

Questions and Answers
IUE-CWA-GM-Delphi
Special Attrition Program
Dated June 16, 2006

General

Q1. What is the eligibility cutoff date for these packages?

A. The eligibility cutoff date for the pre-retirement leave option is July 1, 2006. The eligibility cutoff date for all other options under the Special Attrition Program is January 1, 2007.

Q2. When does the application period start?

A. The application period started the day the program was rolled out to the workforce (June 26, 2006). Employees will have 45 calendar days to decide to sign-up for the option they desire. After submitting the election form the employee has 7 calendar days to revoke their election if they change their mind.

Q3. When does the application period end?

A. The application period ends on the 45th day – at 5:00 PM on Wednesday August 9, 2006

Q4. Where do I turn in Form A (Election Form) and Form B (Participation Release)?

A. These forms are turned in at Hourly Personnel – NRR, Plant 11, 2nd Floor

Q5. If I check the box and transition to GM in order to retire, am I considered a GM retiree?

A. Yes

Q6. If I check the box to retire and all my credited service is with Delphi, will I have a GM pension or a Delphi pension?

A. You will receive your healthcare and life insurance from GM and the pension will be paid by the Delphi Pension Trust. The check you will receive will be a GM check.

Q7. What happens to my pension if I check the box and Delphi fails to meet its pension benefit obligation after October 18, 2007?

A. Questions regarding a change in pension benefits after October 18, 2007 should be directed to GM or your IUE-CWA representative.

Q8. If I check the box, does GM or Delphi cover my Health Care?

A. GM

Q9. I understand that GM recently made changes to their Health Care plan, will that affect me if I check the box?

A. Yes – Any increase cost sharing that GM would make to their healthcare plan would also impact employees who check the box. Delphi has also recommended changes to the current healthcare plan that would increase the cost to employees and would eliminate healthcare in retirement.

Q10. What is the difference between the current Delphi Health Care Plan and the GM Health Care Plan for retirees?

A. Questions regarding the GM Health Care Plan should be directed to GM or your IUE-CWA representative.

Q11. Can a retirement eligible employee take the buyout?

A. Yes.

Q12. Can I check the box if I take the buyout?

A. No

Q13. If a married couple works at Delphi and one of them takes the buyout and the other takes a retirement, can the one who took the buyout go on their spouse's healthcare?

A. Yes

Q14. How quickly can I leave (retirement or buyout)?

A. At Management's discretion but no later than January 1, 2007 unless the Parties mutually agree to extend the date.

Q15. I know retirements are only effective at the first of the month, what about the buyouts?

A. The buyouts can occur at anytime during the month, at your supervisor's discretion.

Q16. If I am on a leave absence (sick leave, personal leave, educational leave, etc), or a temporary layoff do I need to return to work to qualify?

A. No

Q17. If I have already retired from Delphi can I check the box for health care at GM?

A. No. You have already retired.

Q18. If I take the buyout will I be eligible for IUEP (tuition assistance)?

A. No

Q19. If an employee turns age 60 on January 1, 2007 and does not have 30 years of credited service but has 10 or more years of credited service, would they be eligible for a 60&10 voluntary retirement?

A. An employee attaining age 60 effective January 1, 2007 with 10 or more years of credited service is eligible to retire effective February 1, 2007.

Q20. Will a suggestion award that has not been paid or approved for payment at the time an employee takes the buyout still be eligible to receive the award?

A. The suggestion cash award (or non-monetary award) should be paid as long as the employee was on "active" roll at the time of the submission.

Q21. Is there a limit to how many employees can participate and check the box?

A. No

Q22. Who can witness the signature on the Forms A & B

A. Anyone can witness your signature

Q23. Does Forms A & B have to be notarized?

A. No

Lump Sums

Q1. How long will it take to receive the lump sum payments?

A. These payments will be processed within four weeks after the commencement of the employee's retirement or buyout or as soon as practicable.

Q2. Can I put all or part of my lump sum in my PSP?

A. No

- Q3. What types of retirements are eligible for the \$35,000 payment?**
A. Normal or Early Voluntary Retirements are eligible for the \$35,000. These retirements include employees that are older than 65 with credited service, 85 points (age + credited service), 60 years of age with 10 years of credited service, or 30 or more years of credited service.
- Q4. Are employees electing the Mutually Satisfactory Retirement (Age 50 but less than 62 with 10 years of credited service) eligible for the \$35,000 payment?**
A. No
- Q5. How much tax will come out of the lump sum payments and will local taxes be taken out?**
A. In certain situations, the total tax rates could be over 37% depending on earnings and the number of dependents currently being claimed. Federal taxes will be taken out of each lump sum payment at a flat rate of 25% regardless of the pay period. The entire lump sum will also be subject to withholding for Social Security Hospital Insurance (FICA-HI) at the rate of 1.45% and the Social Security Old Age and Disability (FICA-OASDI) at the rate of 6.2% on a wage base of \$94,200 for the 2006CY as applicable. Any applicable state tax rate is generally a progressive tax applied in accordance with the current W-4 Form on file for each employee. All local taxes will be deducted as applicable.
- Q6. Will FICA-HI and FICA-OASDI be withheld from the retroactive \$35,000 for individuals already retired?**
A. Yes
- Q7. If an employee retired prior to June 16, 2006 and has subsequently died, will the Estate receive the \$35,000 if the employee was otherwise eligible?**
A. Yes, if the employee retired October 1, 2005 or later under the program the estate would be entitled to the \$35,000 if otherwise eligible.
- Q8. Can someone who is drawing a 70½ pension distribution retire and get the \$35,000?**
A. Yes
- Q9. If I have a GMAC loan will that be held out of the lump sum?**
A. No
- Q10. If a worker who has 30 years and dies today without signing anything, will the spouse (or estate) get the \$35,000?**
A. No
- Q11. If an employee elects the \$140,000 buyout but does not have 10 years of seniority or credited service, would their election be voided or would their amount automatically be reduced to \$70,000?**
A. Employees must meet all necessary requirements to receive any option selected under the Special Attrition Program. If an employee selects an option for which he or she is not eligible, Delphi will advise the employee of their ineligibility for the selected option and allow the employee to separate under another option for which the employee is eligible or void the election.

Pre-retirement Leave

- Q1. If I elect the pre-retirement program, are my benefits considered active or retired?**
A. You will be considered as an active employee, with the exception of COLA and vacation accrual.
- Q2. If an employee signs up for the pre-retirement program and dies while on the program, what is the spouse entitled to receive?**
A. Employees who are in the pre-retirement program are treated the same as employees in protective status for the purposes of benefits for the beneficiaries of deceased employees.
- Q3. If I elect the pre-retirement program, can my rate of pay be changed?**
A. Wages will remain at their initial specified rate until 30 years of credited service is accrued.
- Q4. If I do not qualify by hours worked to attain my 30 years until after July 1st, will the eligibility date be extended?**
A. No
- Q5. If I am on the pre-retirement program, will I be eligible for the Tuition Assistance as an active or as a retired employee?**
A. Active
- Q6. If I elect the pre-retirement program, may I continue to contribute into my PSP?**
A. Yes
- Q7. Will State taxes and FICA be taken out of the pre-retirement hourly pay?**
A. Yes
- Q8. If I'm in the pre-retirement program can that be changed to 85 points?**
A. No
- Q9. If an employee is on "active" pre-retirement status and becomes terminally ill, can they apply for Total and Permanent Disability (T&PD) retirement?**
A. Yes and the application will be processed in accordance with the terms of the Delphi Hourly Rate Pension Plan
- Q10. If I choose the pre-retirement program, which contract do I retire under?**
A. The year you actually retire is the contract you will retire under when you reach 30 years credited service.
- Q11. Will there be payroll deduction for Optional Life and Dependent Life under the pre-retirement program?**
A. Yes
- Q12. If the retirement benefit rates increase at GM during the time an employee is on the pre-retirement program, when they retire will they receive these increases?**
A. Persons entering the pre-retirement program remain Delphi active employees until they accrue 30 years of credited service under the Delphi Hourly-Rate Employees Pension Plan (HRP) and retire. At that point they will receive the pension benefit for which they are eligible under the Delphi HRP. Delphi is currently pursuing a freeze of the HRP which would result in no further increases to the Delphi HRP benefit. Questions regarding any eligibility for GM pension benefits should be directed to GM or your IUE-CWA Representative.

- Q13. If an employee is on the pre-retirement program and becomes ill or injured can they apply for Sickness and Accident benefits (S&A), Workers Compensation (WC), or T&PD depending on which is applicable?**
- A. Yes, eligibility for S&A will be based on the Life and Disability Benefit Plan provisions, eligibility for WC will be based on the State Law provisions and eligibility for T&PD will be based on the Delphi HRP provisions.
- Q14. If an employee is in the pre-retirement program and they subsequently become eligible for a Social Security disability benefit, how would this impact their wages?**
- A. The employee is considered an active employee while in the pre-retirement program and would continue to receive their weekly wages specified under the Special Attrition Program until they become eligible to retire. The employee should contact Social Security to determine any impact their weekly wages may have on the receipt of Social Security disability benefits. Once an employee retires, the Delphi HRP provisions will apply for the coordination of a supplement or temporary benefit payable while receiving Social security disability benefits

NBU / NTBU

- Q1. If I am an NBU do I qualify for this attrition program?**
- A. No. The special attrition program was developed for bargaining unit members only.
- Q2. If I am an NBU can I return to the bargaining unit?**
- A. If you had prior bargaining unit time you are eligible to return to the bargaining unit.
- Q3. If I am an NBU and return to the bargaining unit do I then qualify for the attrition program?**
- A. Yes.
- Q4. If I am an NBU and I return to the bargaining unit does my time as an NBU count toward my seniority and credited service?**
- A. Yes.
- Q5. I am an NBU can I convert to an NTBU and remain in my current position?**
- A. If you previously were a member of the bargaining unit and provided your management agrees that your position can be done by an NTBU, then you may remain on your current assignment.

Questions still trying to be answered

- Q1. If I take the buyout will I be eligible for State Unemployment?**
- Q2. If I take the buyout will I receive Trade Readjustment Act consideration?**