
From: House Joseph [House.Joseph@pbgc.gov]
Sent: Wednesday, April 15, 2009 12:44 PM
To: Feldman, MatthewDisabled
Cc: Brad Robins
Subject: PBGC Follow-Up -- Pension Numbers
Attachments: Pension Summary_Delphi_04.15.09.ppt

> Matt,
>
> Attached is a two-page summary on Delphi/GM pension matters.
>
> We don't have Delphi minimum funding projections on a stand-alone
> basis, as Delphi cannot afford its pension obligations on its own. The
> PBGC has perfected approximately \$160 million in foreign liens on
> behalf of the Delphi Salaried Plan. We expect that number will
> increase by another \$20 million today, as a contribution is due.
> Because of the first tranche of the 414(1) transfer to GM effected
> last September, Delphi has no contributions due on its Hourly Plan as
> of today, and no liens have arisen.
>
> The attached contains two pages:
>
> 1. Delphi Snapshot Summary is based on a hypothetical termination date
> of January 31, 2009. The interest rates we use to discount the
> liabilities have fallen by about 50 basis points, and we expect the
> underfunding may be somewhat higher when we run these numbers again
> this month using more current assets and April interest factors.
>
> 2. GM Minimum Funding Contributions illustrate the potential
> incremental funding from an assumption by the GM Hourly and Salaried
> Plans of the Delphi Hourly and Salaried Plans, respectively. These
> scenarios have been run using current law, and do not reflect any
> additional funding relief GM may or may not receive.
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> <<Pension Summary_Delphi_04.15.09.ppt>>
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GM/Delphi Pension Summary—April 15, 2009

Delphi Pension Summary Snapshot (All Plans)—January 31, 2009 Plan Termination Date

(\$ in millions)	Assets	Benefit Liabilities	Unfunded Benefit Liabilities	BL Funded Percent	Guaranteed Liabilities	Unfunded Guaranteed Liabilities	Participants			
							Active	Deferred Vested	Retirees Total	
Delphi Hourly-Rate Employees Pension Plan	3,682.6	7,694.1	4,011.5	47.9%	7,473.0	3,790.4	11,872	5,148	27,577	44,597
Program for Salaried Employees	2,326.3	5,042.5	2,716.2	46.1%	4,504.3	2,178.0	10,206	2,585	7,412	20,203
ASEC Manufacturing	16.2	30.2	14.0	53.6%	30.2	14.0	0	425	108	533
Mechatronic Systems Retirement	5.5	7.9	2.4	69.6%	7.2	1.7	81	62	5	148
Packard-Hughes Interconnect Bargaining	4.4	15.9	11.5	27.7%	14.8	10.4	15	70	80	165
Packard-Hughes Interconnect Non-Bargaining Retirement Plan	15.0	41.9	26.9	35.8%	39.2	24.2	145	1,007	231	1,383
Total Delphi	\$6,050.0	\$12,832.5	\$6,782.5	47.1%	\$12,068.7	\$6,018.7	22,319	9,297	35,413	67,029

Notes:

- PBGC estimates based on hypothetical termination date of 1/31/09
- PBGC valuation discount rates are those for January 2009 — 6.02% first 20 years, 5.48% thereafter
- Assets used were the actual assets as of 1/31/2009
- Unfunded Guaranteed Liabilities are rough estimates and do not reflect application of PBGC's guarantee limitations or Section 4044 asset allocations.

Contains confidential information; please limit distribution accordingly.



GM/Delphi Pension Summary—April 15, 2009

GM Minimum Funding Contribution Scenarios

Hourly Plan Scenario	Calendar Year Cash Contributions (in billions)										Total	PV at 10/1/09
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		
Baseline	-	-	-	-	\$5.9	\$6.3	\$0.9	\$0.0	-	-	\$13.1	\$9.9
GM Hourly Assumes Delphi Hourly	\$0.5	-	-	-	\$6.3	\$6.9	\$1.2	\$0.1	-	-	\$15.0	\$11.3

Salaried Plan Scenario	Calendar Year Cash Contributions (in billions)										Total	PV at 10/1/09
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		
Baseline	-	-	-	-	-	-	\$0.5	\$0.2	\$0.0	-	\$0.7	\$0.5
GM Salaried Assumes Delphi Salaried	\$0.3	-	-	-	\$0.1	\$1.2	\$1.1	\$0.2	-	-	\$2.9	\$2.1

Baseline contributions are those presented in GM's February 17, 2009 submission to Treasury; for the Hourly Plan, the baseline includes incremental contributions associated with the Delphi Benefit Guarantee, under the assumption that the Delphi Hourly Plan is terminated and trustee by the PBGC.

The scenarios where the Delphi Hourly and Salaried Plans are assumed by the respective GM plans were constructed by PBGC's actuaries based on current law and GM's assumptions for expected asset returns.

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