective, will be a monthly benefit for the lifetime of such surviving spouse equal to 65% (50% in the case of a former employee who has elected and commences deferred retirement benefits prior to age 55) of the reduced amount of such employee's monthly basic benefit; except that (i) the survivor benefit payable to the surviving spouse of an employee whose monthly basic benefit is subject to redetermination at age 62 and one month will be based on the monthly basic benefit payable to such employee after the monthly basic benefit is redetermined, and (ii) surviving spouses of retirees who died prior to age 55 and who are receiving, or are eligible to receive, benefits in accordance with subsection (i) of this Section 5 are not covered by this provision.
- (g) The death of an otherwise eligible employee who has retired under Section 4 of this Article I, occurring on or after age 55, but before the first day of the month following the date on which such employee dies, will not disqualify an otherwise eligible surviving spouse from receiving a benefit hereunder.

A, Art. I, 5(h)

(h) The surviving spouse of an employee

- (1) who dies (i) on or after age 55 with 10 or more years of credited service, or (ii) at any age with 30 or more years of credited service and the employee's date of hire is prior to January 1, 1988, but before the first day of the month coinciding with or next following the first day of absence because of retirement (or, if later, the commencement date of the monthly basic benefit in the case of an employee who defers the receipt of the monthly benefit under Section 2(b)(2) of this Article I), who had not reached the normal retirement date, and
  
- (2) who, if the employee had retired at the date of death, would have been eligible for the election under subsection (a) of this Section 5, will immediately be entitled to a monthly benefit during such spouse's lifetime, terminating with the last monthly payment before such spouse's death. The monthly benefit payable to the surviving spouse will be the amount such spouse would have been entitled to receive under subsection (f) of this Section 5, if the employee had retired on the date of death with benefits payable under Section 1(a) or 2(a), whichever is applicable, of this Article I commencing the first of the following month and had effectively made the election under subsection (a) of this Section 5; provided, however, that for the sole purpose of this subsection (h), the benefits which would have been payable to the employee by reason of such retirement will be determined on the basis of the table set forth in Section 2(b)(2)(i) of this Article I. The surviving spouse of an employee who had been separated from service in a layoff classification prior to June 1, 2001, but who had not lost credited service at the date of death will be entitled to the benefit payable under this subsection (h), if otherwise eligible.

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A, Art. I, 5(i)

(i) Joint and survivor coverage for disability retirements

- (1) In lieu of the monthly basic benefit otherwise payable, an employee who retires pursuant to the provisions of Section 4 of this Article I who is under age 55 and (i) has less than 30 years of credited service, or (ii) has 30 or more years of credited service and was hired on or after January 1, 1988 will be deemed to have elected automatically a reduced amount of monthly basic benefit, up to and including the month in which the retired employee dies or attains age 55, whichever occurs first, and a monthly survivor's benefit, beginning on the first day of the month after the retired employee would have reached age 55 will be payable to the designated spouse during the lifetime of the spouse.
- (2) This automatic election will be deemed to have been made at the time the employee applies for a disability retirement benefit (with the election being effective the first day of the month for which the first benefit under the Program is payable).
- (3) The automatic election provided in this subsection (i) will be applicable only with respect to a spouse to whom the employee is married on the date of such election and only if the retired employee and spouse were married throughout the one-year period ending on the date of the retired employee's death.

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A, Art. I, 5(l)(4)

- (4) An employee may prevent the automatic election provided in this subsection (l) during the 90-day period prior to the effective date as set forth in paragraph (2) of this subsection (l), by specific written rejection which includes the written consent of the employee's spouse that acknowledges the effect of the rejection and that is witnessed by a notary public, on a form approved by the Corporation. An employee may revoke a written rejection of this automatic election, without the consent of the spouse, at any time prior to commencement of benefits.
  
- (5) In any event, the election automatically will be cancelled:
  - (i) if the employee's disability retirement status terminates other than by death prior to the first day of the month after the retired employee attains age 55, or
  
  - (ii) if the retired employee survives on a disability retirement status until the first day of the month after the attainment of age 55; at which time the coverage described in Section 5(a) through (h) of this Article I becomes applicable.

## A, Art. 1, 5(i)(6)

- (6) The amount of the monthly basic benefit payable to an employee deemed to have made the election provided hereunder will be determined by reducing actuarially the amount of such benefit for the cost of the survivor benefit payable in the event of the retired employee's death before the first of the month following age 55. The actuarial reduction will be based on the age of the retired employee and spouse (the age of each being determined as their age at the birthday nearer the date on which the benefits commence) and reflect the higher mortality associated with being disabled. Reduction factors at selected ages for disability survivor coverage before age 55 are set forth in the following table:

Age of Employee When Benefits Commence	Age Difference Between Disabled Employee and Spouse				
	Spouse Is:				
	10 Years Younger	5 Years Younger	Same Age	5 Years Older	10 Years Older
30	8.6%	8.1%	7.5%	6.7%	5.9%
35	10.4	9.9	9.2	8.3	7.2
40	12.5	11.8	11.0	10.0	8.8
45	14.3	13.5	12.7	11.6	10.3
50	13.9	13.2	12.4	11.4	10.2
51	13.1	12.5	11.7	10.8	9.7
52	10.4	9.9	9.3	8.6	7.7
53	3.4	3.2	3.0	2.8	2.5
54	3.4	3.3	3.1	2.8	2.5

**NOTE:** Actuarial reduction factors for ages not shown will be calculated on the same basis as the factors shown.

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A, Art. I, 5(I)(7)

- (7) The amount of the monthly benefit payable to the surviving spouse of a retired employee deemed to have made the election specified hereunder will be 50% of the amount of the monthly basic benefit payable to the retired employee after the reduction provided in paragraph (6) of this subsection (i).
  
- (8) Anything in the Program to the contrary notwithstanding, if the designated spouse of a retired employee deemed to have made the election provided hereunder (1) predeceases such retired employee, or (2) they are divorced by a court decree and (i) a QDRO so provides, or (ii) written consent of the former spouse which acknowledges the effect of the cancellation and is witnessed by a notary public is obtained, such retired employee may cancel the survivor benefit election only with respect to the monthly basic retirement benefit and have such benefit restored to the amount payable without such election, effective the first day of the month following the month in which the Corporation receives evidence satisfactory to the Corporation of the spouse's death or written revocation of the election because of divorce, on a form approved by the Corporation. For spousal deaths occurring on and after October 1, 1999, restoration of the monthly basic benefit will be effective the first day of the month following the date of the death upon receipt by the Corporation, of notice satisfactory to the Corporation, of the spouse's death.

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A, Art. I, 5(i)(9)

- (9) No benefit is payable under this subsection (i) for any month for which benefits are payable under Section 5(a), (h), or (j) of this Article I.
  
- (10) Within the time period set forth in Section 2(l) of the General Provisions, each participant will be provided a written explanation of: (i) the terms and conditions of the surviving spouse coverage; (ii) the participant's right to make and the effect of an election to waive the surviving spouse coverage; (iii) the rights of the participant's spouse; and (iv) the right to make and the effect of a revocation of a previous selection to waive this surviving spouse coverage.
  
- (j) Pre-retirement survivor coverage provided under Part A of the Program to comply with the Retirement Equity Act of 1984
  - (1) An employee who:
    - (i) has either 5 or more years of credited service, or 5 years of "service" as provided under Article II, Section 10, and who is credited with one or more hours of credited service or "service" accrued on or after January 1, 1989, or
    - (ii) loses credited service on or after October 1, 1999 and who is eligible for a deferred retirement benefit under Article III,

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A, Art. I, 5(j)

and in either case is not eligible for the regular surviving spouse coverage provided under subsection (h) of this Section 5, will have the pre-retirement survivor coverage described herein.

Such coverage will remain in effect until the date on which the employee or former employee becomes eligible for the regular surviving spouse coverage provided under subsection (h) of this Section 5, at which time the pre-retirement survivor coverage described herein ceases to be effective.

In the event the employee or former employee predeceases the designated spouse while the pre-retirement survivor coverage is in effect, the designated spouse will be eligible, during the lifetime of such spouse, for a monthly benefit commencing on the first of the month following the month in which the employee or former employee would have become eligible to retire at the option of the employee.

The amount of any such monthly survivor benefit is determined by the basic benefit rate in effect for the employee on the date of death of such employee, or the date credited service was broken for a former employee.

A, Art. I, 5(j)(2)

- (2) The survivor coverage provided for an employee or former employee will be effective on the date the employee or former employee attains 5 years of credited service or "service" as provided under Article II, Section 10, and provided that such employee is credited with one hour or more of credited service or "service" accrued on or after January 1, 1989.
- (3) The survivor coverage provided will be effective with respect to a spouse to whom the employee or former employee is married, but only if the couple was married throughout the one-year period ending on the date of the employee's or former employee's death.
- (4) Subsections (j)(2) and (j)(3) notwithstanding, if an employee or former employee marries or remarries, such coverage will be in effect in favor of the spouse upon such marriage or remarriage, unless, in the case of remarriage, a QDRO requires such coverage to remain in effect for the former spouse. The effective date of any such coverage will be determined in accordance with item (3) of this subsection (j).
- (5) In the event of divorce, the employee or former employee can revoke the coverage provided without consent of the former spouse, unless a QDRO provides to the contrary.

A, Art. I, 5(j)(6)

- (6) The coverage provided will be canceled automatically on the date when any employee or former employee becomes eligible for the regular surviving spouse coverage under the provisions of Article I, Section 5(h) of the Program.
- (7) The monthly benefit amount payable to any eligible surviving spouse will be 50% of the monthly amount of the basic benefit as determined in Article III otherwise payable at the (i) date of death of the employee, or (ii) date credited service broke for a former employee, after any reduction provided in Article III.
- (8) No benefit is payable under this subsection (j) for any month for which benefits are payable under Article I, Section 5 or Section 6 of Part A of this Program.
- (k) In no event may an election for survivor benefits be made or changed after the death of the participant.
- (l) If an employee who is otherwise eligible for monthly benefits under this Program, dies after September 14, 1999 and prior to October 1, 1999, the surviving spouse will be entitled to monthly benefits pursuant to this Section 5.

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A, Art. I, 6

### Section 6. Joint and Survivor Option

- (a) In lieu of the monthly basic benefit otherwise payable, an employee who retires or who loses credited service and is eligible for a deferred retirement benefit pursuant to the provisions of Article III of this Part A, may elect to receive during the employee's lifetime a reduced amount of monthly basic benefit to provide that, if the contingent annuitant (who may be any person designated by the employee) is living at the employee's death after such election becomes effective, a survivor benefit will be payable to such contingent annuitant during the lifetime of such contingent annuitant; provided that the employee completes the election on a form approved by the Corporation and files it with the Corporation within the time period set forth in Section 2 of the General Provisions.

If married, and the designated contingent annuitant is not the spouse, the written consent of the spouse, acknowledging the effect of the election and witnessed by a notary public, on a form approved for this purpose by the Corporation and filed with the Corporation, will be required. The written consent of the spouse is limited to a benefit for the designated alternate beneficiary only.

- (b) The death of an otherwise eligible employee who has retired under Section 4 of this Article I, occurring on or after age 55, but before the first day of the month following the date on which such employee dies, will not disqualify an otherwise eligible surviving spouse from receiving a benefit.

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A, Art. I, 6(c)

- (c) Except as provided in (b) above, the option will be revoked automatically upon the death of the employee or the designated contingent annuitant, or both, prior to the effective date of the election.
  
- (d) Once the option becomes effective it cannot be rescinded without the submission of evidence, satisfactory to the Corporation, of the good health of the designated spouse or contingent annuitant. Moreover, the employee's right is reserved to rescind the election, except that the written consent of the designated contingent annuitant is required only if such annuitant is the employee's spouse. In the event the employee becomes divorced by court decree from such designated spouse and (i) a QDRO so provides, or (ii) written consent of the designated former spouse which acknowledges the effect of the cancellation and is witnessed by a notary public is obtained, such retired employee may cancel the survivor benefit option with respect to the monthly basic retirement benefit and have such benefit restored to the amount payable without such election, effective the first day of the month following the month in which the Corporation receives evidence satisfactory to the Corporation of the spouse's written revocation of the election because of divorce, on a form approved by the Corporation.

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A, Art. I, 6(e)

- (e) The amount of monthly benefit payable to such contingent annuitant if such contingent annuitant is living at the death of the employee will equal any designated percentage, up to a maximum of 100%, of the employee's reduced monthly basic benefit, except that, in the case of an employee whose monthly benefit is subject to redetermination at age 62 and one month, the amount of reduction in the monthly benefit for the survivor benefit election before the employee attains the age at which the monthly benefit is redetermined will be based on the monthly benefit payable to such employee after the monthly benefit is redetermined and the benefit payable to the contingent annuitant will be based on the monthly benefit payable to such employee after the monthly benefit is redetermined.

The amount of monthly benefit will be determined so that the actuarial value of the reduced amount of monthly benefit payable to the employee and the actuarial value of the amount of monthly benefit to be continued to the designated contingent annuitant is as follows:

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A, Art. I, 6(e)

Joint and Survivor Option Rate Table			
Full Year Contingent Annuity Is Older (+) or Younger (-) Than Employee	Factors to Convert a Single Form of Retirement to Joint and Survivor Option for Indicated Percentage Payable to Contingent Annuity		
	100%	75%	50%
+20	95.50	96.00	100.00
+19	95.00	95.50	99.50
+18	94.50	95.00	99.00
+17	94.00	94.50	98.50
+16	93.50	94.00	98.00
+15	93.00	93.50	97.50
+14	92.50	93.00	97.00
+13	92.00	92.50	96.50
+12	91.50	92.00	96.00
+11	91.00	91.50	95.50
+10	90.50	91.00	95.00
+ 9	89.75	90.50	94.50
+ 8	89.00	90.00	94.00
+ 7	88.25	89.50	93.50
+ 6	87.50	89.00	93.00
+ 5	86.75	88.50	92.50
+ 4	86.00	88.00	92.00
+ 3	85.25	87.50	91.50
+ 2	84.50	87.00	91.00
+ 1	83.75	86.50	90.50
0	83.00	86.00	90.00
- 1	82.25	85.50	89.50
- 2	81.50	85.00	89.00
- 3	80.75	84.50	88.50
- 4	80.00	84.00	88.00
- 5	79.25	83.50	87.50
- 6	78.50	83.00	87.00
- 7	77.75	82.50	86.50
- 8	77.00	82.00	86.00
- 9	76.25	81.50	85.50
-10	75.50	81.00	85.00
-11	75.00	80.50	84.50
-12	74.50	80.00	84.00
-13	74.00	79.50	83.50
-14	73.50	79.00	83.00
-15	73.00	78.50	82.50
-16	72.50	78.00	82.00
-17	72.00	77.50	81.50
-18	71.50	77.00	81.00
-19	71.00	76.50	80.50
-20	70.50	76.00	80.00

\*Other whole percentage levels may be elected.

a

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A, Art. I, 6(e)

Notwithstanding any of the above, where the contingent annuitant is other than the employee's spouse, the actuarial value of the benefit payable to the employee as of the employee's actual retirement date must be more than 50% of the actuarial value of the benefit payable to the employee and their contingent annuitant.

**Section 7. Supplements**

(a) An employee who retires with benefits payable under Section 2 of this Article I (other than an employee (i) discharged for cause, (ii) hired on or after January 1, 1988, or (iii) referred to in Section 2(b)(2)(ii) of this Article I who retires voluntarily after age 55 but not age 60 and whose combined years of age and years of credited service at retirement total less than 85) or who retires with benefits payable under Section 4 of this Article I, and who retires within five years of the last day worked for the Corporation will receive, in addition to retirement benefits, certain supplements as set forth below:

*Handwritten notes:*  
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(1) If the employee retires under Section 2 or 4 of this Article I with 30 or more years of credited service at the date of retirement and such employee's date of hire was prior to January 1, 1988, such employee will be entitled to a monthly early retirement supplement until age 62 and one month in an amount which when added to the monthly retirement benefit under this Part A and any supplementary benefits under Part B, prior to reduction for survivor coverage, will equal the amount of total monthly benefit provided in the table set forth below, subject to subsequent provisions of this Section 7:

a

A, Art. I, 7(a)(1)

Retirees With Benefits Payable Commencing	Total Monthly Benefit Rate For Determining Monthly Early Retirement Supplement For Retirees With 30 or More Years of Credited Service			
	10-1-99 through 9-30-00	10-1-00 through 9-30-01	10-1-01 through 9-30-12	10-1-02 and After
	\$	\$	\$	\$
October 1, 1999 and After	2,380	2,480	2,600	2,730

- (2) If the employee retires voluntarily after age 55 with less than 30 years of credited service, such employee will be entitled to a monthly interim supplement until age 62 and one month equal to the amount provided immediately below for each year of credited service that such employee had at the date of retirement, subject to subsections (b), (e), and (g) of this Section 7:

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A, Art. I, 7(a)(2)

Monthly Amount and Effective Date of Interim Supplement Payable Prior to Age 62 and One Month for Each Year of Credited Service				
Age at Retirement	Retiree With Benefit Payable Commencing On or After October 1, 1999			
	10-1-99 through 9-1-00	10-1-00 through 9-1-01	10-1-01 through 9-1-02	10-1-02 and After
	\$	\$	\$	\$
55	17.10	17.80	18.65	19.55
56	20.15	21.00	22.00	23.10
57	24.40	25.40	26.60	27.90
58	28.55	29.75	31.15	32.70
59	31.90	33.20	34.75	36.50
60	36.90	38.45	40.25	42.25
61	36.90	38.45	40.25	42.25

\* Prorated for intermediate ages computed on the basis of the number of complete calendar months by which the employee is under the age attained at the employee's next birthday.

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A. Art. I, 7(a)(2)

*what suppd do they get? none?*

This provision does not apply to an employee who has attained age 55 but not age 60 and whose combined years of age and years of credited service (to the nearest 1/12th in each case) at retirement total less than 85.

*interim reduced by part B sup*

Any interim supplement described above will be reduced by any supplementary benefits under Part B of this Program prior to reduction for survivor coverage.

- (b) The early retirement supplement under subsection (a)(1) of this Section 7 for an employee who retires voluntarily will be calculated assuming that the basic benefit commences immediately after retirement, and such early retirement supplement and the interim supplement under subsection (a)(2) of this Section 7 will be reduced for any month prior to age 62 and one month for which the employee becomes or could have become eligible for a Social Security benefit, by an amount equal to the amount of the temporary benefit to which the employee would have been entitled if retired under Section 4 of this Article I.
- (c) The early retirement supplement under subsection (a)(1) of this Section 7 for an employee who retires under Section 4 of this Article I will be calculated on the assumption that the employee will receive a temporary benefit until age 62 and one month even if such temporary benefit is not received by the employee until such age because of earlier entitlement to Social Security benefits.

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A, Art. I, 7(d)

- (d) The early retirement supplement under subsection (a)(1) of this Section 7 for an employee who does not prevent the automatic election of the surviving spouse coverage provided under Section 5(a) of this Article I will be calculated on the basis of the monthly retirement benefit the employee would have received if the employee had prevented such automatic election.
- (e) Any of the supplements will commence on the first day of the month coinciding with or next following the employee's first day of absence because of retirement and will be payable monthly until and including the first day of the month in which the employee (1) dies, (2) has the retirement benefit cease for any other reason, (3) is reemployed by the Corporation, or (4) attains age 62 and one month, whichever occurs first.
- (f) If a retired employee (i) has been receiving disability retirement benefits under this Part A and has been receiving a supplement and, on the basis of medical evidence satisfactory to the Corporation, it is found that such employee is no longer totally and permanently disabled and credited service is reinstated, or (ii) is reemployed by the Corporation, such employee does not forfeit any right to receive a supplement if such employee retires under this Program.
- (g) If the total of the employee's monthly benefits under this Part A and under the supplementary benefit provisions of Part B and the monthly early retirement supplement or interim supplement as computed above would exceed 70% of the employee's final base salary, such monthly supplement will be reduced to the extent required so that such monthly benefits plus the supplement will equal 70% of the employee's final base salary.

*ignore they make a lot!*

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A. Art. I, 7(g)

For this purpose, an employee's "final base salary" means the employee's highest monthly base salary rate during the last 60 months preceding the employee's last day of work prior to retirement.

**Section 8. Benefits for Employees Who Retired With Benefits Payable Commencing Prior to October 1, 1999**

An Employee who retired with benefits payable commencing prior to October 1, 1999, or the eligible surviving spouse or contingent annuitant of such an employee, will be entitled to the benefits, if any, under the Program as it existed immediately prior to such date, except that:

- (a) Basic benefits payable under this Part A to such retired employees, or the benefits payable to surviving spouses or contingent annuitants in lieu of or related to such basic benefits, will be increased to provide monthly benefits equal to the benefits which would have been payable had the basic benefits payable to the employee at and after age 65 been based on the following table:

Retired With Benefits Commencing	Benefit Class Code	Basic Benefit Rate Per Year of Credited Service For Months Commencing
		10-1-99 and After
Prior to October 1, 1999	A	\$ 40.50
	B	40.75
	C	41.00
	D	41.25

40.88

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A, Art. I, 8(b)

- (a) Any temporary benefits payable to such retired employees until age 62 and one month or, if earlier, until the age at which the employee becomes or could have become eligible for a Social Security benefit for disability or an unreduced Social Security benefit for age will be increased to provide monthly temporary benefits equal to the temporary benefits which would have been payable had the temporary benefits payable to the employee prior to age 62 and one month or earlier age been based on the following:

Retired With Benefits Payable Commencing	Monthly Temporary Benefit Amount	
	Per Year of Credited Service	Maximum
Prior to October 1, 1999	38.65	1,159.50

\*Benefit payable for months commencing October 1, 1999.

- (1) An employee who retired under Article I of this Program with 30 or more years of credited service who is eligible to receive a monthly early retirement supplement which commenced prior to October 1, 1999 will receive an increase to such monthly supplement as follows:

Effective Date Of Increase	Amount of Increase
	Payable to Age 62 And One Month
October 1, 1999	90.00

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A, Art. I, 8(c)(1)

The amount of any monthly supplement payable to an employee who retired under Article I of this Program with benefits commencing prior to October 1, 1999 will be redetermined to the amount of supplement which would have been payable had the applicable benefit rates set forth in this Section 8 and referred to in Section 7 of Article I of Part B been in effect when such employee's benefits commenced. If such retired employee is entitled as of October 1, 1999 to receive Social Security benefits, and became so entitled before October 1, 1999, the increase in the rate of temporary benefit provided in subsection (b) of this Section 8 will not be considered in redetermining the supplement until the retired employee ceases to be entitled.

- (2) An employee who retired voluntarily under Article I of this Program after age 55 with less than 30 years of credited service who is eligible to receive a monthly interim supplement which commenced prior to October 1, 1999 will receive, for months commencing on and after October 1, 1999, an increase to such interim supplement, as follows:

a.

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A, Art. I, 8(c)

Age at Retirement	Monthly Increase Per Year of Credited Service
	\$
55	0.50
56	0.60
57	0.70
58	0.85
59	0.95
60	1.10
61	1.10

*\*Prorated for intermediate ages computed on the basis of the number of complete calendar months by which employee is under the age attained at the employee's next birthday.*

- (c) An employee who retired under the Program or who is eligible for a deferred retirement benefit pursuant to the provisions of Part A of the Program, and who has surviving spouse coverage in effect but whose designated spouse predeceases the employee, may have the monthly basic benefit restored to the amount payable without such coverage, effective the first day of the month following the month in which the Corporation receives evidence satisfactory to the Corporation of the spouse's death. For spousal deaths occurring on or after October 1, 1999, restoration of the monthly basic benefit will be effective the first day of the month following the date of the death upon receipt by the Corporation, of notice satisfactory to the Corporation, of the spouse's death.
- (d) An employee who retired under the Program and who has a joint and survivor option, as provided under Section 6 of Article I, in effect with respect to the Part A benefit but whose designated contingent annuitant is deceased will receive the increase in benefits which otherwise would have been payable under this Section 8 as if such retired employee had not elected such option.

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A, Art. I, 8(e)

- (e) An employee who retired or retires under Article I of the Program who marries, or remarries, subsequent to the earliest date survivor benefit coverage was in effect pursuant to Sections 5(a) or 5(i)(1), or Section 6(a) of Article I of this Part A, or was not in effect on such date solely because the retired employee was not then married, may elect, or re-elect, survivor benefit coverage under Part A. Any such coverage, and the benefits thereunder, will be provided under the terms and conditions of the Program in effect at the time of the employee's retirement. Such coverage becomes effective upon receipt by the Corporation of a completed election form but no earlier than the one year anniversary of the marriage. The applicable reduction in the retiree's benefit commences on the first day of the month following the one year anniversary date.

No election provided hereunder becomes effective for any retired employee whose completed election form is received by the Corporation after the retired employee has been married 18 months.

- (f) Monthly benefits payable under this Section 8 on and after October 1, 1999 will not be limited by the 70% benefit limitation in Section 7(g) of this Article I.

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A, Art. II

**ARTICLE II**  
**CREDITED SERVICE**  
**(Applicable to Benefits Under Part A and**  
**Supplementary Benefits Under Part B)**

**Section 1. General**

- (a) For purposes of determining "credited service" as used in this Program, the word "employment" includes all employment prior to an employee's retirement, or termination of employment, whichever is earlier, whether on salary or hourly-rate, with Delphi or its directly or indirectly wholly-owned or substantially wholly-owned domestic or foreign subsidiaries in accordance with Section 414(b), (c), (m), (n), and (o), of the Code as specifically approved by the Corporation's Board of Directors.
  
- (b) Credited service, wherever used in this Program, will also include credited service recognized under the General Motors Retirement Program for Salaried Employees ("GM SRP") for eligibility and benefits for employees who transitioned directly from GM to Delphi pursuant to the procedure agreed to by Delphi and GM for such transfers before January 1, 2002.

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A, Art. II, 1(c)

- (c) For the purposes of this Program, credited service is generally considered automatically broken by a quit or discharge; provided that if, after a quit or discharge, an employee has been or is rehired, such employee's credited service will be reinstated as provided in Section 4(a) of this Article II. However, the period during which such employee is absent from service because of such quit or discharge will not be included in the calculation of the amount of credited service, unless the employee was or is absent from service at the request of, or with the approval of, the Corporation for the purpose of employment with a company affiliated with the Corporation and, upon termination of such employment with such affiliate, returns to the service of the Corporation as such employee's first employment following employment with the affiliate.

Notwithstanding the above, the credited service of an employee who has been rehired and who previously received a single-sum payment of deferred vested benefits in accordance with Section 2(g) of the General Provisions shall not be reinstated, except as required under Section 10 of this Article II.

- (d) Credited service will be computed to the nearest full month and shall be the sum of the number of years (and months thereof) of (i) credited service prior to October 1, 1950, and (ii) credited service on or after October 1, 1950. Provisions regarding credited service prior to October 1, 1950, are set forth in the General Motors Retirement Program for Salaried Employees as amended through October 1, 1984.

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A, Art. II, 2

**Section 2. Credited Service Subsequent to October 1, 1950**

- (a) Credited service consists of the number of years (to the nearest 1/12 thereof) represented by:
- (1) All periods of regular employment subsequent to October 1, 1950, for which an employee receives compensation. No credited service accrues for an employee classified as a Flexible Service employee except as provided in subsection (f) of this Section 2.
  - (2) All periods of absence prior to (i) an employee's retirement, or (ii) termination of employment, whichever is earlier, under a compensable Disability Leave of Absence, as defined in Section 8 of this Article II.
  - (3) All periods of absence prior to (i) an employee's retirement, or (ii) termination of employment, whichever is earlier, under an approved Military Leave of Absence provided the employee is reemployed in accordance with the terms of such leave of absence. However, credited service cannot exceed four years, or such longer period during which the employee has reemployment rights pursuant to any Federal law, and provided, further, that the employee is reemployed in accordance with the terms of such leave of absence or, if reemployed by the Corporation at a location other than the location from which the leave was granted, within 90 days from the date of discharge from the armed forces.

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A, Art. II, 2(a)(4)

(4) All periods of absence during any calendar year after December 31, 1967 and prior to an employee's retirement under a layoff or an approved noncompensable Disability Leave of Absence provided the employee receives compensation for periods totaling at least one month during such calendar year, and provided that if such layoff or Disability Leave of Absence commences in a calendar year after December 31, 1969 and continues after that year, credited service will be granted for each calendar month of such absence, ("bank credited service") not to exceed eleven months of bank credited service for all such absence related to receipt of such compensation from the Corporation in the first year. For purposes of this subparagraph (a)(4) only, an employee who is laid off and whose first day of absence due to such layoff is the first regularly scheduled work day in January will be deemed to have been laid off on December 31 of the year in which the employee last worked. An employee who returns to work on or after October 1, 1979 and receives pay for a period of less than one month and who returns to such layoff or Disability Leave of Absence, will not be disqualified, solely because of the receipt of such pay, from receiving any such credit for which the employee otherwise would be eligible.

(5) Credited service will be utilized in the calculation of the surviving spouse benefit for an employee who is otherwise eligible for monthly benefits under this program who dies after September 14, 1999 and prior to October 1, 1999.

(b) An employee who is at work on or after March 1, 1982, and

(1) is laid off on or after March 1, 1982, and prior to June 1, 2001 and

(2) has 10 or more years of credited service at the time such layoff commences, and

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A, Art. II, 2(b)(3)

(3) while on such layoff receives the maximum eleven months of credited service for absence due to layoff or Disability Leave of Absence in accordance with subparagraph (a)(4) above, and

(4) continues to be absent due to such layoff,

will be granted bank credited service for each additional month of such absence, not to exceed a maximum of twelve months of credit.

(c) For an employee who has at least five years of credited service:

(1) as of December 31, 1967 and who was absent under a layoff during any calendar year after December 31, 1955 and prior to January 1, 1963, or

(2) as of December 31, 1973 and who was absent under a layoff during any calendar year after December 31, 1950 and prior to January 1, 1956, or

(3) as of October 1, 1979 and who was absent under a layoff during any calendar year after December 31, 1962 and prior to January 1, 1968, or

(4) as of October 1, 1984 and who was absent under a layoff during any calendar year after December 31, 1978 and prior to January 1, 1984, or

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A, Art. II, 2(c)(5)

- (5) as of October 1, 1993 and who was absent under a layoff during any calendar year after December 31, 1973 and prior to January 1, 1977, or
- (6) as of October 1, 1996 who was absent under a layoff during any calendar year after December 31, 1983 and prior to January 1, 1986, or
- (7) as of October 1, 1999 who was absent under a layoff during any calendar year after December 31, 1978 and prior to January 1, 1984,

credited service will be granted for each calendar month of such absence, not previously credited under this Section 2 during which such employee remained on layoff status and retained credited service, the amount of credited service to be granted per year being the months of such absence in such year multiplied by a percentage as set forth in the following table:

Employee's Credited Service on December 31, 1967 in the Case of (1) Above or December 31, 1973 in the Case of (2) Above or October 1, 1979 in the Case of (3) Above or October 1, 1984 in the Case of (4) Above or October 1, 1993 in the Case of (5) Above or October 1, 1996 in the Case of (6) Above or October 1, 1999 in the Case of (7) Above	%
20 years or more	100
15 years but less than 20 years	75
10 years but less than 15 years	50
5 years but less than 10 years	25

provided that the employee makes proper application.

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A, Art. II, 2(d)

- (d) Credited Service includes all periods worked by a laid off employee who receives compensation and is classified as a regular employee-temporary assignment during the layoff period. The credited service received for the temporary assignment will be in lieu of any credited service otherwise creditable for the same period by reason of the employee's last layoff from a regular job assignment.
  
- (e) Credited Service includes all periods on an approved leave of absence as provided for in certain collective bargaining agreements pursuant to policy and rules that may be established by the Corporation.
  
- (f) Credited Service includes all hours worked and compensated while classified as a Flexible Service employee on and after August 7, 1984, except that no credited service will accrue prior to the later of:
  - (1) one year of employment, or
  - (2) attainment of age 21 (age 25 prior to October 1, 1985).

Credited service during Flexible Service employment will be based on compensated hours worked and will accumulate only if the employee works 750 or more hours during the calendar year, as follows:

A, Art. II, 2(f)

Compensated Hours	Equivalent Months of Credited Service
Less than 750	None
750 but less than 895	6
895 but less than 1040	7
1040 but less than 1185	8
1185 but less than 1330	9
1330 but less than 1475	10
1475 but less than 1615	11
1615 or more	12

- (g) Notwithstanding any other section of this Article II, in the case of an employee who retires after January 1, 1999, the employee's credited service for the period before January 1, 1966 will not be less than the employee's length of service as of December 31, 1965.

### Section 3. Loss of Credited Service

Subject to the provisions of Section 10 of Article II of this Part A and Article III of this Part A, unless otherwise provided by the Named Fiduciary or its delegate, credited service will be broken, and all prior credited service will be lost, notwithstanding the provisions of Sections 1 and 2 above, if the employee:

- (a) Quits,
- (b) Is discharged for cause,
- (c) Is paid a separation allowance because of refusal to accept a salaried position or an hourly-rate job in accordance with Corporation policy,

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A, Art. II, 3(d)

- (d) Is laid off or is given an approved leave of absence (excluding Military and compensable Disability Leave of Absence) if the period of continuous absence is one year or more and is equal to or in excess of the employee's credited service prior to such layoff or approved leave of absence,
- (e) Fails to report for work in accordance with the terms of a Military or compensable Disability Leave of Absence,
- (f) Is given a final release or a mutually satisfactory release, or
- (g) Is separated under any classification other than those specifically covered above.

For the purposes of this Section 3, credited service will not be broken and prior credited service will not be lost as a result of any separation if the period following immediately thereafter is a period during which compensation by the Corporation or its directly or indirectly wholly-owned or substantially wholly-owned domestic or foreign subsidiaries was on a commission basis and such period is followed immediately thereafter by salaried or hourly-rate employment.

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A, Art. II, 4

#### **Section 4. Reinstatement of Credited Service**

- (a) Any employee who loses credited service under the provisions of Section 3 immediately above and is later reemployed by the Corporation will have such credited service reinstated upon making proper application.
- (b) Any employee retired under the total and permanent disability provisions of this Program who subsequently is deemed recovered and whose disability benefit then ceases will have reinstated the credited service the employee had at the time of disability retirement, provided the employee is reemployed, or is granted a leave of absence or otherwise given the status of an inactive employee, by the Corporation.
- (c) Any employee retired under the provisions of this Program, except total and permanent disability retirement, who subsequently is reemployed by the Corporation or one of its directly or indirectly wholly-owned or substantially wholly-owned subsidiaries will have reinstated the credited service the employee had at the time of retirement.
- (d) If a former employee who is entitled to a deferred retirement benefit under Part A and, if applicable, a deferred supplementary retirement benefit under Part B (or a deferred pension under the Delphi Hourly-Rate Employees Pension Plan) is reemployed by the Corporation prior to the commencement of such deferred retirement benefits, such employee will, upon making proper application, have reinstated, in lieu of such deferred retirement benefits, the credited service lost at the time the employee became entitled to such deferred retirement benefits; provided that if an employee with 10 or more years of credited service:

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A, Art. II, 4(d)(1)

- (1) is reemployed by, and works for, the Corporation within 36 months of the date the employee lost credited service under Section 3 of this Article II, and
- (2) becomes disabled while employed by the Corporation for less than 5 months, and such disability is continuous for a period of 5 months during which the employee makes proper application and submits medical evidence satisfactory to the Corporation of total and permanent disability,

such employee will be deemed eligible for a disability retirement benefit under Section 4 of Article I of this Part A and such benefit will be payable pursuant to Section 2 of the General Provisions of this Program, as though such employee had been an employee throughout such disability period.

#### **Section 5. Credited Service of Employees Formerly on the Hourly Roll**

Any employee transferred from the hourly roll to the salary roll, or hired as a salaried employee following the loss of credited service as an hourly-rate employee, will, upon making proper application, receive credit to the nearest 1/10th of a year for credited service as recognized under the Delphi Hourly-Rate Employees Pension Plan. Employment while covered under The GM Special Pension Plan (for former "Frigidaire" employees) will not be credited, except for an employee with seniority on March 1, 1988, who has not received a cash payment representing such employee's accrued benefit under The GM Special Pension Plan.

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A, Art. II, 6

**Section 6. Service With a Foreign Subsidiary**

An employee whose employment as an hourly or salaried employee with a directly or indirectly wholly-owned or substantially wholly-owned foreign subsidiary of the Corporation has been terminated by the foreign subsidiary other than by retirement, as a result of a transfer by the Corporation to its domestic operations that are covered under the Program will be granted credited service under this Program for any periods of active service with such foreign subsidiary or, if greater, the amount of service credited to such employee under any pension or retirement plan of the foreign subsidiary at the time of such employee's termination, provided such service was prior to such employee's most recent period of active service credited under this Program.

Any monthly Part A benefits or supplementary benefits under Part B payable under this Program to a retired employee who has received credited service under this Section 6 will be reduced by an amount equivalent to the total of any monthly benefits (or lump-sum payment) that could be payable to such employee under any other retirement plan to which the foreign subsidiary has contributed, excluding, however, any retirement benefits or portion purchased by employee contributions. Any survivor benefits payable under this Program to a survivor of such an employee will be subject to similar reduction by monthly survivor benefits payable under any other plan to which the foreign subsidiary has contributed. This Article II, Section 6 to the contrary notwithstanding, an employee with a length of service date on or after January 1, 2001 who has employment as an hourly or salaried employee with a directly or indirectly wholly owned or substantially wholly owned foreign subsidiary of the Corporation will have benefits as provided under Part C of the Program, unreduced by any monthly benefits that could be payable to such employee under any other retirement plan to which the foreign subsidiary has contributed.

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A, Art. II, 7

**Section 7. No Duplication of Credited Service**

There will be no duplication of credited service and no more than a year's credit will be given for any calendar year except as otherwise provided in Section 11 of this Article II with respect to asbestos service.

**Section 8. Compensable Disability Leave of Absence**

The term "compensable Disability Leave of Absence" means an absence from work because of occupational injury or disease incurred in the course of employment, and on account of which absence the employee receives Workers Compensation while on an approved leave of absence.

**Section 9. Temporary Employment**

A regular employee, with periods of temporary or part-time -- less than half-time -- employment prior to the date last worked as a regular employee, will be granted credited service for actual time paid while working on any temporary employment immediately preceding regular employment.

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A, Art. II, 10

**Section 10. Hours, Years and Breaks in Service to Comply With ERISA**

- (a) An employee who breaks credited service who would be eligible for a deferred benefit under Article III of this Part A, except solely for the fact that the employee does not have at least 5 years of credited service under the Program, will be eligible for a deferred benefit under the provisions of Article III of this Part A, if at the time the employee breaks credited service, such employee has 5 years of service as determined under this Section 10.
- (b) The monthly amount of any such deferred benefit will be based solely on the credited service that the employee had under the Program when the employee broke credited service.
- (c) No employee will be covered under this Section 10 until such employee (i) attains age 21, or (ii) completes one year of service under this Section 10, whichever is later. Rehired employees participate immediately.
- (d) An employee completes one year of service when such employee completes 750 hours of service in the 12 consecutive month period beginning with the employee's employment commencement date. If an employee fails to complete 750 hours of service in such period, such employee will complete one year of service in the first 12 consecutive month period in which the employee completes 750 hours of service, measured from each succeeding anniversary of the employment commencement date. Thereafter, an employee will

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A, Art. II, 10(d)

complete one year of service during each 12 consecutive month period in which such employee completes 750 hours of service, measured from the anniversary of the employment commencement date. A year of service under this Section 10 includes service (i) with affiliated group members accrued subsequent to acquisition, (ii) rendered to the Corporation as a former leased employee (but only upon employee application with substantiation of such service satisfactory to the Corporation), and (iii) rendered to the Corporation as an hourly-rate employee in accordance with Section 414(b), (c), (m), (n), and (o) of the Code.

- (e) An employee who satisfies the eligibility requirements of Section 10(c), and who is otherwise entitled to participate in the Program, will commence participation under this Program if the employee satisfied such requirements (i) between April 1 and September 30, on the first day of the plan year beginning after the date on which such requirements are satisfied, or (ii) between October 1 and March 31, on the first day of the plan year that includes the date such requirements are satisfied, but in no event will any employee participate if such employee breaks length of service prior to such commencement date.
- (f) An employee completes an hour of service under this Section 10 for each hour paid by the Corporation for working or for having been entitled to work. Any hours for which an employee receives pay for having been entitled to work, irrespective of mitigation of damages, will be credited to the period or periods so entitled, rather than to the period in which such pay is received. There will be no duplication of any hours of service under this Section 10.

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A, Art. II, 10(g)

- (g) To determine years of service for vesting under this Program, all of the employee's years of service will be taken into account except the following: (i) years of service before age 18 (age 22 prior to October 1, 1985); (ii) years of service before January 1, 1971, unless the employee has at least 3 years of service after December 31, 1970; (iii) years of service prior to any one-year break in service as defined herein, until the employee completes a year of service after such break; (iv) for non-vested participants under this Section 10, years of service prior to any one-year break in service if the number of such consecutive breaks equals or exceeds the aggregate number of years of service prior to such break, for a non-vested participant at work on or after October 1, 1985, years of service prior to any one-year break in service if the number of such consecutive breaks equals or exceeds the greater of five, or the aggregate number of years prior to such break (such aggregate number of years of service before such break will not include any years of service not required to be taken into account under this Section 10 by reason of any prior break in service); (v) years of service before October 1, 1976, if such service would have been disregarded under rules of the Program as in effect on October 1, 1976, regarding breaks of service; and (vi) any year in which the employee completes less than 750 hours of service.
- (h) An employee incurs a one-year break in service under this Section 10 in any 12 consecutive month period during which the employee does not complete more than 375 hours of service, measured from the anniversary of the employment commencement date. To determine whether an employee has incurred a one-year break in service, in addition to hours worked which are paid by the Corporation, any hours which an employee does not work but for which such employee is paid by the Corporation for vacation, sickness or disability, or is entitled to be so paid, will be taken into consideration. For any absence from work commencing

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A, Art. II, 10(h)

on or after October 1, 1985 by reason of pregnancy of the individual, childbirth, placement of a child related to an adoption, or for child care purposes immediately following such birth or placement or for any absence from work commencing on or after October 1, 1993 for which the employee is entitled to a leave under the Family and Medical Leave Act of 1993, the employee will be credited with the hours of work for which the employee otherwise would have been scheduled, or, if unable to determine such scheduled hours, 8 hours for each work day of such absence, not to exceed a total of 501 hours for any such absence. Such hours will be credited in the year in which the absence commences if necessary to prevent incurring a one-year break in service, otherwise such hours will be credited in the immediately following year.

- (i) Notwithstanding any of the foregoing provisions of this Section 10, effective March 1, 1998, an employee will be credited with 95 hours of service for each semi-monthly pay period in which the employee works and is compensated at any time during each such semi-monthly pay period. Such service will be counted solely for eligibility for a deferred benefit as described in (a) immediately above.

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A, Art. II, 11

**Section 11. Asbestos Service**

An employee with credited service who at retirement has over 10 years of credited service which was accrued while employed in certain salaried positions in specified asbestos operations as set forth in Appendix A will receive additional credited service for purposes of this Part A. Total credited service for any such employee will be the sum of (i) credited service otherwise credited to the employee, and (ii) any such additional credited service in accordance with the following table:

Years of Credited Service Credited on Asbestos Jobs	Additional Credited Service
For years 1 through 10	0
For 10 years, 1 month through 25	33-1/3%
For years over 25	20%

Such additional credited service will be accrued when earned and in no event will any such additional credited service be provided pursuant to this section which would result in duplication of such service.

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A, Art. II, 11

**Section 12. Service of Employees Transferred From  
Electronic Data Systems,  
Hughes Electronics Corporation or  
Domestic Subsidiaries Within the Delphi Control  
Group**

The service accrued at Electronic Data Systems, or Hughes Electronics Corporation or domestic subsidiaries within the Delphi Control Group by an employee who has been transferred to Delphi from either subsidiary while either subsidiary was within the Delphi control group of companies, or a domestic subsidiary while such subsidiary was within the Delphi Control Group will be used as service in the determination of such employee's eligibility to retire under this Program. The actual benefit payable to any such employee under this Program will be based solely on the credited service the employee has accrued under the previous sections of this Article II.

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A, Art. III

### ARTICLE III

#### RETENTION OF DEFERRED RETIREMENT BENEFIT IF SEPARATED

- (a) Any employee who on or after October 1, 1999, loses accumulated credited service under the provisions of Article II of this Part A is eligible for a deferred retirement benefit under this Part A if such employee is not retired and eligible for benefits pursuant to Article I of this Part A, and provided the credited service of such employee at separation is at least 5 years, or such employee satisfies the service requirements of Section 10 of Article II of this Part A, or such employee has attained the Normal Retirement Age as defined in Section 1(f) of the General Provisions.
  
- (b) The monthly amount of any deferred retirement benefit will be a basic benefit for each year of credited service, determined by the employee's Benefit Class Code as set forth in Section 1(c) of Article I of this Part A when such employee lost credited service, as set forth in the table immediately following:

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A, Art. III

Date of Loss or Credited Service	Benefit Class Code	Basic Benefit Rate
October 1, 1999 through September 30, 2000	A	40.80
	B	41.05
	C	41.30
	D	41.55
October 1, 2000 through September 30, 2001	A	42.50
	B	42.75
	C	43.00
	D	43.25
October 1, 2001 through September 30, 2002	A	44.50
	B	44.75
	C	45.00
	D	45.25
October 1, 2002 and After	A	46.70
	B	46.95
	C	47.20
	D	47.45

44.88  
47.08

A, Art. III, (c)

(c) A former employee who is eligible for a deferred retirement benefit may at the election of such former employee receive either

- (1) a monthly benefit commencing at age 65 in accordance with subsection (b) above, or
- (2) a monthly benefit commencing after age 55 and prior to age 65 in accordance with subsection (b) above, multiplied by a percentage as set forth in the following table:

Age When Benefit Commences	Percentage
55	42.8%
56	46.8
57	51.2
58	55.5
59	59.6
60	64.0
61	71.2
62	78.4
63	85.6
64	92.8
65	100.0

*Table  
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\* Prorated for intermediate ages computed on the basis of the number of complete calendar months by which the employee is under the age attained at the employee's next birthday.

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A. Art. III, (c)(3)

- (3) a monthly benefit commencing prior to age 55 in accordance with (b) above, multiplied by a percentage as set forth in the following table:

*Table?*

Age When Benefit Commences	Percentage
25	3.5%
30	5.1
35	7.5
40	11.0
45	16.4
50	24.8
51	27.0
52	29.4
53	32.1
54	35.0

\* Actuarial reduction factors for ages not shown will be calculated on the same basis as the factors shown.

- (4) Notwithstanding the foregoing, the monthly deferred retirement benefit for a former employee who participated in a Corporation approved Career Transition Program with 20 or more years' credited service will be payable on an unreduced basis at or after age 60 upon application for such benefit at or after age 60. For any such former employee who elects to commence the monthly deferred retirement benefit between ages 55 and 60, the benefit will be calculated from the age 65 benefit in accordance with the table set forth in (c)(2) above and, if elected to commence prior to age 55, the benefit will be calculated in accordance with the table set forth in (c)(3) immediately above.

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A, Art. III, (d)

- (d) The deferred retirement benefit will be payable commencing the first day of the month coinciding with or next following the employee's attainment of age 65 or, if earlier, the first day of the month following the month in which the Corporation receives a request from such former employee with such benefit determined in accordance with subsections (c)(2) or (c)(3) of this Article III; provided that such request is valid and effective only if it is filed with the Corporation not more than 90 days and not less than 30 days prior to commencement of such benefit. For any such employee who broke credited service prior to October 1, 1976, the deferred retirement benefit shall not be payable at any time prior to the first of the month following the month in which the Corporation receives a request from such former employee to commence such benefit.
- (e) The amount of any monthly retirement benefit otherwise payable to a former employee eligible for a deferred retirement benefit will be reduced by the value of any past and future benefits paid or payable to any alternate payee(s) under a QDRO.

The actuarial value will be used to determine any amount of benefits paid or payable to any such payee(s), if applicable, and the remaining benefit entitlement of the employee.

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B, Art. I

## **PART B -- CONTRIBUTORY BENEFITS**

The benefits described in this Part B are not applicable to credited service accrued on or after January 1, 2001 for any employee whose length of service date is after December 31, 2000.

### **ARTICLE I PROVISIONS RELATING TO PRIMARY BENEFITS AND SUPPLEMENTARY BENEFITS**

#### **Section 1. Eligibility Requirements**

**(a) For Primary Benefits**

Each salaried employee will be eligible to commence contributing under Part B on the first day of any month provided that at the time such employee commences to contribute all of the following conditions are met:

- (1) Such employee has reached age 21; and
- (2) Such employee has at least six months of continuous service; and
- (3) Such employee's base salary rate is greater than \$3,500 (\$3000 effective January 1, 2000 and \$2,700 prior to January 1, 2000) per month effective January 1, 2003.

For purposes of this Section if, after termination of employment, an employee is rehired, such employee will immediately be eligible to contribute if such employee had at least six months of continuous service prior to termination of employment and meets the current age and salary requirements.

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B, Art. I, 1(b)

(b) For Supplementary Benefits

- (1) An employee who has 5 or more years of credited service as determined under Article II of Part A, or an employee who satisfies the "service" requirements of Section 10 of Article II of Part A, or an employee retired as a normal retirement on or after October 1, 1999 and in any case is eligible to receive benefits under Part A, will be entitled to receive supplementary benefits under this Part B, if otherwise eligible based upon such employee's average monthly base salary, for the following periods:
  - (i) any period of credited service prior to October 1, 1950, provided that on and after October 1, 1950 the employee contributes at all times while eligible and does not withdraw contributions prior to termination of employment;
  - (ii) the continuous period of credited service during which the employee contributes under Part B at all times while eligible to do so and does not withdraw contributions prior to termination of employment; and
  - (iii) any period, not credited under (i) or (ii) immediately above, prior to the earliest date on which the employee was eligible to contribute or age 30, if later, provided that such period does not exceed the number of years and fractions credited under (ii) above.

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B, Art. I. 1(b)(2)

- (2) For the purpose of making the computation described in paragraph (1) immediately above, if the employee:
- (i) failed to contribute (aa) while temporarily absent and receiving salary at a reduced rate, or (bb) for a period of absence during which contributions are permitted under Section 4 of Article II of this Part B, or (cc) while under age 30, such employee will not be considered to have broken the continuous period during which such employee contributed while eligible;
  - (ii) withdrew contributions while on layoff which did not result in loss of credited service prior to such layoff, such employee will not be considered to have withdrawn contributions prior to termination of employment; and
  - (iii) withdrew contributions under this Program, or any other retirement plan maintained by a foreign subsidiary, while employed by any wholly-owned or substantially wholly-owned subsidiary whose employees are excluded from participation under this Program, the employee will forfeit any monthly Part B benefits for which such employee otherwise would have been eligible at retirement except as provided under Article II, Section 1(a)(2) of this Part B.

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B, Art. I, 2

**Section 2. Retirement Benefits**

**(a) Retirement At or After Age 65**

Retirement benefits, if any, under Part B for an employee who retires at or after age 65 will commence on the first day of the month coinciding with or next following the employee's first day of absence because of retirement.

**(1) Primary Benefits**

The annual rate of primary retirement benefits payable after retirement under Part B at age 65 or after will be equal to the sum of:

- (i) 60% of the total of the employee's own contributions made prior to July 1, 1977;
- (ii) 75% of the total of such contributions made on and after July 1, 1977 and prior to October 1, 1979; and
- (iii) 100% of the total of such contributions made on and after October 1, 1979.

B, Art. I, 2(a)(2)

(2) **Supplementary Benefits**

The monthly supplementary retirement benefits will be 1% of the employee's average monthly base salary in excess of the amount indicated below times the number of years and months of the employee's credited service, as determined under Article II of Part A, or as may be adjusted under Section 1(b) above:

Rates With Benefits Payable Commencing	Part B Supplementary Benefit Based on Average Monthly Base Salary In Excess Of
October 1, 1999 through September 1, 2000	\$ 4,155.00
October 1, 2000 through September 1, 2001	\$ 4,325.00
October 1, 2001 through September 1, 2002	\$ 4,525.00
October 1, 2002 and After	\$ 4,745.00

B, Art. I, 2(b)

(b) Retirement Between Ages 60 and 65

- (1) If an employee retires voluntarily at or after age 62 and prior to age 65, there will be payable any primary and supplementary benefits to which the employee may be entitled on account of service rendered up to the date of retirement commencing on the first day of the month coinciding with or next following the employee's first day of absence because of retirement or the employee may elect to receive either the primary benefit or supplementary benefit, or both, on a reduced basis commencing on the first day of any month coinciding with or following such employee's first day of absence because of retirement and prior to age 62, with such reduction as set forth in the table in Part A, Article I, Section 2(b)(2)(i).
- (2) An employee discharged for cause at or after age 60 and prior to age 65 will be entitled to the benefits described in Section 2(b)(1) above.

(c) Retirement Prior to Age 60 Other Than for Total and Permanent Disability

- (1) If an employee who has 10 or more years of credited service retires voluntarily (i) at or after age 55 and prior to age 60 and whose combined years of age and years of credited service (to the nearest 1/12th in each case) at retirement total 85 or more, or (ii) prior to age 55 with 30 or more years of credited service, and in either case was hired prior to January 1, 1988, the employee will be entitled to primary and supplementary retirement

B, Art. I, 2(c)(1)

benefits on account of service rendered up to the date of retirement commencing on the first day of the month coinciding with or next following the employee's attainment of age 62, or the employee may elect to receive either the primary benefit or supplementary benefit, or both, commencing on the first day of any month coinciding with or following such employee's first day of absence because of retirement and prior to age 62 in which case any benefits will be reduced from the amount that would otherwise be payable commencing at age 62 multiplied by a percentage as set forth in the table in Part A, Article I, Section 2(b)(2)(i).

- (2) If an employee who has 10 or more years of credited service retires voluntarily at or after age 55 and prior to age 60 and (i) whose combined years of age and years of credited service (to the nearest 1/12th in each case) at retirement total less than 85, or (ii) who was hired on or after January 1, 1988, the employee will be entitled to primary and supplementary retirement benefits on account of service rendered up to the date of retirement commencing on the first day of the month coinciding with or next following such employee's attainment of age 65, or the employee may elect to receive either the primary benefit or supplementary benefit, or both, commencing on the first day of any month coinciding with or following such employee's first day of absence because of retirement and prior to age 65 in which case any benefits will be reduced from the amount that otherwise would be payable commencing at age 65 multiplied by a percentage as set forth in the table in Part A, Article I, Section 2(b)(2)(ii).

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B, Art. I, 2(c)(3)

- (3) An employee (i) who has 10 or more years of credited service and who is discharged for cause at or after age 55 and prior to age 60, or (ii) who has 30 or more years of credited service, was hired prior to January 1, 1988, and who is discharged for cause prior to age 55, will be entitled to the benefits described in Sections 2(c)(1) or 2(c)(2) above, whichever is applicable.

(d) **Retirement Prior to Age 65 for Total and Permanent Disability**

If an employee is retired prior to age 65 for total and permanent disability and commences to receive total and permanent disability benefits under Part A, any supplementary benefits to which the employee may be entitled on account of service rendered up to the date of retirement which are payable at age 65 will be payable commencing at the same time as benefits payable under Part A without reduction in amount because of such earlier commencement. Any primary benefits to which the employee may be similarly entitled and which are payable at age 65 will be payable commencing on the first day of the month with respect to which the initial benefit payment is made under Part A without reduction in amount because of such earlier commencement.

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B, Art. I, 2(e)

(e) **Reemployment**

If a retired employee who is receiving retirement benefits is reemployed by the Corporation or one of its directly or indirectly wholly-owned or substantially wholly-owned domestic or foreign subsidiaries, payment of such retired employee's Part B benefits will cease and such retired employee will be treated for the purposes of this Program as though not previously retired, except that:

- (1) for the purpose of (aa) the death benefit provisions of Section 5(c)(4) and 6(a)(1) of this Article I, and (bb) the provisions of Section 1(a)(2) of Article II of this Part B relating to the return of an employee's contributions, and solely with respect to the employee's contributions made prior to the date primary benefits commenced because of retirement, no interest will be credited on the employee's contributions for the period during which the employee received such primary benefits and upon reemployment the employee's contributions will be deemed to have been reduced by the amount of such primary benefits (but with such reduction not to exceed the amount of the employee's contributions plus interest); and
- (2) the amount of any death benefit otherwise subsequently payable under Section 6(a)(2) of this Article I will be reduced by an amount equal to the amount of reduction specified in the preceding item (1).

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B, Art. I, 3

**Section 3. Employee Contributions**

- (a) Each employee participating in Part B for primary benefits will contribute 1.25% of the amount of monthly base salary in excess of \$3,500 (\$3,000 effective January 1, 2000 and \$2,700 prior to January 1, 2000) effective January 1, 2003.
- (b) ~~An employee may accrue Part B primary benefits for no more than 35 years under this Program and the GM SRP.~~ However, an otherwise eligible employee who remains at work for Delphi after contributing for 35 years, may continue to contribute, while otherwise eligible to do so, except that the employee's contributions made in the earliest months of Program participation, commencing with the first month of participation and continuing sequentially thereafter, will be used to reduce, on a dollar-for-dollar basis, the gross amount of each current monthly contribution that otherwise might be made, as determined by the employee's most recent monthly base salary. The full amount of all such prior contributions used in any such reduction will be used to determine the employee's monthly amount of Part B primary benefits, but at the updated Part B benefit accrual rate. The overall effect of this treatment is to limit to 35 years the period in which any employee may accrue Part B primary benefits, but to maximize the monthly Part B primary benefit generated by such contributions.
- (c) An employee may continue to contribute from the date first eligible until such employee (1) ceases to be eligible, or (2) retires, any provisions of the preceding paragraph to the contrary notwithstanding. ~~An employee may withdraw any or all of the employee's Part B contributions at anytime and for any reason by submitting a form approval by the Corporation.~~

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B, Art. I, 3(d)

- (d) ~~If an employee withdraws contributions, such employee will not be entitled to any primary retirement benefits under Part B with respect to any period of service prior to the date of such withdrawal of contributions, except as otherwise provided in Sections 1(a)(1) and (2) and 2(c)(2) of Article II of this Part B, or in subsections (e) and (g) of this Section 3.~~
- (e) If an employee with 5 or more years of credited service, as determined under Article II of Part A, ~~withdraws contributions, such employee will be entitled to receive future benefits in an amount not less than the benefits which are attributable to the Corporation's contributions made up to the time of such withdrawal of contributions.~~
- (f) If an employee withdraws contributions, such employee will not be entitled to make any additional withdrawal of contributions for a period of two years from the date of such withdrawal of contributions.
- (g) In the event an employee withdraws contributions such employee will not have any right to repay the amount withdrawn. Such employee, if vested, will be entitled to a Corporation provided benefit which will not be less than an amount determined under (i) Article III of Part A, and (ii) this Part B, less an amount attributable to the employee contributions withdrawn, as may be determined in accordance with applicable Treasury regulations.
- (h) An employee who does not elect to make Part B contributions when first eligible and who subsequently elects to contribute may only make such contributions prospectively.

*formula used to det corp contributions*

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B, Art. I, 4

**Section 4. Optional Forms of Retirement Benefits**

**(a) Surviving Spouse Coverage**

In lieu of any primary or supplementary benefits payable an employee who retires or who loses credited service and is eligible for a deferred retirement benefit pursuant to the provisions of Articles II or III of this Part B, will be deemed to have elected automatically a reduced amount of primary and/or supplementary benefits to provide surviving spouse coverage in accordance with the provisions of Part A, Article I, Section 5(a) through (g). An employee may prevent this automatic election during the 90-day period prior to the effective date by executing a specific written rejection of such election, which includes the written consent of the employee's spouse that acknowledges the effect of the rejection and that is witnessed by a notary public, on a form approved by the Corporation and filing it with the Corporation. An employee may revoke a written rejection of this automatic election, without the consent of the spouse, at any time prior to payment of benefits.

**(b) Joint and Survivor Option**

Under this option, any person may be designated by the employee as the contingent annuitant. The amount of monthly benefits payable to such contingent annuitant if such contingent annuitant is living at the death of the employee will equal any designated percentage, up to a maximum of 100%, of that portion of the employee's reduced monthly

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**B, Art. I, 4(b)**

benefits (which are in lieu of benefits otherwise payable as primary benefits, supplementary benefits, or both, as the case may be) as to which the coverage is elected. Benefits will be provided in accordance with the provisions of Part A, Article I, Section 6.

**(c) Employee Death prior to retirement**

The surviving spouse of an employee who:

- (1) dies on or after attaining age 55 with 10 or more years of credited service, or at any age with 30 or more years of credited service and the employee's date of hire was prior to January 1, 1988, but before the first day of the month coinciding with or next following the first day of absence because of retirement (or, if later, the commencement date of the monthly basic benefit in the case of an employee who defers the receipt of the monthly benefit under Part A, Article I, Section 2(b)(2)); and
- (2) if the employee had retired on the date of death, would have been eligible for the coverage under Part A, Article I, Section 5(a); and
- (3) is not covered by this Article I, Section 5 will be entitled to any primary or supplementary benefits otherwise payable in accordance with the provisions of Part A, Article I, Section 5(h).

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B, Art. I, 5

**Section 5. Benefits for Surviving Spouse In Event  
of an Employee's Death Prior to Retirement**

**(a) Election of Coverage**

An employee who is participating for primary benefits under this Part B will be deemed to have automatically elected, subject to all the conditions thereof, to provide, in the event of an employee's death prior to retirement, a monthly benefit for the lifetime of the employee's designated surviving spouse.

**(b) Benefits Payable**

- (1) The monthly benefit payable to such spouse following the employee's death while this coverage is, or is assumed to be, in effect will be an amount equal to 65% (60% for deaths prior to October 1, 1999) of the employee's accrued primary and supplementary benefits under Part B for service rendered up to the date of death which would otherwise have been payable under this Part B upon retirement of the employee at age 65. The 65% will be increased by one-quarter of one percent (1/4%) for each 12 months in excess of five (5) years that the spouse's age exceeds the employee's age or decreased by one-quarter of one percent (1/4%) for each 12 months in excess of five (5) years that the spouse's age is less than the employee's age.
- (2) If an employee, who is otherwise eligible for monthly benefits under this Program dies after September 14, 1999 and prior to October 1, 1999 the surviving spouse will be entitled to monthly benefits pursuant to this Section 5.

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B, Art. I, 5(c)

(c) **General Provisions**

- (1) Payment of the monthly benefit to the surviving spouse following an employee's death will be in lieu of any death benefits otherwise payable to such spouse under Part B.
- (2) The benefit payable to an eligible surviving spouse under subsection (b) of this Section 5 will include a benefit related to the employee's accrued supplementary benefit even though the employee's credited service is less than 5 years on the date of death.
- (3) Payment of the monthly benefit to the surviving spouse following the employee's death while this coverage is in effect will commence on the first day of the month following the month in which the death of the employee occurs and will continue during the lifetime of such surviving spouse.
- (4) Upon the death of the designated surviving spouse following the employee's death while this coverage was in effect, there will be paid to the beneficiary designated by the employee (or, if the employee has designated no beneficiary, to the estate of such spouse) an amount equal to the excess, if any, of (i) all of the employee's contributions under Part B plus interest to the date of the employee's death over (ii) the total of any amounts paid to such spouse under this coverage.
- (5) No additional contributions under Part B will be required of an employee by reason of this coverage.

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B, Art. I, 5(d)

**(d) Effective Date of Coverage**

This coverage will be effective the first day of the month coinciding with the employee's commencement of participation in Part B, except that in the case of an employee who marries or remarries subsequent to age 21, the effective date of the coverage with respect to the spouse by such marriage or remarriage will be one-year anniversary of such marriage or remarriage.

**(e) Duration of Coverage**

Once the coverage becomes effective, it will remain in effect (and benefits will become payable thereunder to the designated surviving spouse in the event of the employee's death) up to but excluding the earliest of the following dates:

- (1) the date of the final dissolution of the employee's marriage other than by the employee's death, unless a QDRO provides to the contrary;
- (2) the first day of the month coinciding with or next following the employee's first day of absence because of retirement, except that in the case of an employee who retires for total and permanent disability with less than 30 years of credited service, the coverage may remain in effect until the first day of the month coinciding with or next following the employee's attainment of age 55; or

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**B, Art. I, 5(e)(3)**

- (3) the first day of the month coinciding with or next following 12 successive months from the effective date of layoff which occurred prior to June 1, 2001, special leave of absence without pay or transfer to the hourly rolls, except that in the case of an employee who has 10 or more years of credited service, the coverage may remain in effect until the first day of the month coinciding with or next following 24 successive months from such effective date.

**(f) Alternative Coverage**

In the event the coverage described in this Section 5 ceases to be effective, and the employee has 5 or more years of credited service, or satisfies the "service" requirements of Section 10 of Article II of Part A, survivor coverage as described in Part A, Article I, Section 5(j) is provided with respect to any accrued Part B benefits.

**Section 6. Death Benefits**

- (a) Upon the death of the employee or, if later, the death of any contingent annuitant designated by the employee if either of the coverages provided under Section 4 of this Article I has become effective with respect to primary benefits otherwise payable under this Part B, an amount, if any, will be paid to the beneficiary designated by the employee or, if the employee has designated no beneficiary, to the estate of such employee, determined in accordance with the following items (1) or (2), whichever is applicable:

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B, Art. I, 6(a)(1)

- (1) **Death of the Employee Prior to Retirement** -- an amount equal to the excess of (i) all of the employee's contributions plus interest to the date of the employee's death over (ii) the sum of all payments, if any, made to the employee, to any such designated contingent annuitant of benefits under either of such coverages which are in lieu of primary benefits otherwise payable under this Part B, and to any alternate payee subject to a QDRO.
  
- (2) **Death of the Employee At or After Retirement** -- an amount equal to the greater of:
  - (i) the total of
    - (aa) 125% of the employee's contributions made prior to July 1, 1971 under Section 3 of Article I of this Part B (or, if greater, 30 times the amount of monthly primary retirement benefits accrued prior to July 1, 1971 that would have been payable under this Part B if neither of such coverages with respect to primary benefits otherwise payable under this Part B had become effective), and
    - (bb) 125% of the employee's contributions made on and after July 1, 1971 under Section 3 of Article I of this Part B (or, if greater, the total of such contributions plus interest to the date of the employee's retirement),  
or

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B, Art. I, 6(a)(2)(ii)

- (ii) all of the employee's contributions under Section 3 of Article I of this Part B plus interest to the date of the employee's retirement,

less the sum of all payments, if any, made to the employee and to any such designated contingent annuitant of primary benefits provided under this Part B, or of benefits under either of such coverages which are in lieu of primary benefits otherwise payable under this Part B, and to any alternate payee subject to a QDRO.

In the case of an employee whose death occurs while the coverage in Section 5 above is in effect this Section 6 is subject to and limited by the conditions of such coverage.

- (b) Except as provided in Sections 4 and 5 of this Article I, which describe optional benefits that may be related to, or in lieu of, supplementary benefits under this Part B, no benefit related to an employee's accrued supplementary benefit is payable following the death of an employee or retired employee.

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B, Art. II

**ARTICLE II**

**PROVISIONS RELATING SPECIFICALLY TO PRIMARY BENEFITS**

**Section 1. Separation From Service Prior to Age 60**

- (a) Except as otherwise provided under subsections (b) and (c) of this Section 1, an employee upon separating from service prior to age 60 for any reason except death or retirement must either:
  - (1) if the employee has contributed for at least five years or has five or more years of credited service as determined under Article II of Part A, leave contributions in Part B and receive, commencing on the first day of the month coinciding with or next following the employee's attainment of age 65 (or, on a reduced basis pursuant to paragraph (c)(2) or (c)(3) of Article III of Part A, on the first day of any month prior to the employee's attainment of age 65), the deferred primary retirement benefit which will have accrued under Part B by such employee's own contributions and the Corporation's contributions; or
  - (2) elect to have returned all of such employee's own contributions under Section 3 of Article I of this Part B plus interest to the date of such election and, if the employee has five or more years of credited service as determined under Article II of Part A, the employee will receive a deferred benefit related to the Corporation contributions made up to the time of such withdrawal of contributions,

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B, Art. II, 1(a)(2)

commencing on the first day of the month coinciding with or next following the employee's attainment of age 65 (or, on a reduced basis pursuant to paragraph (c)(2) or (c)(3) of Article III of Part A, on the first day of any month prior to the employee's attainment of age 65). Any return of contributions must include the written consent of the employee's spouse that acknowledges the effect of the election and that is witnessed by a notary public, on a form approved by the Corporation and filing it with the Corporation. Upon any subsequent reemployment, the employee will be considered as a new employee for purposes of the provisions of this Part B relating to primary benefits except as otherwise provided in Section 2 of this Article II.

- (b) An employee who is separated from service in a layoff classification prior to June 1, 2001 (1) at or after age 55 with 10 or more years of credited service, (2) prior to age 55 with 30 or more years of credited service and whose date of hire was prior to January 1, 1988, or (3) prior to age 55 with 10 but less than 30 years of credited service at the time of such separation, provided that the employee's credited service at such time is sufficient so that the employee will retain credited service until age 55, will not be required to make either election described in (a) immediately above.
- (c) An employee who is separated from service and who, as a consequence of such separation, elected to receive a deferred primary retirement benefit under Part B as described in subsection (a)(1) of this Section 1, may upon reemployment reinstate the primary retirement benefit accrued at the time such election was made provided that the employee

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B, Art. II, 1(c)

(1) contributes under Part B from the date of such reemployment, and  
(2) returns to the Corporation any annuity notice or other certificate of entitlement related to such deferred primary retirement benefit.

- (d) For purposes of Section 6 of Article I of this Part B, an employee to whom this Section 1 applies (other than such an employee who elects to have contributions returned with interest) will be considered to have retired on the date the payment of primary benefits commences under this Part B.

## **Section 2. Temporary Absence**

- (a) **Temporary Absence but Receiving Full Salary**

If an employee is temporarily absent from active duty but is receiving full salary, monthly contributions under Part B will be deducted in the usual way and retirement benefits will be accrued as if the employee were at work.

- (b) **Temporary Absence but Receiving Salary at Reduced Rate or No Salary**

No contributions will be required from an employee who is temporarily absent and receiving salary at a reduced rate or no salary, and no primary retirement benefits will be accrued under this Part B for the period during which no contributions are made. This will not affect retirement benefits previously accrued. Contributions, if made, will be based upon the reduced salary except that contributions, if made, by an employee on Disability Leave of Absence will be based upon the employee's full monthly base salary rate.

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B, Art. II, 2(c)

**(c) Layoffs and Certain Separations**

This subsection(c) is applicable to employees laid off prior to June 1, 2001 and employees separated on and after June 1, 2001 and eligible for benefits under the Separation Allowance Plan.

- (1) No contributions will be permitted and no primary retirement benefits will be accrued under this Part B.
- (2) Subject to General Provision 2(a)(2) an employee, may leave contributions in the Program, in which event the employee's primary retirement benefits previously accrued under this Part B will remain to the employee's credit subject to the provisions of subsection (4) of this Section 2(c). If such an employee is reemployed within twelve months from the date of layoff or separation (24 months in the case of an employee who has 10 or more years of credited service), such employee will resume contributions under Part B.
- (3) If an employee withdraws contributions and is reemployed within twelve months after the date of layoff or separation (24 months in the case of an employee with 10 or more years of credited service) and elects to contribute under Part B from the date of such reemployment, the employee may then, at the employee's election, return the amount which had been withdrawn and become eligible to receive the primary retirement benefits, covered by contributions made prior to the date of layoff or separation for which the employee would have been eligible if the employee had not withdrawn contributions.

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B, Art. II, 2(c)(4)

- (4) If an employee is not rehired within twelve months of the date of layoff or separation (24 months in the case of an employee who has 10 or more years of credited service), the employee will be treated as retired under the Program, or separated with the rights provided in the "Eligibility for Retirement" section of this Program or under Section 1 of this Article II, whichever is applicable.

**(d) Military Leave of Absence**

- (1) In the event an employee is rehired following qualified military service, as defined in the Uniformed Services Employment and Reemployment Rights Act of 1994, effective December 15, 1994, such employee will be entitled to make contributions under this Part B that will be attributable to the time period contributions were not allowable due to military service.
- (2) Additional contributions made under this subsection will be based on the monthly base salary that the employee would have received from the Corporation but for the military service, and such contributions will be subject to the Program's terms and conditions in effect during the applicable period of military service. Such contributions will be made during the period that begins upon reemployment and extends for the lesser of five years or the employee's period of military service multiplied by three.

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B, Art. II, 3

### **Section 3. Interest Credits**

Prior to October 1, 1976, in any case in which interest is payable under this Program, such interest will be determined on the basis of the rates allowed by the Insurance Companies referred to in Section 6 of General Provisions and will be computed on each contribution from the July 1st following the date such contribution was made to the first of the month in which such interest is payable (but in no event beyond the earlier of the death or retirement of the employee), and will be compounded annually.

On and after October 1, 1976, contributions will accrue interest at a rate of 5%.  
On and after October 1, 1988, contributions will accrue interest at a rate of 120% of the annual federal mid-term rate in effect under Section 1274 of the Code for the first month of the plan year.

### **Section 4. Treatment of Employees Returning From Leave of Absence or Layoff in Connection with a National Emergency**

- (a) An employee who is granted a Military Leave of Absence, or other leave of absence in connection with a national emergency, or who is laid off prior to June 1, 2001 as a result of declining volume of business related to such emergency, may contribute and accrue primary retirement benefits under Part B for the period for which the employee would have been eligible if the employee had remained actively in the employ of the Corporation, or one of its subsidiaries, under such rules as the Named Fiduciary or its delegate may establish, provided:

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B, Art. II, 4(a)(1)

- (1) the employee returns to work following the termination of the employee's leave of absence or reenters the employ of the Corporation, or one of its subsidiaries, within such period and in accordance with the rules established by the Named Fiduciary or its delegate; and
  - (2) the employee participates for primary benefits under Part B, if eligible, upon return to work following the termination of the employee's leave of absence or upon reemployment by the Corporation or one of its subsidiaries.
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- (b) The salary to be used in determining an employee's eligibility for contributions, and the amount of contribution, under this Section 4 will be the base salary of such employee at the time of the employee's leave of absence or layoff prior to June 1, 2001 from the Corporation, or one of its subsidiaries.
  - (c) The Named Fiduciary or its delegate may adopt rules to carry out the provisions of this Section in conformity with the objectives of this Program.
  - (d) Notwithstanding the provisions of Section 1(b) of Article I of this Part B, an employee who may have become eligible to make contributions in accordance with this Section 4 and who does not so elect will be eligible nevertheless for supplementary retirement benefits under Part B.

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B, Art. II, 5

**Section 5. Treatment of Former Salaried Employees Who Retire Under The Delphi Hourly-Rate Employees Pension Plan**

An hourly-rate employee who has contributions in Part B and who retires under the provisions of "The Delphi Hourly-Rate Employees Pension Plan"; "Delphi HRP" will be eligible to receive primary benefits under this Part B based upon the amount of the employee's contributions. Solely for the purpose of determining the basis upon which such primary benefits are payable, such employee will be treated as a retirement under this Program on the basis which most closely corresponds to the employee's retirement under the Delphi HRP.

**Section 6. Treatment of Former Salaried Employees Who Retire Under the Electronic Data Systems (EDS) Pension Plan**

A salaried employee who has contributions in Part B, and who retires under the "EDS Pension Plan", will be eligible to receive primary benefits under this Part B based upon the employee's contributions. Solely for the purpose of determining the basis upon which any such primary benefits may be payable to any salaried employee who transitioned to EDS from GM prior to September 1, 1985, or to those identified 43 salaried employees who transitioned to EDS shortly after September 1, 1985, and who were provided EDS stock grants in a manner identical to those employees who transitioned prior to September 1, 1985, retirements from EDS (i) prior to age 60 will be deemed to be voluntary, and (ii) at or after age 60 will be deemed to be as provided under Section 9(b) of the General Provisions.

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B, Art. III

**ARTICLE III  
PROVISIONS RELATING SPECIFICALLY  
TO SUPPLEMENTARY BENEFITS**

**Section 1. Retention of Deferred Supplementary Retirement Benefits  
if Separated**

An employee who loses accumulated credited service under Article II of Part A, who is not retired and who is eligible for a deferred retirement benefit under Article III of Part A will, subject to Section 1(b) of Article I of this Part B, be entitled to receive deferred supplementary benefits, with the payment of such benefits to commence at the same time and under the same provisions as applicable to the employee's deferred retirement benefit under Part A.

**Section 2. Treatment of Former Salaried Employees Who Retire Under  
The Delphi Hourly-Rate Employees Pension Plan**

An hourly-rate employee with five or more years of credited service who has accrued supplementary benefits under Part B and who retires under the Delphi HRP will be eligible to receive supplementary benefits, if any, as determined in Article I, Section 2(a)(2) of this Part B, based upon the employee's credited service and average monthly base salary in effect immediately prior to the employee's transfer to the hourly payroll. Solely for the purpose of determining the basis upon which any supplementary benefits may be payable, such employee will be treated as retired under this Program on the basis which most closely corresponds to the employee's retirement under the Delphi HRP.

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B, Art. III, 3

**Section 3. Treatment of Former Salaried Employees Who Retire Under the EDS Pension Plan**

A salaried employee with 10 or more years of credited service who has contributed to this Program while eligible, does not withdraw such contributions while employed by EDS and who retires under the provisions of the "EDS Pension Plan", will be eligible to receive any supplementary benefits for which the employee may be eligible under this Part B, using the employee's base salary at EDS and Delphi to determine "average monthly base salary". Solely for the purpose of determining the basis upon which any such supplementary benefits may be payable to any salaried employee who transitioned to EDS from GM prior to September 1, 1985, or to those identified 43 salaried employees who transitioned to EDS shortly after September 1, 1985 and who were provided EDS stock grants in a manner identical to those employees who transitioned prior to September 1, 1985, retirements from EDS (i) prior to age 60 will be deemed to be voluntary, and (ii) at or after age 60 will be deemed to be as provided under Section 9(b) of the General Provisions.

A salaried employee with less than 10 years of credited service at the date of the employee's transition to EDS prior to September 1, 1985 will not be eligible to receive any supplementary benefits, since all of the assets and liabilities related to any and all supplementary benefits to which any such employee may have been entitled have been transferred from the Program trust to EDS in connection with the transition of certain GM employees to EDS.

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C,Art.I

**PART C – RETIREMENT ACCUMULATION PLAN**

**ARTICLE I**

**ELIGIBILITY**

This Part C applies to all individuals who become salaried employees and have a length of service date on or after January 1, 2001. Notwithstanding any provision to the contrary, an individual will not participate in this Part C until the first day of the second month following the employee's length of service date.

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C, Art. II,1

**ARTICLE II  
ACCOUNT BALANCE**

**Section 1. Establishment of Account Balance**

An account balance under this Retirement Accumulation Plan of the Program will be established for each employee who is eligible under this Part C. The account balance equals the sum of the employee's pay credits and interest credits, as described in the following Sections 2 and 3.

**Section 2. Pay Credits**

- (a) An employee's account balance will be credited with pay credits as of the end of each calendar year during which the employee is paid a base salary; provided that, in the case of a flex service employee (as defined under the Corporation's policies), the employee completes at least 750 hours of service under Section 10 of Article II of Part A during the calendar year.
- (b) Pay credits equal 4% of the base salary paid to an employee during the calendar year.
- (c) Notwithstanding Section 2(a) of this Article II, during the calendar year in which an employee separates from service, the employee's account balance will be credited with pay credits as of the date of separation from service instead of the end of such calendar year; provided that, in the case of a flex service employee (as defined under the Corporation's policies), the employee has completed at least 750 hours of service under Section 10 of Article II of Part A during such calendar year prior to such separation from service.

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C, Art. II, 2(c)

If such employee is rehired during such calendar year, whether or not such employee had accumulated 750 hours of service prior to separation, the employee's account balance will be credited with pay credits as of the end of such calendar year; provided that, in the case of a flex service employee, the employee has completed at least 750 hours of service, in total, under Section 10 of Article II of Part A during such calendar year. The pay credits will equal the pay credits that would have been credited if the employee did not separate from service during such calendar year minus the pay credits credited upon separation from service.

(d) For purposes of this Section 2:

(1) If an employee becomes totally disabled within the meaning of Article IV, Section 4.07(a) of the Delphi Life and Disability Benefits Program for Salaried Employees, the employee will be treated as receiving monthly base salary equal to the monthly base salary the employee received during the month preceding such disability for:

- (i) up to six months for a continuous period of total disability for any single cause, regardless of whether such disability is continuous; and
- (ii) up to six months for successive periods of total disability due to the same or related cause or causes

(2) In no event will an eligible employee be credited with months of base salary for time worked plus total disability under this provision, equal to an amount in excess of 12 months of monthly base salary during any calendar year. In the event an employee's continuous period of total disability or successive periods of total disability, set forth in (i) and (ii) above, occur in more than one calendar year, the pay credit for total disability for months of base salary in all calendar years may not exceed six months.

C. Art II,2(d)(2)

- (3) If an employee receives workers' compensation while on a compensable disability leave of absence within the meaning of Section 8 of Article II of Part A, the employee will be treated as receiving monthly base salary equal to the monthly base salary the employee received during the month preceding such compensable disability leave of absence until the earliest of the day before the employee's Benefit Commencement Date, the end of the month during which such compensable disability leave of absence ends, or the date the employee otherwise ceases employment with Delphi.
  
- (4) If an employee has a Military Leave of Absence within the meaning of Section 2(a)(3) of Article II of Part A and the employee is reemployed during the period during which the employee has reemployment rights pursuant to federal law, the employee will be treated as receiving monthly base salary equal to the monthly base salary the employee received during the month preceding such Military Leave until the end of the period the employee would receive credited service under Section 2(a)(3) of Article II of Part A.
  
- (5) In no event will an employee be credited with an amount in excess of 12 months of monthly base salary during any calendar year

**Section 3. Interest Credits**

- (a) An employee's account balance will be credited with interest credits as of the end of each calendar year, following the initial year of participation.

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C, Art II, 3(b)

- (b) Interest credits equal the account balance as of the end of the previous calendar year times the annual interest rate. The account balance as of the end of the previous calendar year will be determined after any pay credits and interest credits have been credited for the previous calendar year.
- (c) The annual interest rate is the annual interest rate on 30-year Treasury securities, or such other rate, as specified by the Commissioner of the Internal Revenue Service for the month of August prior to the calendar year during which interest credits are being credited.

**Section 4. Account Balance After Separation**

- (a) The employee's account balance will not be credited with pay credits after the end of the calendar year in which the employee, for any reason, separates from service.
- (b) If an employee's account balance is vested at the time of the employee's separation from service, the account balance will continue to be credited with interest credits until the end of the calendar year preceding the employee's Benefit Commencement Date (or the Benefit Commencement Date of a surviving spouse, designated beneficiary, or estate in the case of a pre-retirement survivor benefit under Article V of this Part C). An employee's account balance will be vested if the employee has at least five years of credited service or satisfies the service requirements of Section 10 of Article II of Part A, or the employee ceases active service after attaining Normal Retirement Age, as that term is defined in General Provision 1(f).

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C, Art. II, 4(c)

- (c) ~~If an employee's account balance is not vested at the time of the employee's separation from service, the account balance will be deemed, upon separation, to be zero.~~ If such employee is reemployed before the employee has five consecutive one-year breaks in service under Section 10 of Article II of Part A, the employee's account balance will be restored to the account balance on the date immediately preceding separation from service and will be credited with interest credits it would have received under Section 3 of this Article II of Part C for the period during which service was broken.
- (d) An employee's account balance will equal zero on and after the employee's Benefit Commencement Date (or the Benefit Commencement Date of a surviving spouse, designated beneficiary, or estate in the case of a pre-retirement survivor benefit under Article V of this Part C).
- (e) The account balance of an individual who ceases to be an employee but who has not separated from service:
- (1) will be credited with pay credits as of the date the individual ceases to be an employee with respect to Base Salary earned during the calendar year prior to the date the individual ceases to be an employee; provided that, in the case of a flex service employee (as defined under the Corporation's policies), the employee has completed at least 750 hours of service under Section 10 of Article II of Part A during such calendar year prior to such separation from service; and
  - (2) will continue to be credited with interest credits until the end of the calendar year preceding the Benefit Commencement Date if the account balance is vested, or until separation from service if the account balance is not vested

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C, Art. III,1

**ARTICLE III  
AMOUNT OF BENEFIT**

**Section 1. Amount of Benefit**

- (a) An employee will be entitled to:
  - (1) ~~a monthly benefit~~ beginning on the employee's Benefit Commencement Date that has the same actuarial value as the employee's vested account balance as of such Benefit Commencement Date if the benefit is payable in the normal form of payment described in Section 1 of Article IV of this Part C or the optional form of payment described in Section 2(a) or (b) of Article IV of this Part C; or
  - (2) ~~a lump-sum payment~~ payable as of the Benefit Commencement Date equal to the employee's vested account balance as of the Benefit Commencement Date if the benefit is payable in the optional form of payment described in Section 2(c) of Article IV of this Part C.
- (b) The amount of any benefit otherwise payable to an employee (or a designated beneficiary) will be reduced by the actuarial value of any past and future benefits paid or payable to any alternate payee(s) under a QDRO. The actuarial value will be used to determine any amount of benefits paid or to be payable to any payee(s), if applicable, and the remaining benefit entitlement of the employee.

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C,Art. III,2,(a)

## Section 2. Benefit Commencement Date

- (a) An employee's Benefit Commencement Date is as follows:
- (1) If the employee separates from service before Normal Retirement Age, the earlier of (i) the first day of the month coincident with or next following the employee's attainment of Normal Retirement Age or, (ii) the first day of any month following separation from service and following the month in which the Corporation receives a request from the employee provided the request is filed on a form approved by the Corporation not more than 90 days and not less than 30 days prior to the Benefit Commencement Date;
  - (2) If the employee separates from service at Normal Retirement Age, the first day of the month next following Normal Retirement Age; or
  - (3) If the employee separates from service after Normal Retirement Age, the first day of the month next following the employee's separation from service.
- (b) Notwithstanding Sections 1(a) and 2(a) of this Article III, if an employee's vested account balance is \$5,000 or less when the employee separates from service, the employee will receive a lump sum distribution of the employee's vested account balance as soon as administratively practicable.

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C, Art.IV,1

**ARTICLE IV  
FORMS OF PAYMENT**

**Section 1. Normal Form of Payment**

~~The normal form of payment will be a life annuity payable monthly for the life of the employee continuing through the month in which the employee dies, with the survivor benefit described in Section 4 of this Article IV.~~

**Section 2. Optional Forms of Payment**

Instead of the normal form of payment, an employee may elect to receive one of the following optional forms of payment:

- (a) ~~If the employee is married on the employee's Benefit Commencement Date, a joint and 100% surviving spouse annuity will be payable monthly for the life of the employee, with 100% of such monthly payments continuing after the employee's death for the life of the employee's spouse if such spouse survives the employee, with the survivor benefit described in Section 4 of this Article IV. Such a designated beneficiary must be an individual;~~
- (b) A joint and 100% surviving beneficiary annuity payable monthly for the life of the employee, with 100% of such monthly payments continuing after the employee's death for the life of the employee's individual designated beneficiary if such designated beneficiary survives the employee, with the survivor benefit described in Section 4 of this Article IV; or
- (c) ~~A single lump-sum payment.~~

### **Section 3. Automatic Joint and Surviving Spouse Annuity**

An employee who is married on the employee's Benefit Commencement Date will automatically receive the joint and 100% surviving spouse annuity described in Section 2(a) of this Article IV unless, during the 90-day period prior to the Benefit Commencement Date, the employee elects a different form of payment and the employee's spouse consents to such election. The spouse's consent must be in writing, must acknowledge the effect of such consent, and must be witnessed by a notary public, on a form approved by the Corporation and filed with the Corporation. An employee may revoke a written election not to take the joint and 100% surviving spouse annuity, without the consent of the spouse, at any time prior to the Benefit Commencement Date.

Within the time period set forth in Section 2(i) of the General Provisions, each employee will be provided a written explanation of: (i) the terms and conditions of the surviving spouse coverage; (ii) the employee's right to make and the effect of an election to waive the surviving spouse coverage; (iii) the rights of the employee's spouse; and (iv) the right to make and the effect of revocation of a previous selection to waive the surviving spouse coverage.

### **Section 4. Survivor Benefit**

An employee covered under this Part C will be deemed to have automatically elected surviving spouse coverage. If an employee dies (in the case of the normal form of payment described in Section 1 of this Article IV), an employee and survivor spouse or employee and designated beneficiary die (in the case of the option form of payment described in Section 2(a) or (b) of this Article IV) before the sum of monthly payments equal the employee's vested account balance as of the benefit commencement date, a Survivor Benefit will be paid. The Survivor Benefit will equal a lump-sum payment equal to the employee's vested account balance as of

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C,Art.IV,4

the benefit commencement date minus the sum of monthly payments made to the employee, the employee and surviving spouse or the employee and the designated beneficiary. The Survivor Benefit will be paid to the employee's designated beneficiary or designated beneficiaries of such Survivor Benefit, or if there is no surviving designated beneficiary, to the employee's estate. If payment under Section 2(c) is elected, the lump sum payment will be issued jointly to the employee and spouse. The designated beneficiary or designated beneficiaries or estate will receive a lump-sum payment as soon as practicable following the employee's date of death (in the case of the normal form of payment described in Section 1 of this Article IV) or the surviving spouse's or designated beneficiary's date of death (in the case of the optional form of payment described in Section 2(a) or (b) of this Article IV).

An employee may reject the automatic election provided in this Section by executing a specific written rejection of such election which includes the written consent of the employee's spouse that acknowledges the effect of the rejection, and is witnessed by a Notary Public, on a form approved by the Corporation and filing it with the Corporation. The form must be filed with the Corporation prior to the Benefit Commencement Date.

If payment under Section 1 is selected and the participant dies before the sum of the monthly payments equal the vested account balance as of the Benefit Commencement Date, a Survivor Benefit will be paid. The survivor benefit will equal a lump sum payment equal to the participant's vested account balance as of the Benefit Commencement Date minus the sum of monthly payments made to the participant if payment under Section 2(a) or 2(b) is selected and the participant and surviving spouse or surviving beneficiary in the case of Section 2(b) both die before the sum of monthly payments equal the vested account balance as of the Benefit Commencement Date, the remaining balance will be paid to the designated beneficiary or designated beneficiaries, or if there is no surviving designated beneficiary, to the participant's estate. The lump sum

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payment will equal the vested account balance as of the Benefit Commencement Date minus the sum of monthly payments made to the participant and the surviving spouse or surviving beneficiary in the case of Section 2(b). If payment under Section 2(c) is selected, the lump sum payment will be issued jointly to the participant and spouse.

An employee may reject the automatic election provided in this Section by executing a specific written rejection of such election which includes the written consent of the employee's spouse that acknowledges the effect of the rejection, and is witnessed by a Notary Public, on a form approved by the Corporation and filing it with the Corporation. The form must be filed with the Corporation prior to the Benefit Commencement Date.

**Section 5. Account Balance Upon Death**

If benefits have not commenced, the vested account balance will equal the employee's account balance as of the first day of the month following the employee's date of death. If benefits have commenced, the account balance will equal the account balance at the Benefit Commencement Date minus the sum of monthly payments made to the employee and surviving spouse or surviving beneficiary. The account balance will be paid in a lump sum to the surviving spouse or if the surviving spouse option was rejected, to the beneficiary or beneficiaries or, if there is no surviving designated beneficiary, to the employee's estate. The payment will be made as soon as practical following the employee's date of death.

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C, Art. V,1

**ARTICLE V  
PRE-RETIREMENT SURVIVOR BENEFITS**

**Section 1. Eligibility**

If an employee dies prior to the employee's Benefit Commencement Date but after the employee's account balance is vested as described in Section 4(b) of Article II of this Part C, a pre-retirement survivor benefit will be paid.

**Section 2. Amount of Benefit**

(a) The pre-retirement survivor benefit will be paid to the employee's surviving spouse provided the employee and the spouse have been married at least one year at the time of the employee's death. The surviving spouse may elect to receive (i) a monthly benefit payable beginning as of the surviving spouse's Benefit Commencement Date for the surviving spouse's lifetime that has the same actuarial value as the employee's vested account balance as of such Benefit Commencement Date, or (ii) a lump-sum payment payable as of the surviving spouse's Benefit Commencement Date equal to the employee's vested account balance as of such Benefit Commencement Date. The surviving spouse's Benefit Commencement Date will be the first day of the month coincident with or next following the month the employee would have attained Normal Retirement Age (but not earlier than the first day of the month following the employee's death) or, if earlier, the first day of the month following the employee's death and following the month in which the Corporation receives a request from such surviving spouse; provided that such request will be valid and effective only if it is filed with the Corporation on a form approved by the Corporation not later than 90 days and not less than 30 days prior to the Benefit Commencement Date. Notwithstanding the preceding, if the employee's vested account balance is \$5,000 or less as of the first day of the month following the employee's death, the employee's

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C, Art.V,2(a)

surviving spouse will receive a lump-sum payment equal to the employee's vested account balance as of such date as soon as administratively practicable after such employee's death.

- (b) If the employee does not have a surviving spouse at the employee's date of death or the employee and the employee's spouse have been married for less than one year at the time of the employee's death, the pre-retirement survivor benefit will be paid to the employee's designated beneficiary or designated beneficiaries or, if there is no surviving designated beneficiary, to the employee's estate. The designated beneficiary or designated beneficiaries or estate will receive a lump-sum payment as soon as practicable following the employee's date of death. The lump-sum payment equals the employee's vested account balance as of the first day of the month following the employee's date of death.

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C, Art. VI,1

**ARTICLE VI  
REEMPLOYMENT**

**Section 1. Employee with Account Balance**

If a previously separated employee who has an account balance under this Part C is reemployed by the Corporation or one of its directly or indirectly wholly-owned or substantially wholly-owned domestic subsidiaries before the employee's Benefit Commencement Date, upon reemployment such employee will have an account balance equal to the employee's account balance at the initial separation from service plus interest credits until the employee's reemployment.

**Section 2. Employee with Prior Service under Part A or Part B**

- (a) **Vested Benefit:** If an employee who has entitlement to a deferred retirement benefit under Part A or Part B of this Program is reemployed by the Corporation or one of its directly or indirectly wholly-owned or substantially wholly-owned domestic subsidiaries before the employee's Benefit Commencement Date, upon reemployment with a length of service date on or after January 1, 2001, the employee will continue to have a retirement benefit under Part A or Part B of this Program and such employee will be treated as a newly hired employee, and will have an initial account balance of zero under this Part C. Such an employee will not be treated as earning credited service under Article II of Part A after such reemployment for purposes of eligibility for early retirement under Section 2(a)(2) or (b)(2)(i)(3) of Article I of Part A or early retirement under Section 2(c)(1)(ii) of Article I of Part B.

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C, Art. VI, 2, (b)

- (b) **Non-Vested Benefit:** If an employee who has non-vested service under Part A or Part B is reemployed by the Corporation or one of its directly or indirectly wholly-owned or substantially wholly-owned domestic subsidiaries, upon reemployment with a length of service date or adjusted length of service date on or after January 1, 2001, the employee will be treated as a newly hired employee, and will have an initial account balance of zero under this Part C. The employee's prior service will count toward vesting under this Program and upon becoming vested will be eligible for a benefit under Part A, B or C as applicable. The employee will not earn credited service under Article II of Part A after such re-employment for purposes of eligibility for early retirement under Section 2(a)(2) or (b)(2)(i)(3) of Article I of Part A or early retirement under Section 2(c)(1) of Article I of Part B.

**Section 3. Employee Who Has Received a Lump-Sum Payment**

If an employee who has received a lump-sum payment is subsequently reemployed by the Corporation or one of its directly or indirectly wholly-owned or substantially wholly-owned domestic subsidiaries, upon reemployment with a length of service date on or after January 1, 2001, such employee will be treated as a newly hired employee, and will have an account balance of zero.

**Section 4. Employee Receiving Monthly Benefits Under Part A or Part B**

If a retired employee who is receiving monthly benefits from this Program is reemployed by the Corporation or one of its directly or indirectly wholly-owned or substantially wholly-owned domestic subsidiaries or any company or joint venture which has been divested from the Corporation, such employee will cease to receive such benefits during reemployment.

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C, Art VI, 4

Upon reemployment with a length of service date on or after January 1, 2001, the ~~employee will be treated as a newly hired employee, and will have an account balance equal to zero.~~ Upon the employee's subsequent separation from service, the monthly benefits the employee was previously receiving under Part A and/or Part B will recommence in accordance with the provisions of Part A and Part B without any actuarial adjustment. Additionally, the time and form of distribution of the employee's new account balance will be governed by the provisions of this Part C. The employee will not earn credited service under Article II of Part A after such re-employment for purposes of eligibility for early retirement under Section 2(a)(2) or (b)(2)(i)(3) of Article I of Part A or early retirement under Section 2(c)(1)(ii) of Article I of Part B.

**Section 5. Employee Receiving Annuity Payments under Part C**

If a retired employee who is receiving annuity payments under Part C is re-employed by the Corporation or one of its directly or indirectly wholly-owned or substantially wholly-owned domestic subsidiaries or any Company or joint venture which has been divested from the Corporation (where termination of employment with the Corporation to work for such company or joint venture is not considered termination of employment for purposes of this Program), the employee will cease to receive such benefits during re-employment. Upon re-employment with a length or service date on or after January 1, 2001, the employee will be treated as a newly hired employee and will have an account balance equal to zero. Upon the employee's subsequent separation from service, the annuity payments the employee was previously receiving under Part C will recommence and will be paid in the same amount and in the same form as they were prior to re-employment. The Benefit Commencement Date and form of distribution of the employee's new account balance, formed during the period of re-employment, will be governed by the provisions of this Part C.

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Gen. Pro., 1

## GENERAL PROVISIONS

### Section 1. Definition of Certain Terms Used in This Program

(a) **Employees**

- (1) Unless the context indicates otherwise, the term "employees" as used in this Program means salaried employees of the Corporation and its directly or indirectly wholly-owned or substantially wholly-owned domestic subsidiaries in accordance Sections 414(b), (c), (m), (n), and (o) of the Code, including eligible employees of Delco Electronics Corporation, (i) who are working in the United States, or (ii) who are citizens of or domiciled in the United States and who are hired in the United States by the Corporation or its subsidiaries and who are sent out of the United States by the Corporation or its subsidiaries to work in foreign operations, and whose services, , would be discontinued by recalling such employees to the United States and terminating their services in the United States . Employees classified by the Corporation as (i) part-time

Gen. Pro., 1(a)(1)

employees, i.e. (employees who work one-half or more of the employing unit's work week), or (ii) "Flexible Service" employees (employees hired on an indefinite basis who are regularly scheduled to work between 50% and 80% of the employing unit's base work week) will be regarded as "employees", provided; however, that the provisions of Part A, Article II, Section 2(e) of this Program will apply to "Flexible Service" employees.

Effective October 1, 1999, the term "employees" also includes represented salaried employees who are placed on an unpaid International Union Leave of Absence under Paragraph 71 of the Salaried Master Agreement between the Corporation and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America.

- (2) The term "employees" does not include employees who are (i) employees of any wholly owned or substantially wholly-owned subsidiary of the Corporation unless specifically approved by the Corporation's Board of Directors (for example, the Board of Directors has specifically approved the inclusion of Delco Electronics Corporation) (ii) classified as "temporary employees", including per diem employees, or (iii) "part-time employees" – less than half-time (employees who work less than one-half of the employing unit's work week) or (iv) assigned to operations in Canada after 1970 and before 1993. The above notwithstanding, the provisions of Part A, Article II, Section 10 will apply with respect to (ii) and (iii) above.

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Gen. Pro., 1(a)(3)

- (3) The term "employees" does not include employees represented by a labor organization who are covered by a collective bargaining agreement which incorporates:
- (i) this Program as amended by the collective bargaining agreement;
  - (ii) a program or plan similar in purpose to this Program;
  - (iii) some other plan or program acknowledged by the Corporation and the employees' bargaining agent to be a substitute for, benefits provided by this Program; or
  - (iv) an understanding that this Program will cease prospectively to be available, applicable, or operative with respect to each salaried employee covered by such agreement.

Such employees will cease to be eligible for participation in this Program as of the effective date of, or at such other time as may be specified in, such collective bargaining agreement. If such collective bargaining agreement expires or is terminated, and the employee remains a represented employee, such employee will continue to be ineligible for participation in this Program during the period required to conclude a new collective bargaining agreement.

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Gen. Pro., 1(a)(4)

- (4) The term "employees" does not include members of the Corporation's Board of Directors, or its directly or indirectly wholly-owned or substantially wholly-owned subsidiaries, or of Committees appointed by any such Board of Directors, who are not officers or regular employees of the Corporation or its subsidiaries.
  
- (5) The term "employees" does not include leased employees as defined under Section 414(n) of the Code. The term "leased employee" means any person who, pursuant to an agreement between the Corporation and any leasing organization, has performed services for the Corporation on a substantially full-time basis for a period of at least one year, and such services are performed under the primary direction or control of the Corporation. Contributions or benefits provided a leased employee by the leasing organization which are attributable to services performed for the Corporation will be treated as provided by the Corporation. A leased employee will not be considered an employee of the Corporation if such employee is covered by the safe harbor requirements of Section 414(n)(5) of the Code.

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Gen. Pro., 1(a)(6)

- (6) The term "employees" does not include contract employees, bundled services employees, consultants, individuals who have represented themselves to be independent contractors, persons who the Corporation does not consider to be employees or other similarly situated individuals, regardless of whether the individual is a common law employee of the Corporation. The purpose of this provision is to exclude from participation in the Program all persons who may actually be common law employees of the Corporation, but who are not paid as though they were employees of the Corporation regardless of whether that exclusion is correct.

(b) **Base Salary**

- (1) The term "base salary" as used in this Program means the salary paid for a month of work, exclusive of any other compensation. An employee's annual base salary is limited to \$170,000 or \$14,166.66 per month effective October 1, 2000, (\$200,000 or \$16,666.66 per month effective October 1, 2002) or as adjusted under the Code.
- (2) An employee's base salary for purposes of determining benefits and contributions paid under this Program includes election deferrals pursuant to Section 401(k), Section 125 and Section 132 (f)(4) of the Code.

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Gen. Pro., 1(b)(3)

- (3) For employees who transferred to EDS prior to June 6, 1996 while EDS was a member of the GM controlled group, "base salary" as used in this Program includes the monthly base salary paid by EDS to any such employee preceding termination of employment.
- (4) For employees who transferred to Hughes Electronics Corporation prior to December 18, 1997 while Hughes Electronics Corporation was a member of the GM controlled group, "base salary" as used in this Program includes the monthly base salary paid by Hughes Electronics Corporation to any such employee preceding termination of employment.

(c) **Average Monthly Base Salary**

- (1) The term "average monthly base salary" as used in this Program means the monthly average of the employee's base salary for the highest 60 of the 120 months immediately preceding the employee's termination of employment or transfer to the hourly rolls.
- (2) For purposes of determining "average monthly base salary" the following provisions apply:
  - (i) "Average monthly base salary" may include base salary recognized under the GM SRP for service within the 120 months immediately preceding the employee's termination of employment or transfer to the hourly rolls. To be so recognized, an employee must have transferred directly from GM to Delphi pursuant to the procedure agreed to by Delphi and GM for such transfers prior to January 1, 2002.

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Gen. Pro., 1(c)(II)

- (ii) Base salary as indicated in the table below will be used for any month, referred to in subsection (c)(1) above, preceding termination of employment, or transfer to the hourly rolls, for which the employee's full monthly base salary rate was less than the amounts shown below:

Retiree With Benefits Payable Commencing	Base Salary
October 1, 1999 through September 1, 2000	\$ 4,165.00
October 1, 2000 through September 1, 2001	\$ 4,325.00
October 1, 2001 through September 1, 2002	\$ 4,525.00
October 1, 2002 and After	\$ 4,730.00

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Gen. Pro., 1(c)(2)(III)

- (iii) For any month referred to in subsection (c)(1) above, preceding termination of employment, or transfer to the hourly rolls, for which the employee received base salary at less than the employee's full monthly base salary rate, the employee's full monthly base salary rate last received preceding such month will be used for such month.
  - (iv) For any month referred to in subsection (c)(1) above, preceding an employee's termination of employment, or transfer to the hourly rolls, during which the employee was on the hourly payroll and subsequent to which the employee commenced service as a salaried employee, the employee's monthly base salary rate immediately following the commencement of such service as a salaried employee will be used for such month.
  - (v) For determining "average monthly base salary" for retirements on and after October 1, 2002, the annual base salary limit under (b)(1), above in effect on and after October 1, 2002 will be applied for all years to the extent permitted by the Code.
- (3) Notwithstanding the foregoing provisions of this subsection, the "average monthly base salary" for employees who participate in a Corporation approved Career Transition Program (CTP) with 20 or more years of credited service and who are not otherwise eligible to retire following expiration of the CTP leave of absence will be increased by 3% (non-compounded) for each full year following expiration of the CTP leave of absence to the earlier of age 60, commencement of monthly deferred retirement benefits under Article III of Part A and Article III, Section 1 of Part B, or death. The above does not apply to the 2002 Executive Separation Program (ESP).

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Gen. Pro., 1(d)

(d) **Continuous Service**  
**(Applicable to Primary Benefits Under Part B)**

- (1) The term "continuous service" as used in this Program shall include all employment, whether on salary or hourly-rate, with the Corporation and its directly or indirectly wholly-owned or substantially wholly-owned domestic or foreign subsidiaries, as well as service with any company (including service with any directly or indirectly wholly-owned or substantially wholly-owned subsidiary of such company) of which substantially all the assets have been or are acquired by the Corporation or its subsidiaries.
  
- (2) Any period during which an employee is absent from service under an approved leave of absence with pay, as well as any period not in excess of one month during which an employee is absent from service under such leave of absence without pay, will be included in the calculation of the amount of continuous service. In the case of any employee absent from service in excess of one month under an approved leave of absence without pay, the period during which the employee is absent from service under such leave will be excluded in the calculation of the amount of continuous service, but such employee's continuous service will not be broken. An employee who leaves the service of the Corporation without a Military Leave of Absence to enter the Armed Forces of the United States or of Canada or to accept employment with the Government of the United States or with the Government of

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Gen. Pro., 1(d)(2)

Canada and who is rehired after termination of such military or governmental service within such period and under such rules as the Named Fiduciary or its delegate has or may establish, will be treated in the same manner as an employee who has received an approved leave of absence without pay.

- (3) For the purposes of this Program if, after a quit or discharge, an employee is rehired, the employee's continuous service commences from the date of rehiring.
- (4) In cases of employees who are released and who are not returned to work within 12 months from the date of such release, such employees will have the same status as if they had quit.
- (5) In cases of employees who were laid off prior to June 1, 2001 and who are not returned to work within five years (or, if less, a period equal to the employee's continuous service prior to such layoff) from the date of such layoff, such employees will have the same status as if they had quit.

(e) **Social Security Benefit**

- (1) A Social Security benefit for disability or an unreduced Social Security benefit for age means a benefit determined and payable under Title II of the Social Security Act, as amended, without any reduction based on the age of the recipient.

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Gen. Pro., 1(e)(2)

- (2) Old age benefit payments or disability benefit payments, other than those payable on a basis of "need" or because of military service, under any future federal legislation amending, superseding, supplementing, or incorporating the Social Security Act, as amended, or benefits provided therein, will be considered as benefits for age or disability under the Social Security Act for purposes of this Program.
- (3) If an employee is eligible for a Social Security benefit for disability or an unreduced Social Security benefit for age at the time of retirement or thereafter, such employee must advise the Corporation of the effective date of entitlement to such benefit.

(f) **Normal Retirement Age**

The Normal Retirement Age for any employee is the later of age 65 or the fifth anniversary of the date the employee commenced participation in this Program. An employee who ceases active service after Normal Retirement Age will be entitled to receive a nonforfeitable retirement benefit under Article III of Part A, Section 1 of Articles II and III of Part B and Article II, Section 4 of Part C, if applicable.

(g) **Actuarial Value**

The actuarial value as of any determination date will be calculated based on the mortality table described in Revenue Ruling 95-6 (Revenue Ruling 2001-62 for determination dates on and after October 1, 2002) and the annual interest rate on 30-year Treasury securities as specified by the Commissioner of the Internal Revenue Service for the third full month prior to the first day of the plan year preceding the determination date.

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Gen. Pro., 1(h)

(h) **Length of Service Date**

Length of service date means the date recognized under Delphi policy utilizing date of hire and periods of employment with the Corporation or its subsidiaries which are considered unbroken under Delphi Policies.

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Gen. Pro., 1(l)

**Section 2. Payment of Retirement Benefits and Supplements**

- (a) (1) Except as otherwise provided in subsection (g) of this Section 2, retirement benefits and supplements will be paid monthly and commence not sooner than 30 days following receipt of the required written explanations of distribution options, provided; however, an employee may affirmatively elect in writing to commence the retirement benefits and supplements in less than 30 days (but not less than 7 days). This Section 2(a)(1) does not apply to Part C of this Program.
  
- (2) Monthly payments of an employee's retirement benefits other than for total and permanent disability become payable with the employee's consent commencing on the first day of the month coinciding with or next following the employee's first day of absence because of retirement and the benefits will be payable monthly for the employee's lifetime; however this provision does not apply to Part C of this Program. No consent is required where the present value of benefits is \$5,000, or less, as determined in accordance with Section 411(a)(11) of the Code.

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Gen. Pro., 2(a)(3)(i)

- (3) (i) Total and permanent disability retirement benefits will be payable monthly during the continuance of total and permanent disability and while the retiree otherwise remains eligible for such benefits. Such payments begin the latest of:
  - (aa) the first day of the month which includes the date the required proof of disability is received by the Corporation;
  - (bb) the first day of the month which includes the date the employee has been continuously and totally disabled for a period of five months; or
  - (cc) the first day of the third month following the date the required proof of disability is received by the Corporation.

This subsection (cc) does not apply (a) if the employee dies prior to such date, or (b) where net Extended Disability Benefits under the Delphi Life and Disability Benefits Program are less than the benefits payable under this Program. Successive periods of absence due to the same disability as that upon which claim for total and permanent disability retirement benefits is based and aggregating at least five months will be considered the same as one continuous absence provided that the aggregate will not include any absence which precedes the last day at work by more than one year.

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Gen. Pro., 2(a)(3)(ii)

(ii) The death of an otherwise eligible employee who has been on disability leave for at least one month but prior to being continuously and totally disabled for a period of five months, and whose death was directly or indirectly the result of the terminal condition which gave rise to the disability leave of absence (excluding death as a result of homicide, suicide, or accidental death), and who has applied for retirement under Section 5 of the Eligibility for Retirement section of this Program, except that, effective October 1, 1999, (a) in the case of an occupational injury or disease incurred in the course of employment with the Corporation resulting in death, neither the one-month period nor the leave of absence requirement shall apply, and (b) in the case of a terminal condition as such term is used and qualified in this paragraph, the one-month period does not apply and does not disqualify an otherwise eligible surviving spouse from receiving a benefit under Section 5 of Article I of Part A. This Section 2(a)(3) does not apply to Part C of this Program.

(4) Any supplement is payable as provided in Section 7 of Article I of Part A. This Section 2(a)(4) does not apply to Part C of this Program.

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Gen. Pro. 2(a)(5)

- (5) Part A benefits and supplementary benefits under Part B are not payable for any period in which any layoff payments, salary payments, or any sickness and accident benefits are payable to the employee by the Corporation or under any plan to which the Corporation has contributed, including Separation Allowance Plan Payments. If any layoff payment, separation allowance payment, salary payment, or sickness and accident benefit payment during any month is payable for a period of less than a complete month, a proportionate amount of any monthly Part A benefits and supplementary benefits under Part B will be paid for that portion of the month for which the retiree receives no layoff payments, separation allowance payments, salary payments, or sickness and accident benefits. Any primary benefits payable under Section 2 of Article I of Part B will be payable commencing on the first day of the month a Part A benefit is payable.
  
- (6) Where a benefit is payable under a QDRO:
  - (i) the form or duration of payment may not be changed once the benefit is in payment status;
  - (ii) an Alternate Payee's entitlement to a benefit actuarially adjusted to be payable on the life of the Alternate Payee under the QDRO will not revert to the employee even if the Alternate Payee dies prior to commencement of the benefit.

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Gen. Pro., 2(b)

- (b) If a retired employee who is receiving retirement benefits is reemployed by the Corporation or one of its directly or indirectly wholly-owned or substantially wholly-owned domestic subsidiaries, or any company or joint venture which has been divested from the Corporation (where termination of employment with the Corporation to work for such company or joint venture is not considered termination of employment for purposes of this Program), such employee will cease to receive such benefits during reemployment. Such an employee, if otherwise entitled pursuant to the provisions of this Program, will accrue additional credited service under this Program or the Program of the subsidiary where the employee has been reemployed and, if otherwise eligible, will be permitted to make contributions. This Section 2(b) does not apply to Part C of this Program.
- (c) If a retired employee receives a retroactive Social Security Disability Insurance Benefit (SSDIB) award resulting from a reconsideration or hearing before an administrative law judge, the amount of retirement benefits to be repaid will be reduced by an amount equal to any attorney fees, paid by the retired employee, associated with the award, provided the retiree makes such repayment within 30 days of the date of notification by the Corporation of the amount to be repaid. This reduction applies only to attorney fees associated with a successful appeal of a denial of SSDIB, and includes only that portion of such fees associated with the period of time the retired employee was entitled to receive

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Gen. Pro., 2(c)

retirement benefits. Any reimbursement for any such fees may not exceed 25% of the amount of any overpayment as of the first of the month immediately following the month in which the retiree is notified by Social Security of the retiree's SSDIB award. Attorney fees incurred for services received prior to denial of the initial application for SSDIB will not reduce the amount of repayment due.

The above provision is to be coordinated with a similar provision in the Delphi Life and Disability Benefits Program to ensure the retired employee does not receive credit for more than the actual amount of eligible attorney fees incurred in securing the award, and any reduction, as specified above, first will be taken as a reduction to any overpayment due from the employee under the Delphi Life and Disability Benefits Program. This Section 2(c) does not apply to Part C of this Program.

- (d) To retire under this Program, an employee must have *unbroken* credited service at the time of retirement, except that a person who is eligible for benefits under the Separation Allowance Plan and is not being paid retirement benefits under this Program or the Delphi HRP will not be precluded from retiring without return to employment, even though such person has incurred a break in credited service as a result of such separation from the Corporation.

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Gen. Pro., 2(e)

- (e) If any retiree, surviving spouse or contingent annuitant to whom a benefit is payable is unable to care for their affairs because of illness or accident, any monthly benefit payment and supplement or survivor benefit due (unless prior claim has been made by a duly qualified guardian or other legal representative) may be paid to the spouse, parent, brother, sister, or other person or party (including private or public institutions) deemed by the Corporation to have incurred expense for such retiree or survivor otherwise entitled to payment. Any such payment will be a payment for the account of the retiree or survivor and will be a complete discharge of any liability of the Program.
  
- (f) (1) An active employee who attained age 70-1/2 and was working during calendar years 1996, 1997, or 1998 and who otherwise was eligible to commence the monthly benefit beginning April 1 of the following calendar year, will have such monthly benefit deferred until actual retirement unless the employee irrevocably elects, on a form approved by the Corporation, to commence. The employee's accrued benefit will be actuarially increased at retirement to take into account the period after age 70-1/2 in which the employee was not receiving benefits under this Program.

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Gen. Pro., 2(f)(2)

- (2) An employee attaining age 70-1/2 on or after January 1, 1999 will not commence monthly receipt of accrued benefits under this Program until such employee actually retires. At the time of such employee's retirement under this Program, the employee's accrued benefit at age 70-1/2 will be actuarially increased to take into account the period after age 70-1/2 in which such employee was not receiving benefits under this Program. However, there will be no actuarial increase taken into account under Part C of this Program.
  
- (g) Notwithstanding any other provision of this Section 2, where the sum of the present value of a former employee's or surviving spouse's monthly deferred retirement benefit commencing at age 65 under Part A, when combined with the present value of any accrued monthly deferred retirement benefit commencing at age 65 under Part B, is \$5,000, or less, the total amount of any accrued

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Gen. Pro., 2(g)

monthly benefit otherwise payable to such former employee, or to the surviving spouse of such deceased former employee, will be paid in a single sum as soon as administratively practicable. In the case of a former employee who is not vested in the retirement benefits described in the preceding sentence, such former employee will be deemed, upon termination of Program participation, to have constructively received the total amount of such nonvested benefit. Where the present value of such benefit is more than \$5,000 an otherwise eligible former employee, or surviving spouse, will have an option to receive a single-sum payment, but only with spousal consent, where applicable. Any single-sum payment will be determined based on the actuarial value as set forth in General Provision 1(g), and will be in full satisfaction of any benefit entitlement under this Program, and is irrevocable when paid.

In the event any such former employee who receives a single-sum payment is subsequently reemployed by the Corporation, such former employee will be treated as a newly-hired employee, with no entitlement to the reinstatement of any previous credited service, in recognition of earlier receipt of a single-sum payment representing the present value of the lifetime monthly benefit otherwise

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Gen. Pro., 2(g)

related to all such prior years of service. Notwithstanding the preceding sentence, if any such former employee who is not vested at the time of the employee's separation from service, and is subsequently reemployed before five consecutive one-year breaks in service under Section 10 of Article II of Part A, the employee's previous credited service will be reinstated, upon application.

In lieu of a single-sum payment which has a present value of more than \$5,000, a former employee or surviving spouse under age 55 may elect to receive lifetime monthly benefits that are the actuarial equivalent of such former employee's or surviving spouse's monthly deferred retirement benefits under Part A and Part B, if any.

In the event a single-sum payment of \$5,000, or less cannot be made because the identity or location of the former employee or surviving spouse cannot be determined after reasonable efforts to do so have been made, and the payment remains undeliverable for a period of one year from the date of mailing of such notification by certified mail or registered mail with return receipt requested to the last known address of the former employee, or an equivalent method, such payment will be forfeited and applied to reduce Corporation contributions to the Program; provided, however, in the event the identity or location of the former employee or surviving spouse is subsequently determined, such payment will be made in a single sum.

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Gen. Pro., 2(g)

- (h) Notwithstanding any other provision of this Section 2, the payment of retirement benefits under this Program to an employee or former employee who has accepted employment with a company, all as set forth in Section 10 or 11 of these General Provisions, cannot commence under this Program until such employee has terminated employment with such company .
- (i) In the event an employee or former employee becomes eligible to receive benefits under this Program, such employee or former employee will be provided with a written explanation of the available payment options. This explanation will be provided not more than 90 days and not less than 30 days prior to the annuity starting date.
- (j) Notwithstanding any provision of the Program to the contrary, in the event the Program pays a participant an eligible rollover distribution, the participant may elect at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover. In no event will this Program accept a direct rollover payment from a participant.

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Gen. Pro., 2(k)

- (k) Notwithstanding any other provision of this General Provision, the payment of retirement benefits under this Program to an employee or former employee who has accepted employment with a successor company through a sale, divestiture or joint venture transaction, cannot commence a benefit under this Program until such employee or former employee has terminated employment with the successor company.

### Section 3. Deductions for Workers Compensation

In determining the monthly benefits payable under Part A, Part C, and any supplementary benefits payable under Part B of this Program, a deduction will be made, unless prohibited by law, equivalent to all or any part of workers compensation (including compromise or redemption settlements) payable to such employee by reason of any law of the United States, or any political subdivision thereof; provided, however, that the deductions may only be made if the workers compensation was provided by premiums, taxes, or other payments paid by or at the expense of the Corporation, except that no deduction will be made for the following:

- (a) workers compensation payments specifically allocated for hospitalization or medical expense, fixed statutory payments for the loss of any bodily member, or 100% loss of use of any bodily member, or payments for loss of industrial vision; or
- (b) compromise or redemption settlements payable prior to the date monthly retirement benefits first become payable.

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Gen. Pro., 4

#### **Section 4. Assignments and Loans**

- (a) No right or interest of any participant or of any beneficiary of any participant under the Program is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise, including, but not by way of limitation, execution, levy, garnishment, attachment, pledge, bankruptcy or in any other manner, but excluding devolution by death or mental incompetency, and no right or interest of any such participant or beneficiary will be liable for, or subject to, any obligation or liability of such participant or beneficiary except in accordance with provisions of a QDRO provided, however, that any retired employee or eligible survivor:
- (1) who elects health care coverages or life insurance made available by the Corporation may, insofar as it is consistent with the regulations governing the plans providing such coverages, participate in such coverages and have deducted, pursuant to the retired employee's or survivor's authorization and direction acceptable to the Corporation, the required contribution for such coverages as it may be established from time to time;
  - (2) will have federal and state income tax withheld pursuant to federal and state statutes or regulations unless, only with respect to federal income tax, elected otherwise by submitting to the Corporation authorization and direction acceptable to the Corporation; or

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Gen. Pro., 4(a)(3)

(3) who submits to the Corporation written authorization and direction acceptable to the Corporation may have amounts of not less than \$40.00 per month, but in no event more than 10% of the retired employee's monthly benefit, withheld to repay any outstanding overpayment owing to the Corporation or to any benefit plan of the Corporation.

(a) An employee may not borrow against employee contributions under this Program.

### Section 5. Corporation Contributions

- (a) The Corporation intends that contracts will be maintained with the Insurance Companies (either by the Corporation or by a retirement trust or other funding vehicle for this Program) for the purpose of meeting the cost of primary benefits accrued prior to January 1, 1985 under Part B, any additional cost of providing for payment of unreduced primary benefits accrued prior to January 1, 1985 under Part B prior to age 65, and the cost of the optional benefits described in Sections 4 and 5 of Article I of Part B to the extent such optional benefits are in lieu of, or related to, primary benefits accrued prior to January 1, 1985 under Part B, to the extent not covered by the contributions made by the employees prior to January 1, 1985.
- (b) While the Corporation does not guarantee to do so, it expects to provide, over such period as it may determine, the cost of the benefits described in Part A, Part C, and the primary benefits accrued after December 31, 1984 described in Part B, to the extent not covered by employee contributions made after December 31, 1984, and the supplementary benefits described in Part B (including the optional benefits described in Sections 5, 6, and 8 of Article I of Part A and in Sections 4

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Gen. Pro., 5(b)

and 5 of Article I of Part B to the extent such optional benefits are in lieu of, or related to, such benefits), either through placing funds in a retirement trust or through a contract with one or more insurance companies, or both. Such funds will include employee contributions made after January 1, 1985. The Named Fiduciary may appoint an investment manager or managers, as defined under ERISA to manage any assets of the Program.

- (c) Benefits under Part A, Part C, and primary benefits accrued after December 31, 1984 under Part B and supplementary benefits under Part B (including the aforementioned optional benefits) will be paid only to the extent that they are provided for by the assets of such retirement trust or under such contract with one or more insurance companies.
- (d) The Corporation will comply with all funding requirements of ERISA and the Code as they apply to this Program.
- (e) The Corporation may charge to the fund expenses necessary for the proper administration of the Program and investment of the funds, including, but not limited to, the direct cost of benefit administration performed by, or on behalf of, the Corporation for the Program, the cost of consultant and actuarial services, and Pension Benefit Guaranty Corporation ("PBGC") premiums for participants.

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Gen. Pro., 5(d)

### **Section 6. Payment of Contributions to Provide Annuities**

- (a) Prior to January 1, 1977, contributions of the employees and of the Corporation for primary benefits (including optional benefits described in Sections 4 and 5 of Article I of Part B which are in lieu of, or related to, such primary benefits) were paid over to the Metropolitan Life Insurance Company, the Aetna Life Insurance Company, and The Prudential Insurance Company of America as the considerations for the Corporation's purchase of benefits under the Annuity Contracts made with them and effective as of July 1, 1940, and as subsequently amended. Commencing January 1, 1977, the Corporation has made, or has caused a retirement trust for this Program to make, and intends to continue to make or cause a retirement trust or other funding vehicle for this Program to make payments from time to time for addition to and accumulation in an account to be held by each of the Insurance Companies under the Annuity Contracts for providing annuities as described in Section 6(b) below. Such payments have included contributions made by employees on and after January 1, 1977 and prior to January 1, 1985.

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Gen. Pro., 6(b)

- (b) The annuities purchased under the Annuity Contracts prior to January 1, 1977 will continue in force, subject to the terms and conditions of the Annuity Contracts. When each employee becomes entitled to receive a primary benefit accrued prior to January 1, 1985 under Part B, it is the intention of the Corporation to provide an additional annuity equal to such primary benefit, less any annuity then in force on the employee's account under the Annuity Contracts. Payment of such annuities will be assured by establishing the appropriate reserves in the account held by each Insurance Company under the Annuity Contracts.
  
- (c) The primary benefits referred to in Part B are those purchased prior to January 1, 1977 from the Insurance Companies or for which the appropriate reserves have been established by the Insurance Companies and which are payable by the Insurance Companies under the Annuity Contracts. The Corporation intends to pay or cause a retirement trust or other funding vehicle for this Program to pay to the Insurance Companies the contributions which will be accumulated for the purpose of establishing reserves to provide primary benefits accrued prior to January 1, 1985 when such benefits are to commence. It is the responsibility of the Insurance Companies to pay to the employees and the designated contingent annuitants, surviving spouses, and beneficiaries of such employees all primary benefits accrued prior to January 1, 1985 resulting from the contributions or payments made by both the employees and the Corporation or a retirement trust or other funding vehicle for this Program for such benefits (including the optional benefits described in Sections 4 and 5 of Article I of Part B to the extent such optional benefits are in lieu of, or related to, primary benefits accrued prior to January 1, 1985 under Part B) and paid as the considerations for the purchase of such benefits or allocated by the Insurance Companies as reserves to assure payment of such benefits.

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Gen. Pro., 7

**Section 7. Amendment, Modification, Suspension, or Termination, Merger, Consolidation, or Transfer of Assets of Program by Corporation**

- (a) The Corporation reserves the right, by and through its Board of Directors, to amend, modify, suspend, or terminate the Program in the future. Absent a written delegation of authority from the Board of Directors, no one has any authority whatsoever to commit to the provision of any retirement benefit, or benefit provision, not otherwise provided expressly under the written terms of this Program, or to change any eligibility criteria, or any other provision or criteria of this Program as constituted herein.
  
- (b) (1) If the Corporation, in accordance with this Section 7, or the PBGC, partially or totally terminates the Program, the amount of the assets, which are available to provide benefits, and which are held by the trustees and insurance companies as of the termination date, will be allocated, after deducting expenses for administration or liquidation; in the following manner and order to the extent of the sufficiency of such assets, and in accordance with any regulations for such determinations as may be issued by the PBGC:
  - (aa) first, to that portion of each individual's accrued benefit which is derived from the participant's mandatory contributions.

Gen. Pro., 7(b)(1)(bb)

(bb) second, in the case of benefits payable as an annuity :

- (i) In the case of the benefit of a participant or beneficiary which was in pay status as of the beginning of the 3-year period ending on the termination date of the Program, to each such benefit, based on the provisions of the Program (as in effect during the 5-year period ending on such date) under which such benefit would be the least; and
- (ii) In the case of a participant's or beneficiary's benefit (other than a benefit described in subparagraph (bb)(i) above) which would have been in pay status as of the beginning of such 3-year period if the participant had retired prior to the beginning of the 3-year period and if benefits had commenced (in the normal form of annuity under the Program) as of the beginning of such period, to each such benefit based on the provisions of the Program (as in effect during the 5-year period ending on such date) under which such benefit would be the least.

For purposes of subparagraph (bb)(i) above, the lowest benefit in pay status during a 3-year period will be considered the benefit in pay status for such period:

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Gen. Pro., 7(b)(1)(cc)

- (cc) third, to all other benefits (if any) of individuals under the Program which are guaranteed under the plan termination insurance provisions of ERISA determined without regard to Section 4022(B)(a);
  - (dd) fourth, to all other nonforfeitable benefits under the Program; and
  - (ee) fifth, to all other benefits under the Program.
- (2) (aa) The amount allocated under any of the preceding paragraphs with respect to any benefit will be properly adjusted for any allocation of assets with respect to the benefit under a prior paragraph of this Section 7.
- (bb) If the assets available for allocation under any of the preceding paragraphs (other than paragraphs (b)(1)(dd) and (b)(1)(ee)) are insufficient to satisfy in full the benefits of all individuals which are described in such paragraphs, the assets will be allocated pro rata among such individuals on the basis of the present value (as of the termination date) of their respective benefits described in such paragraphs.

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Gen. Pro., 7(b)(2)(cc)

- (cc) If the assets available for allocation under paragraph (b)(1)(dd) are insufficient to satisfy in full the benefits of individuals described in that paragraph:
  - (i) Except as provided in subparagraph (b)(2)(cc)(ii) below, the assets will be allocated to the benefits of individuals described in subparagraph (b)(1)(dd) on the basis of the benefits of individuals which would have been described in such subparagraph (b)(1)(dd) under the Program as in effect at the beginning of the 5-year period ending on the date of the Program's termination; and
  - (ii) If the assets available for allocation under subparagraph (b)(2)(cc)(i) above are sufficient to satisfy in full the benefits described in such subparagraph (without regard to this subparagraph), then for purposes of subparagraph (b)(2)(cc)(i), benefits of individuals described in such subparagraph will be determined on the basis of the Program as amended by the most recent Program amendment effective during such 5-year period under which the assets available for allocation are sufficient to satisfy in full the benefits of individuals described in subparagraph (b)(2)(cc)(i) and any assets remaining to be allocated under such subparagraph will be allocated under subparagraph (b)(2)(cc)(i) on the basis of the Program as amended by the next succeeding Program amendment effective during such period.

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Gen. Pro., 7(b)(3)

- (3) In the event of any termination or partial termination of the Program, the right of all affected employees to benefits accrued to the date of such termination or partial termination, to the extent funded as of such date, is nonforfeitable.
- (4) If any assets of the Program attributable to employee contributions remain after all liabilities of the Program to participants and their beneficiaries have been satisfied, such assets will be equitably distributed to the employees who made such contributions (or their beneficiaries) in accordance with their rate of contributions. Any residual assets of the Program may be distributed to the Corporation if all liabilities of the Program to participants and their beneficiaries have been satisfied.
- (5) For purposes of this Section 7(b), the term "mandatory contributions" means amounts contributed to the Program by a participant which are required as a condition of participation in the Program, or as a condition of obtaining benefits under the Program attributable to employer contributions. For this purpose, the total amount of mandatory contributions of a participant is the amount of such contributions reduced (but not below zero) by the sum of the amounts paid or distributed to the participant under the Program before its termination.

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Gen. Pro., 7(b)(6)

- (6) If the Secretary of the Treasury determines that the allocation made pursuant to this Section 7 results in discrimination prohibited by Section 401(a)(4) of the Code, then, if required to prevent the disqualification of the Program (or any trust under the Program) under Section 401(a) or 403(a) of the Code, the assets will be reallocated to avoid such discrimination.
  
- (c) In the event of any merger or consolidation with, or transfer of assets or liabilities to, any other plan or program, each participant in the Program would, if the Program then terminated, receive a benefit immediately after the merger, consolidation, or transfer which is at least equal to the benefit such participant would have been entitled to receive immediately before the merger, consolidation, or transfer, if the Program had then terminated.

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Gen. Pro., 8

**Section 8. Non-Duplication of Benefits**

Except as provided in Section 6 of Article II of Part A, no employee of the Corporation or its subsidiaries eligible to accrue benefits under this Program will be eligible to accrue benefits under any separate plan under the Delphi controlled group. Nor will any employee, while accruing benefits under any plan of the controlled group, be eligible to accrue benefits under any other retirement or pension plan of the controlled group.

**Section 9. Treatment of Certain Employees Under Limited Early Retirement Provisions and Prior Program Provisions**

**(a) Limited Early Retirement Provisions**

Pursuant to authority granted by the Corporation's Board of Directors, the Corporation may, from time-to-time and in its sole discretion, adopt limited early retirement provisions to provide retirements (i) during a specified period of time, (ii) at a specified level of benefits, and (iii) for identified salaried employees. Any such early retirement provisions that may be adopted by the Corporation in compliance with the authority granted earlier by its Board of Directors, are made a part of this Program as though set out fully herein.

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Gen. Pro., 9(b)

(b) **Provisions of Past Programs to Honor Prior Commitments**

To implement various commitments made, prior to October 1, 1987, by General Motors to certain otherwise eligible employees with respect to the availability to each of them of unreduced retirement benefits commencing as early as their attainment of age 55, Program provisions in effect at the time such commitments were made shall continue to apply to such employees.

The provision immediately above is limited in applicability solely to otherwise eligible employees from the following units, and any special conditions relevant to the commitment to each such group of employees are shown:

- (1) Employees who were working at facilities which had been announced, as of August 31, 1987, to be closed or phased-out, as follows:

Division/Unit	Facilities
Fisher Guide	Elyria Fort Street
Harrison	Buffalo
Inland	Livonia Tecumseh
New Departure-Hyatt	Bristol

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Gen. Pro., 9(b)(2)

- (2) Otherwise eligible employees who are absent at date of retirement from any unit due to layoff which commenced prior to October 1, 1987, whose age plus credited service totaled 55 or more on the date of layoff.
- (3) Otherwise eligible employees for whom credited service has been continued as a result of such things as (i) the sale of operations, (ii) a joint venture, or (iii) other similar-type transactions, such as acquisitions and mergers, as specifically set forth in Section 10 and 11 of General Provisions.

**Section 10. Treatment of Certain Employees**

(a) **Delco Electronics Division**

An employee who at the request of GM terminated employment with Delco Electronics Division to accept employment with Tau Laboratories will not be considered as having terminated employment for purposes of this Program provided such employee (i) on such employee's last day worked for Delco Electronics Division had 10 or more years of credited service and age plus credited service totaled 55 or more, and (ii) such employee remained employed by Tau Laboratories through:

- (1) December 31, 1987; or
- (2) December 31, 1984, and is terminated by Tau Laboratories other than as a discharge (i.e., for cause);

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Gen. Pro., 10(a)

For any month in which the employee is employed by Tau Laboratories, or any other employer, an employee to whom this Section 10 (a) applies who was under age 54 on the last day worked for Delco Electronics Division and who subsequently retires under this Program will not be entitled to receive the temporary benefit that otherwise may be payable under Part A of this Program.

(b) **Saginaw Division's Actuator Products Group**

In connection with the sale of Saginaw Division's Actuator Products Group to Thomson Industries, Inc., termination of employment with GM, other than by death or retirement, will not be considered as having terminated employment for purposes of this Program, provided such employee (i) who on April 30, 1987 had 10 or more years of credited service and whose years of age plus credited service totaled 55 or more, and (ii) whose termination of employment with GM occurs after such employee has been employed by Thomson Industries, Inc., through:

- (1) April 30, 1990; or
- (2) a date prior to April 30, 1990, and is terminated by Thomson Industries, Inc., other than as a discharge (i.e., for cause).

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Gen. Pro.. 10(c)

(c) **AC Rochester Products Division**

In connection with the sale of the fuel injection business of the AC Rochester Products Division, Grand Rapids, to Penske Transportation, Inc., and Detroit Diesel Corporation, hereinafter referred to as Diesel Technology Corporation (DTC), an employee who accepted employment with DTC was placed on a special leave of absence for up to three years. During the three-year period which commenced November 1, 1988, any such employee will (i) participate in the DTC Pension Plan, (ii) will not be eligible to accrue credited service under Part A or continuous service under Part B, and (iii) will not be eligible to contribute under Part B.

All of the Program assets attributable to any Part A and Part B benefits accrued by any employee who accepted employment at DTC were transferred to DTC. As a result of such transfer of assets, all prior benefit entitlement, of whatever nature, ceased on the date of such transfer, and the total responsibility and liability was assumed by DTC, which has assumed concurrently the sole responsibility to provide entirely for any retirement benefit entitlement of any such employee. The sales agreement executed earlier between the parties provides that DTC will remain liable under its pension plan for any benefits attributable to such a rehired employee's service at DTC during any employment period at DTC.

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Gen. Pro., 10(c)

In view of the prior transfer of assets to DTC representing the full and fair value of any accrued benefit entitlement under this Program at date of such transfer; In the event that any such employee who accepts employment at DTC is reemployed by the Corporation after (i) expiration of the three year leave of absence period, or (ii) voluntarily terminated employment at DTC within the three year leave of absence period, such employee will be treated under this Program as a newly-hired employee, with no entitlement to any benefits or credited service related to all such prior participation .

**(d) Delco Chassis Division's Machine Control Systems Group**

In connection with the sale of the Delco Chassis Division's Machine Control Systems Group to the Dayton-Phoenix Group, Inc., termination of employment with GM, other than by death or retirement, will not be considered as having terminated employment for purposes of this Program with respect to an employee (i) who on October 31, 1992 had 10 or more years of credited service and whose years of age plus credited service totaled 55 or more, and (ii) whose termination of employment with GM occurs after such employee has been employed by the Dayton-Phoenix Group, Inc., through October 31, 1995.

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Gen Pro., 10(e)

(e) **Saginaw Division's Final Drive and Forge Business Unit**

In connection with the sale, dated February 28, 1994, of the Saginaw Division's Final Drive and Forge Business Unit to American Axle and Manufacturing, Inc. (AAM), termination of employment with GM will not be considered as having terminated employment for purposes of this Program with respect to an employee who became an employee of AAM in accordance with the terms of the sales agreement between GM and AAM.

Notwithstanding the above, the benefits payable under this Program to an employee who became an employee of AAM will be based on the provisions of this Program and the applicable terms and conditions of Article V, Section 5.4.1.(i) through 5.4.1.(vii) of the sales agreement which is incorporated by reference.

(f) **Delco Chassis Division's Motors and Actuators Business Unit**

In connection with the joint venture, dated March 31, 1994, between the Delco Chassis Division's Motors and Actuators Business Unit and ITT Automotive Electrical Systems, Inc., (ESI - subsequently Valeo Inc.), termination of employment with GM will not be considered as having terminated employment for purposes of this Program with respect to an employee who became an employee of ESI in accordance with the terms of the sales agreement between GM and ESI.

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Gen Pro., 10(f)

Notwithstanding the above, the benefits payable under this Program to an employee who became an employee of ESI will be based on the provisions of this Program and the applicable terms and conditions of Article V, Section 5.6.1.(i). through 5.6.1.(vii). of the sales agreement which is incorporated by reference.

**(g) Delco Remy Division's Starter Motor and Generator Business Units**

In connection with the sale, dated July 31, 1994, of the Delco Remy Division's Starter Motor and Generator Business Units to Delco Remy America, Inc., (DRA), termination of employment with GM will not be considered as having terminated employment for purposes of this Program with respect to an employee who became an employee of DRA. In accordance with the terms of the sales agreement between GM and DRA.

Notwithstanding the above, the benefits payable under this Program to an employee who became an employee of DRA will be based on the provisions of this Program and the applicable terms and conditions of Article VII, Section 7.5.B. of the sales agreement which is incorporated by reference.

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Gen. Pro., 10(h)

(h) **Delphi Energy and Engine Management System Division's  
Magnequench Business Unit**

In connection with the sale, dated September 30, 1995, of the Delphi Energy and Engine Management System Division's Magnequench Business Unit, to Magnequench International, Inc. (MQI), termination of employment with GM will not be considered as having terminated employment for purposes of this Program with respect to an employee who became an employee of MQI in accordance with the terms of the sales agreement between GM and MQI.

Notwithstanding the above, the benefits payable under this Program to an employee who becomes an employee of MQI will be based on the provisions of this Program and the applicable terms and conditions of Article 5, Section 5.5.2. of the Assets Purchase Agreement which is incorporated by reference.

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Gen. Pro., 10(i)

(i) **Delphi Interior and Lighting Systems' Flint and Livonia Plants**

In connection with the sale, dated December 31, 1996, of the Delphi Interior and Lighting Systems' Flint and Livonia Plants to Peregrine Incorporated (Peregrine), termination of employment with GM will not be considered as having terminated employment for purposes of this Program with respect to an employee who became an employee of Peregrine in accordance with the terms of the sales agreement between GM and Peregrine.

Notwithstanding the above, the benefits payable under this Program to an employee who became an employee of Peregrine will be based on the provisions of this Program and the applicable terms and conditions of Article 5, Section 5.6.2. of the sales agreement which is incorporated by reference.

Additionally, the Delphi SRP will pay the pro-rata portion of the Early Retirement Supplement (ERS) that otherwise would have been payable under the Peregrine U.S., Inc. (Peregrine) Salaried Retirement Program for employees who transferred to Peregrine and who had 30 years of GM credited service on the date of the sale or who returned to Delphi and accrued 30 or more years of Delphi credited service and retired after January 1, 1999. This provision applies only to those employees hired by GM prior to January 1, 1988. The ERS payments would continue until the retiree reaches age 62 and one month.

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Gen. Pro., 10(j)

**(j) Delphi Chassis Systems – Livonia Plant**

In connection with the sale, dated August 31, 1998, of the Delphi Chassis Systems' Livonia Plant to Chasco Systems, Inc. (Chasco), termination of employment with GM will not be considered as having terminated employment for purposes of this Program with respect to a GM employee who became an employee of Chasco in accordance with the terms of the sales agreement between GM and Chasco.

Notwithstanding the above, the benefits payable under this Program to a GM employee who became an employee of Chasco will be based on the provisions of this Program and the applicable terms and conditions of Article 5, Section 5.6.2 of the sales agreement which is incorporated by reference.

**(k) Delphi Interior and Lighting Systems' Auburn Hills and Grand Rapid Plants**

In connection with the sale, dated August 31, 1998, of the Delphi Interior and Lighting Systems' Auburn Hills and Grand Rapid Plants to Lear Corporation (Lear), termination of employment with GM will not be considered as having terminated employment for purposes of this Program with respect to a GM employee who became an employee of Lear in accordance with the terms of the sales agreement between GM and Lear.

Notwithstanding the above, the benefits payable under this Program to a GM employee who became an employee of Lear will be based on the provisions of this Program and the applicable terms and conditions of Article 5, Section 5.5.2 of the sales agreement which is incorporated by reference.

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Gen. Pro., 10(l)

**(l) Delphi Interior and Lighting Systems' Anderson and Monroe Plants**

In connection with the sale dated September 29, 1998, of the Delphi Interior and Lighting Systems' Anderson, Indiana and Monroe, Louisiana Plants to Light source Parent Corporation and PEP Guide, LLC, termination of employment with GM will not be considered as having terminated employment for purposes of this Program with respect to a GM employee who became an employee of PEP Guide, LLC in accordance with the terms of the sales agreement between GM and PEP Guide, LLC.

Notwithstanding the above, the benefits payable under this Program to a GM employee who became an employee of PEP Guide, LLC will be based on the provisions of this Program and the applicable terms and conditions of Article 6, Section 6.6.2 of the sales agreement which is incorporated by reference.

In the event an employee covered by the terms of General Provision 10(a) through (l) above obtained employment with GM prior to January 1, 2001 in a manner which bridges "length of service", such employee will be treated as a "salaried flowback" from Delphi to GM and an appropriate transfer of assets and liabilities from this Program to the GM SRP will take place. In the event an employee covered by the terms of the GM SRP and of this Program obtains employment with GM in a manner which does not bridge "length of service", such employee, if otherwise eligible, will receive a benefit from this Program when eligible, and no assets will be transferred to the GM SRP.

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Gen. Pro., 11

**Section 11. Treatment of Certain Employees**

**(a) Electronic Data Systems (EDS)**

(1) In connection with the transition of certain GM employees to EDS, the provisions of Part A, Article II, Section 3 which otherwise serve to break credited service under such circumstances, will not apply to any such transition employee who has 10 or more years of credited service on the last day worked prior to such transition. However, no additional credited service will accrue under this Program for any such transitioning employee.

(2) Each transitioned employee who on the date of transfer to EDS had completed less than 30 years of credited service, or whose years of age and years of credited service totaled less than 85, and who thereafter retires (a) prior to age 62 and one month with 30 or more years of combined service with GM/Delphi and EDS, or (b) between ages 55 and 61 and the total of whose years of age and years of combined service with GM/Delphi and EDS equals or exceeds 85, shall be entitled to receive the following described benefits, while otherwise eligible:

(a) With respect to any monthly payment falling prior to age 62 and one month, at which time any such benefit will cease to be payable, a monthly Subsidized Early Retirement Benefit, defined as and amount equal to the Part A normal retirement benefit, based upon credited service under this Program as of the earlier of the date of transfer or March 1, 1989, and the basic benefit rate in effect on March 1, 1989, actuarially reduced from age 62, in accordance with Part A, Article I, Section 2(b)(2)(i). Such Subsidized Early Retirement Benefit is reduced by the sum of the following monthly amounts,

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each of which includes any post retirement increases granted on benefits accrued both prior to and subsequent to March 1, 1989:

- (i) any Part A basic benefit determined without regard to this section,
  - (ii) any Part B benefits accrued after March 1, 1989, and
  - (iii) any benefit payable under the EDS Retirement Plan attributable to benefit accruals after March 1, 1989.
- (b) Upon attainment of age 62 and one month, a monthly Minimum Guaranteed Benefit amount, determined by multiplying the credited service under this Program as of the earlier of the date of transfer or March 1, 1989 by the Part A basic benefit rate in effect on March 1, 1989, reduced by the sum of the following monthly amounts, each of which includes any post retirement increases granted on benefits accrued both prior to and subsequent to March 1, 1989:
- (i) any Part A basic benefit determined without regard to this section,
  - (ii) any Part B benefits accrued after March 1, 1989,
  - (iii) any benefit payable under the EDS Retirement Plan attributable to benefit accruals after March 1, 1989, and
  - (iv) the total of retirement offsets described in subsections 2(a)(i), (ii) and (iii) above for any month prior to age 62 and one month, to the extent such offsets exceed the amount of the Subsidized Early

Gen. Pro., 11(a)(iv)

Retirement Benefit. Any such excess will be expressed as a life annuity commencing at age 62 and one month.

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- (3) Each transitioned employee who on the date of transfer to EDS had completed less than 30 years of credited service, and who thereafter retires prior to age 62 and one month with 30 years or more of combined service with GM/Delphi and EDS, is entitled to receive, if otherwise eligible, with respect to any monthly payment failing prior to age 62 and one month, at which time any such benefit will cease to be payable, a monthly Incremental Benefit, as defined hereafter. The Incremental Benefit is \$1,400.00, multiplied by the Service Factor, as defined hereafter, and reduced by the sum of the following monthly amounts, subsections, (b) and (c) of which include any post retirement increases:

- (a) the Subsidized Early Retirement Benefit,
- (b) the Part B supplementary benefit, and
- (c) the maximum primary Social Security Benefit payable unreduced because of age.

The Service Factor is a fraction, the numerator of which is years of credited service under this Program as of the earlier of the date of transfer to EDS, or March 1, 1989, and the denominator of which is 30.

- (4) In determining the amount of any benefit payable under the EDS Retirement Plan attributable to benefit accruals after March 1, 1989, as may be necessary under subsection 2(a)(iii) and (2)(b)(iii) above, in the event the EDS Retirement Plan fails to provide such benefit entitlement, any such reduction in benefits will be deemed to reduce benefits accrued after March 1, 1989, before reducing the benefits accrued prior to such date.

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Gen. Pro., 11(4)

- (5) Payment under this section, if any, will be made without regard to whether an otherwise eligible transitioned employee retires before, on or after March 1, 1989.
- (6) For purposes of determining any benefits payable under subsections 2(a)(iii), 2(b)(iii), 2(b)(iv) and paragraph 3 of subsection (a), the basis for actuarial equivalence will be the 1984 Unisex Pension Mortality Table and eight percent interest.
- (7) Notwithstanding the provisions of this Program defining Eligibility For Retirement, any separation from EDS prior to attainment of age 55, on or after February 1, 1990, by a transitioning employee with thirty or more years of combined service with GM/Delphi and EDS, will be considered a retirement under this Program, with benefits payable commencing the first of the month following the date of such separation. Any benefits that may be payable hereunder to such an employee will be based solely upon GM/Delphi credited service, and will be calculated in accordance with all of the applicable provisions of this Program. For an eligible transitioned employee separated (i) from EDS prior to February 1, 1990, with thirty or more years of combined service with GM/Delphi and EDS, and (ii) prior to age 55, benefits will be payable commencing the first of the month following the date of such separation. In any such case, the monthly amount of Subsidized Early Retirement Benefit, the Minimum Guaranteed Benefit Amount, and the Incremental Benefit would be based upon benefit rates in effect at the earlier of (i) the date of separation, or (ii) March 1, 1989.

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(b) **Of Any Domestic Subsidiary Within the Corporation Controlled Group**

In connection with the transfer of employees to any domestic subsidiary within the Corporation control group, the provisions of Part A, Article II, Section 3, which otherwise serve to break credited service under such circumstances, will not apply to any such transferring employee. Moreover, "base salary" as used in this Program includes the monthly base salary paid by the domestic subsidiary within the Corporation control-group. However, no additional credited service will accrue under this Program for any such transferring employee for any period while an employee of any domestic subsidiary within the Corporation control group.

(c) **Who transferred from Hughes to GM and Now are Employed by Delphi**

Employees who transferred from Hughes to GM under the GM-Hughes Transfer Procedure prior to May 28, 1999, who subsequently became Delphi employees under the terms of the May 28, 1999 GM spin-off of Delphi will continue to have:

- (1) retirement eligibility and vesting based on combined Delphi and Hughes credited service;
- (2) benefits under Part B, Article I, Section 2(a)(2) will be based on Delphi, GM and Hughes salary history; and
- (3) benefits will be based solely on Delphi credited service.

Gen. Pro. 11(c)

If an employee is eligible to retire, and if Hughes or a successor company does not provide a retirement benefit based on time worked at Hughes in accordance with the provisions of the GM-Hughes Transfer Procedure (with the exception of a change that affects all participants in the Hughes Non-Bargaining Retirement Plan), the employee's Hughes "benefit accrual service" will be combined with the Delphi credited service and the combined credited service will be used to determine eligibility and all benefits. Any retirement benefit from Hughes or a successor company will be handled in accordance with the provisions of Part A, Article II, Section 6. The amount used to reduce the Delphi retirement benefit will be the immediate retirement benefit payable under the Hughes or successor retirement plan as a single life annuity, regardless of the pay-out option selected. If after the reduction, the Delphi retirement benefit is less than what the benefit would be with only Delphi credited service used in the computation, then the Hughes credited service will not be used in computing the Delphi retirement benefit and there will be no reduction in the Delphi benefit.

**Section 12. Treatment of Certain Employees**

**(a) Who Participate in the President's Executive Interchange Program**

Notwithstanding any other provision of this Program, an employee who is on an approved special leave of absence in order to participate in the President's Executive Interchange Program (or a program comparable in scope and effect as determined by the Corporation) will be eligible to participate in this Program during the period of such leave of absence. Such employee will be granted credited service under Part A and

Gen. Pro., 12(a)

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continuous service under Part B of this Program for the period of such leave and will be eligible to contribute under Part B of this Program on the basis of such employee's base salary rate in effect on the last day of work preceding such absence. For purposes of determining "average monthly base salary", the monthly base salary rate in effect immediately preceding such leave of absence will be used for any month of such leave during the 60 months immediately preceding termination of employment.

(b) **Who Return to the Service of the Corporation  
After Government Service**

Notwithstanding the provisions of the definition of "Continuous Service" in General Provision 1 and the credited service provisions of Article II of Part A, the continuous service or the credited service of an employee who left or leaves the service of the Corporation or one of its subsidiaries without an approved leave of absence to accept employment with the Government of the United States or with the Government of Canada, and who returned or returns to the service of the Corporation or one of its subsidiaries as the first employment following such government employment, will not be broken. In no event, however, will the period during which such employee is absent from service because of such government employment be included in the calculation of the amount of continuous service or credited service.

Gen. Pro., 12(c)

(c) **Who are Employed By Foreign Business Entities in Which the Corporation Has a Substantial Ownership Interest**

Notwithstanding any other provision of this Program, an employee who at the request of the Corporation accepts an assignment with a foreign business entity in which the Corporation has an ownership interest equal to or greater than 80% will be eligible to participate in this Program during the period of such assignment. The employee will be granted credited service under Part A and continuous service under Part B of this Program for the period of such assignment and will be eligible to contribute under Part B of this Program for the period of such assignment and will be eligible to contribute under Part B of this Program on the basis of the employee's base salary rate that would otherwise be in effect in the absence of such assignment. Such salary also will be used for purposes of determining "average monthly base salary" for any month of such assignment during the 60 months immediately preceding termination of employment.

**Section 13. Salaried Employees Who are Transferred to the Hourly Rolls**

A salaried employee who is involuntarily transferred to the hourly rolls, and within six months of such transfer breaks credited service, will be eligible to receive benefits under this Program, but will not be eligible to receive retirement benefits under the provisions of the Delphi HRP.

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**Section 14. Named Fiduciary**

Except as set forth below, the Executive Committee of the Corporation's Board of Directors is the Named Fiduciary with respect to this Program. The Executive Committee may delegate authority to carry out such of its responsibilities as it deems appropriate in order to carry out the proper and effective administration of this Program to the extent permitted by ERISA.

General Motors Investment Management Corporation (GMIMCo) is the Named Fiduciary of this Program for purposes of investment of Program assets. The Named Fiduciary for purposes of investment of Program assets is authorized to:

- (a) designate persons other than Named Fiduciaries to carry out fiduciary responsibilities (other than trustee responsibilities) under the Program;
- (b) establish or amend the terms of one or more trusts for the purpose of investing Program assets;
- (c) designate, appoint, and remove the trustees of the trusts created with respect to the Program provided that the Named Fiduciary for purposes of investment of Program assets does not have the authority to establish trusts or appoint and terminate trustees with respect to trusts, the sole purpose of which is the administration of payment of plan benefits;
- (d) appoint an investment manager or managers to manage any assets of the Program
- (e) make direct investments of any assets of the Program; and
- (f) take such other actions as may be necessary to carry out its duties as Named Fiduciary for purposes of investment.

The Named Fiduciary may delegate authority to carry out such of its responsibilities as it deems proper to the extent permitted by ERISA

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Effective March 17, 2002, the Investment Policy Committee of the Corporation (IPC) may, acting as employer on behalf of the Corporation, remove the existing Named Fiduciary for purposes of investment of Program assets and appoint any person or entity, including the IPC, as the Named Fiduciary for the purpose of investment of Program assets.

### Section 15. Plan Administrator and Review Procedure

- (a) The Corporation is the Plan Administrator and has full authority to construe, interpret, make factual determinations regarding the Program, and administer the Program.
- (b) A claim for benefits under the Program must be presented in writing to the Plan Administrator. The Plan Administrator will provide adequate notice to the person making the claim ("Claimant") in writing granting or denying the claim no later than 90 days, 45 days in the case of a claim for total and permanent disability benefits, after the date on which the claim is made. If special circumstances require a longer period, the Claimant will be notified in writing, prior to the expiration of the 90-day period, 45 days in the case of a claim for total and permanent disability benefits, of the reasons for an extension of time; provided, however, that no extensions will be permitted beyond 90 days, 60 days in the case of a claim for total and permanent disability benefits, after expiration of the initial 90-day period, 45 days in the case of a claim for total and permanent disability benefits.
- (c) If the claim is granted, the appropriate modification will be made.
- (d) If the claim is denied in whole or in part, the Plan Administrator will provide the Claimant with a dated and signed written notice of such denial signed by the Plan Administrator. The notice will set forth, in a manner calculated to be understood by the Claimant:

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Gen. Pro., 15,(d)(i)

- (i) the specific reason or reasons for the denial;
  - (ii) specific reference to pertinent Program provisions on which the denial is based;
  - (iii) a description of any additional material or information necessary for the Claimant to perfect the claim and an explanation of why such material or information is necessary;
  - (iv) an explanation of the review procedure set forth below and a statement of Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review; and
  - (v) in the case of a claim for total and permanent disability benefits, the specific rule, guideline, protocol, or other similar criterion relied upon, if any, in making the adverse benefit determination or a statement that such rule, guideline, protocol, or other similar criterion was relied upon in making the adverse benefit determination and that a copy of such rule, guideline, protocol, or other similar criterion will be provided free of charge to the Claimant upon request.
- (e) If no written determination is furnished to the Claimant within the 90 day period, 45 days in the case of a claim for total and permanent disability benefits, then the claim will be deemed denied and the review procedure described below will become available to the Claimant.

Gen. Pro., 15. (f)

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(f) A Claimant may obtain review of an adverse benefit determination by filing a written notice of appeal with the Employee Benefit Plans Committee ("EBPC") within 60 days after the determination date, 180 days in the case of a claim for total and permanent disability benefits, or, if later, within 60 days, 180 days in the case of a claim for total and permanent disability benefits, after the receipt of a written notice denying the claim. The Corporation's Board of Directors has delegated to the EBPC the authority necessary to construe, interpret, and administer the Program, including the authority to consider and decide all questions (of fact or otherwise) in connection with claims arising under the Program. The EBPC will conduct a full and fair review, which will provide for the Claimant's rights to:

- (i) be represented by an individual whom the Corporation determines has been properly authorized to act on Claimant's behalf;
- (ii) present written comments, documents, records, and any other information relating to the Claimant's claim for benefits under the Plan;
- (iii) receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits; and
- (iv) have all comments, documents, records, and other information submitted by the Claimant relating to the claim reviewed.

Gen. Pro., 15 (g)

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- (g) The EBPC's decision will be rendered no more than 60 days, 45 days in the case of a claim for total and permanent disability benefits, after the request for review, except that such period may be extended for an additional 60 days, 45 days in the case of a claim for total and permanent disability benefits, if the EBPC determines that special circumstances require such extension.
  - (h) If the claim is granted, the appropriate modification will be made.
  - (i) If the claim is denied in whole or in part, the EBPC, or its delegate, will promptly provide a Claimant with a written decision in a manner calculated to be understood by the Claimant setting forth:
    - (i) the findings of fact;
    - (ii) the specific reason or reasons for the denial;
    - (iii) specific reference to pertinent Program provisions on which the denial is based;
    - (iv) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits;
    - (v) a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA; and,

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Gen. Pro., 15 (i)(vi)

- (vi) In the case of a claim for total and permanent disability benefits, the specific rule, guideline, protocol, or other similar criterion relied upon, if any, in making the adverse benefit determination or a statement that such rule, guideline, protocol, or other similar criterion was relied upon in making the adverse benefit determination and that a copy of such rule, guideline, protocol, or other similar criterion will be provided free of charge to the Claimant upon request.
  
- (j) A Claimant must follow the claims and review procedures described in this Section 15 before taking action in any other forum regarding a claim for benefits under the Program. Any suit or legal action initiated by a Claimant under the Program must be brought no later than one year following a final decision on the claim by the EBPC. This one-year limitation period on suits for benefits applies in any forum where a Claimant initiates such suit or legal action.

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**Section 16. Certain Provisions Required to Comply  
With Section 415 of the Internal Revenue Code**

- (a) For purposes of this section, the term "Annual Addition" means the sum, for any Limitation Year, of Corporation contributions and forfeitures allocated to an employee's account under all defined contribution plans or programs plus any employee contributions to such plans or programs and this Program. In addition, the term shall include amounts allocated to an individual medical account that is part of a pension plan maintained by the Corporation; and amounts derived from contributions paid or accrued after 1985 that are attributable to post-retirement medical benefits allocated to the separate account of a key employee (as defined in Section 419A(d)(3) of the Code) under a welfare benefit fund; and allocations under a simplified employee pension plan.
  
- (b) For purposes of this section, the term "Limitation Year" means the calendar year.
  
- (c) For purposes of this section, all defined benefit plans or programs of the Corporation will be treated as one defined benefit plan or program and all defined contributions plans or programs will be treated as one defined contribution plan or program.

Gen. Pro., 16(d)

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- (d) For purposes of this section, the term "Compensation" means an employee's compensation as evidenced by the Internal Revenue Service Form W-2, or its equivalent, plus amounts not currently includable in income by reason of Sections 125, 132(f)(4) or 402(e)(3) of the Code.
  - (1) An employee's annual benefit under the Program (excluding any benefits attributable to employee contributions) during any Limitation Year will not exceed the lesser of
    - (i) 100% of the employee's average Compensation during the employee's three consecutive highest paid years of service with the Corporation; or
    - (ii) \$90,000 for Limitation Years beginning on or after December 31, 1987, and before January 1, 2002, or \$160,000 for Limitation Years beginning on or after December 31, 2001 or such other amount prescribed by the Secretary of the Treasury applicable to the Limitation Year. As a result of an increased amount prescribed by the Code, an annual benefit limited by this provision in a prior year may be increased with respect to future payments to the lesser of the increased amount or the employee's annual benefit without regard to this provision.
  - (2) Annual benefits will be tested on the basis of an actuarially equivalent straight life annuity on the employee's life ignoring benefits not directly related to retirement income or death benefits payable prior to retirement and also ignoring benefits payable to the surviving spouse of a retired employee. In the event that

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Gen. Pro., 16(e)(2)

benefits commence before age 62, the dollar limitation under this Section 16(e)(1)(ii) will be adjusted so that it is the actuarial equivalent of an annual benefit of \$160,000, or such other adjusted amount prescribed by the Secretary of the Treasury, beginning at age 65. In the event that benefits commence after age 65, the dollar limitation as described under Section 16(e)(1)(ii) will be increased actuarially to be the equivalent of an annual benefit of \$160,000, or such other adjusted amount prescribed by the Code, beginning at age 65.

In the event that benefits commence prior to age 55 for Limitation Years beginning before December 31, 1983, the benefit will be adjusted to the actuarial equivalent of a benefit commencing at age 55, for purposes of testing the limitation amount applicable under Section 16(e)(1)(ii) above.

Effective December 31, 1994, actuarial adjustments provided for in this subsection (g)(2) will be made using the mortality table described in General Provision 1(g) and 5% annual interest, (or the interest rate described in General Provision 1(g) to convert a straight life annuity to a form of payment subject to 417(e) of the Code) or the factors or assumptions used in the Program, whichever provides the lower benefit.

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Gen. Pro., 16(e)(3)

- (3) If an employee has less than 10 years of credited service with the Corporation, the limitation under Section 16(g)(1)(i) with respect to the employee's benefit as otherwise determined will be proportionately reduced. If an employee has less than 10 years of participation in this Program, the limitation under Section 16(g)(1)(ii) with respect to the employee's benefit will be adjusted by multiplying such amount by a fraction, the numerator of which is the employee's years of participation in this Program, and the denominator of which is 10.
  
- (4) In the case of an employee who had credited service prior to October 3, 1973, the limitation described in paragraph (1) preceding will not be less than the employee's benefit (excluding any benefit attributable to employee contributions) based on the terms of the Program as in effect on October 2, 1973 and based on the continuation of such employee's Compensation at the rate in effect on October 2, 1973. The limitation applicable to an employee who broke credited service before October 3, 1973 will be the deferred retirement benefit payable to the employee determined as of the date credited service was broken.
  
- (5) In the case of an employee who was a participant in this Program prior to January 1, 1983 or January 1, 1987, the limitation described in Section 16(e)(1)(ii) will not be less than the employee's accrued benefit as of December 31, 1983 or December 31, 1987 respectively, under the terms and conditions of this Program as in effect on such date.

**Section 17. Certain Provisions Required to Comply  
With Section 416 of the Internal Revenue Code**

In any Plan Year in which the Program is a "Top-Heavy Plan", as defined in Section 416 of the Code, the requirements of this section are applicable and must be satisfied.

(a) **Definitions**

- (1) "Cumulative Account" means the sum of an employee's accounts under a defined contribution plan (for an unaggregated plan), or under all defined contribution plans included in an aggregation group (for aggregated plans), determined as of the most recent plan valuation date within a 12-month period ending on the Determination Date, increased by any contributions due after such valuation date and before the Determination Date.
- (2) "Cumulative Accrued Benefit" means the sum of benefits under a defined benefit plan (for an unaggregated plan) determined under the actuarial assumptions set forth in such plan, or the sum of benefits under all defined benefit plans included in an aggregation group (for aggregated plans) determined under the same actuarial assumptions, calculated as of the most recent plan valuation date within a 12-month period ending on the Determination Date as if the employee voluntarily terminated service as of such valuation date.
- (3) "Determination Date" means the last day of the preceding Plan Year.

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Gen. Pro., 17(a)(4)

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- (4) "Valuation Date" means the last day of a Plan Year as of which date participants' accounts will be valued at fair market value and as of which date the present value of accrued benefits will be valued.
  - (5) "Key Employee" means any employee described in Section 416(l)(1) of the Code.
  - (6) "Top-Heavy Plan" means for any plan year beginning after 1983, this Program is top-heavy if any of the following conditions exist:
    - (a) if the top-heavy ratio for this Program exceeds 60 % and this Program is not part of any required aggregation group or permissive aggregation group of plans;
    - (b) if this Program is a part of a required aggregation group of plans (but which is not part of a permissive aggregation group) and the top-heavy ratio for the group of plans exceeds 60 %; or
    - (c) if this Program is a part of a required aggregation group of plans and part of a permissive aggregation group and the top-heavy ratio for the permissive aggregation group exceeds 60 %.

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(7) **Top-Heavy Ratio**

- (a) If the Corporation maintains one or more defined benefit plans and the Corporation maintains one or more defined contribution plans which during the 5-year period (one year period after October 1, 2002) ending on the Determination Date(s) has any account balances, the top-heavy ratio for any required or permissive aggregation group, as appropriate, is a fraction, the numerator of which is the sum of the present value of accrued benefits determined in accordance with (b) below, and the sum of account balances under the aggregated defined contribution plan or plans for all key employees as of the Determination Date(s), and the denominator of which is the sum of the present values of accrued benefits under the aggregated defined benefit plan or plans, determined in accordance with (b) below, for all participants and the sum of the account balances under the aggregated defined contribution plan or plans for all participants as of the Determination Date(s), all determined in accordance with Section 416 of the Code . The account balances under a defined contribution plan in both the numerator and denominator of the top-heavy ratio are adjusted to include any distribution of an account balance made in the five year period (one year period after October 1, 2002) ending on the Determination Date.

Gen. Pro., 17(a)(7)(b)

- (b) For purposes of (a) above, the value of account balances and the present value of accrued benefits will be determined as of the most recent valuation date that falls within or ends with the 12-month period ending on the Determination Date. The account balances and accrued benefits of a participant
- (i) who is not a Key Employee but who was a Key Employee in a prior year, or
  - (ii) who has not received any compensation from any employer maintaining the plan at any time during the 5-year period (one year period after October 1, 2002) ending on the Determination Date will be disregarded. The calculations of the top-heavy ratio, and the extent to which distributions, rollovers, and transfers are taken into account will be made in accordance with Section 416 of the Code. When aggregating plans, the value of account balances and accrued benefits will be calculated with reference to the Determination Dates that fall within the same calendar year.

The accrued benefit of a participant other than a Key Employee will be determined under (aa) the method, if any, that uniformly applies for accrual purposes under all defined benefit plans maintained by the employer, or (bb) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of Section 411(b)(1)(C) of the Code.

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Gen. Pro., 17(a)(8)

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- (8) "Permissive Aggregation Group" means the required aggregation group of plans plus any other plan or plans of the Corporation which, when considered as a group with the required aggregation group, would continue to satisfy the requirements of Sections 401(a)(4) and 410 of the Code.
  - (9) "Required Aggregation Group" means: (i) each qualified plan of the Corporation in which at least one key employee participates, and (ii) any other qualified plan of the Corporation which enables a plan described in (i) to meet the requirements of Sections 401(a)(4) or 410 of the Code.
  - (10) "Present Value" means the present value of accrued benefits which are determined based on actuarial factors including an interest rate assumption of 7% and the UP 1984 mortality table.

(b) **Minimum Accrued Benefit**

- (1) Notwithstanding any other provision in this Program except (3) and (4) below, for any Plan Year in which this Program is top-heavy, each participant who is not a Key Employee and has completed 1,000 hours of service will accrue a benefit (to be provided solely by employer contributions and expressed as a life annuity commencing at Normal Retirement Age) of not less than 2% of the highest average Compensation for the five consecutive years for which the participant had the highest Compensation. The minimum accrual is determined without regard to any Social

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Gen. Pro., 17(b)(1)

Security contribution. The minimum accrual applies even though under other Program provisions the participant would not otherwise be entitled to receive an accrual, or would have received a lesser accrual for the year because (i) the non-Key Employee fails to make contributions under Part B of the Program, (ii) the non-Key Employee's Compensation is less than a stated amount, (iii) the non-Key Employee is not employed on the last day of the accrual computation period, or (iv) the Program is integrated with Social Security.

- (2) For purposes of computing the minimum accrued benefit, Compensation will include all Compensation, as that term is defined for Section 415 of the Code.
- (3) No additional benefit accruals will be provided pursuant to (1) above to the extent that the total accruals on behalf of the participant attributable to employer contributions will provide a benefit expressed as a life annuity commencing at Normal Retirement Age that equals or exceeds 20 % of the participant's highest average Compensation for the five consecutive years for which the participant had the highest Compensation.
- (4) All accruals of an employer derived benefit, whether or not attributable to years for which the Program is top-heavy, may be used in computing whether the minimum accruals requirements of paragraph (3) above are satisfied.

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Gen. Pro., 17(c)

(c) **Maximum Compensation**

Annual Compensation of any employee will not be taken into account under the Program in excess of \$170,000 or \$14,166.66 per month effective October 1, 2000, (\$200,000 or \$16,666.66 per month effective October 1, 2002) or as adjusted under the Code.

(d) **Minimum Vesting**

- (1) For any plan year in which this Program is top-heavy, the following minimum vesting schedule will automatically apply:
  - (a) 20% vesting after 2 years of service;
  - (b) 40% vesting after 3 years of service;
  - (c) 60% vesting after 4 years of service;
  - (d) 80% vesting after 5 years of service; and
  - (e) 100% vesting after 6 years of service.

The minimum vesting schedule applies to all accrued benefits within the meaning of Section 411(a)(7) of the Code except those attributable to employee contributions. Further, no reduction in vested benefits may occur in the event the Program's status as top-heavy changes for any plan year. Any participant who has completed at least three years of service when the Program ceases to be top-heavy, may elect to remain under this

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Gen. Pro., 17(d)(1)

vesting schedule with respect to such participant's accrued benefit determined at any time following the date the Program ceases to be top-heavy. However, this section does not apply to the accrued benefits of any employee who does not have an hour of service after the Program has initially become top-heavy and such employee's accrued benefits attributable to employer contributions will be determined without regard to this section.

- (2) The minimum accrued benefit required (to the extent required to be nonforfeitable under Section 416(b) of the Code) may not be suspended or forfeited under Sections 411(a)(3)(B) or 411(a)(3)(D) of the Code.

**(e) Distributions for Certain Key Employees**

Notwithstanding any other provision of this Program, if a Key Employee is a 5% owner (as defined in Section 416 of the Code) in the plan year in which the employee attains age 70-1/2, benefit distributions will commence no later than April 1 of the following plan year (whether or not the employee has retired).

**(f) Determination of Super Top Heaviness**

The Program will be super top-heavy if it would be a top-heavy plan under the provisions of (a)(6), but substituting "90%" for "60%" in such provisions.

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Gen. Pro., 17(g)

(g) **Adjustments in Section 415 Limits**

For any plan year in which the Program is top-heavy, for purposes of the limitations on contributions and benefits under Section 415 of the Code in effect before January 1, 2002, the dollar limitations in the defined benefit plan fraction and the defined contribution plan fraction will be multiplied by 1.0 rather than 1.25.

(h) **Account Balances and Accrued Benefits**

Account balances and accrued benefits will be calculated to include all amounts attributable to both Corporation and employee contributions.

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Appendix A

## APPENDIX A

For the sole purpose of Part A, Article II, Section 11 of this Program, the following salaried positions are designated asbestos jobs in each listed plant location under the conditions specifically set forth herein. No other salaried position is designated as an asbestos job.

As of April 1, 1991, no Delphi unit or salaried position is involved in the blending and processing of raw asbestos.

Prior to April 1, 1991, the plant records at the Delphi E/C Wisconsin-Needmore plant will determine the positions that are subject to the provisions of Part A, Article II, Section 11.

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