

**DELPHI**

**Letter of Comment No: 41**  
**File Reference: 1025-200**  
**Date Received: 10/27/03**

October 27, 2003

Director of Technical Application and Implementation Activities  
File Reference 1025-200  
Financial Accounting Standards Board  
401 Merritt 7  
P.O. Box 5116  
Norwalk, CT 06856-5116

Dear Director of Technical Application and Implementation Activities:

Delphi Corporation respectfully submits our comments and suggestions on the Proposed Statement of Financial Accounting Standards, "Employers' Disclosures about Pensions and Other Postretirement Benefits". For your background information, we maintain several significant defined benefit pension plans. Currently, these plans are underfunded and we have had numerous conversations with our investors and shareholders about pension accounting over the past eighteen months.

We believe that the liability and asset reconciliation benefits users of the financial statements, and should remain a required disclosure. Although we recognize that the new disclosure rules would include most of the same information, disclosure of plan amendments and actuarial gains/losses is not required anywhere else. Accordingly, we believe that a tabular presentation is the most effective and transparent method of disclosure of current year activities.

We further recommend that the inclusion of a sensitivity analysis (i.e. discount rate and asset returns) in the disclosure requirements would provide information that is useful to the users of financial statements. We voluntarily provided this disclosure in 2002, and have received feedback from our investors and shareholders that this is a valuable tool.

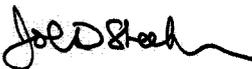
We also recommend that the Staff provide additional clarification surrounding certain of the proposed disclosures. For example, further information of the type of securities that should be considered in the calculation of the weighted average of maturity to clarify if this requirement includes all securities owned directly or indirectly (such as in mutual funds).

Several of the requirements, such as the weighted average of the maturity of securities held by the pension plan and estimated benefit payments over the next 5 years, we believe are more appropriate for the financial statements of pension plans rather than the financial statements of the organizations sponsoring pension plans. The cash flows associated with benefit payments have significant impact on the pension plan financial statements, however, these cash flows have little direct impact on the cash flows of the sponsoring organization.

Finally, given the scope of the proposed changes, we believe the staff must issue a final standard no later than December 1, 2003, if such standard will be required for the financial statements of companies with December 31, 2003 year-ends, such as Delphi. This will allow us adequate time to obtain new disclosure information from our third party providers and still file our Form 10-K in late January 2004 as currently planned.

Please contact me at (248) 813-2605 if you have any questions.

Sincerely,



John D. Sheehan  
Chief Accounting Officer and Controller