

Exhibit B

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

DENNIS BLACK, <i>et al.</i> ,)	
)	
Plaintiffs,)	Case No. 2:09-cv-13616
)	Hon. Arthur J. Tarnow
v.)	Magistrate Judge Donald A. Scheer
)	
Pension Benefit Guaranty Corporation, <i>et al.</i> ,)	
)	
Defendants.)	
)	

DECLARATION OF PAUL DOBOSZ

Pursuant to 28 U.S.C. § 1746, I, Paul Dobosz, declare under penalty of perjury as follows:

1. I am a salaried retiree of Delphi Corporation. I am competent to make this declaration. Unless otherwise noted, the facts set forth herein are based on my personal knowledge.
2. I was employed by General Motors Corporation (GM) and Delphi Corporation (Delphi) after its spinoff from GM for a total of 36 years and 8 months. I retired on December 1, 2008.
3. During my career with GM and Delphi, I was employed in positions of increasing responsibility with assignments in the areas of product engineering, research and development, engineering management, and manufacturing management.
4. I have training in the areas of structured problem solving, data analysis and statistical methods.

5. The quality of my work has been recognized with Delphi's highest awards in the areas of innovation, intellectual property contributions, and extraordinary accomplishment.

6. I am a current recipient of a defined benefit pension payment from the Delphi Retirement Plan for Salaried Employees (Salaried Plan) which was terminated by the Pension Benefit Guaranty Corporation (PBGC) on July 31, 2009 whose termination is being challenged in these proceedings.

7. I am a founding member of the Delphi Salaried Retiree Association (DSRA) and serve as a member of its current governing board.

8. As an officer of the DSRA I have personally reviewed the Salaried Plan's PBGC Administrative Record along with various public record documents from the General Motors (GM) and Delphi bankruptcies related to the Salaried Plan and its termination.

9. I have conducted a detailed analysis of data gathered from additional public and private sources including statistical information from the DSRA membership database and publications of the Pension Benefit Guaranty Corporation.

10. I make this declaration in support of motions before this court concerning the termination of the Salaried Plan in dispute of certain allegations of fact by the PBGC.

I. The PBGC estimates of liability beyond actual plan assets do not appear to reflect plan participant demographics or the statutory limits on the payment of benefits by the PBGC.

11. In its administrative record, the PBGC has stated that its obligations under ERISA will generate a PBGC estimated unfunded liability of approximately \$2.1 billion beyond the Salaried Plan's asset value of approximately \$2.3 billion made on the date of plan termination. In the December 22, 2009 hearing before this court (which I attended), attorneys for the PBGC also

relied on similar figures, stating (in essence) that they believed that the \$2.1 billion estimate was correct within \$100 million. I have been unable to find any computational or supporting data in the administrative record that actually purports to estimate the PBGC's potential liability by taking into account the statutory limits by which the PBGC must estimate its maximum guaranteed benefit payments. I question the accuracy of this unsubstantiated estimate based on my own review of:

- Statutory limits upon maximum guaranteed benefit payments.
- Demographic data from DSRA membership records which includes a majority of Salaried Plan beneficiaries currently in pay status.
- Data taken from the recently published PBGC *Pension Insurance Data Book 2008* containing statistical data on 2008 benefit payment amounts to almost 640,000 current PBGC beneficiaries from plans administered by the PGCC.
- Actual PBGC benefit estimates recently received by DSRA members.

12. The PBGC's estimated unfunded liability of \$2.1 billion when combined with the Salaried Plan assets of approximately \$2.3 billion at the time of plan termination equate to approximately \$4.4 billion in total assets available to fund benefits against a total Salaried Plan liability of approximately \$5.1 billion. Those total assets (Salaried Plan and PBGC estimated liability) represent about 87% of the total liability of the Salaried Plan. Statutory limits, when applied to actual Delphi salaried retiree demographics, fail to support the 87% combined funding level estimated by the PBGC for the following reasons:

- The Salaried Plan beneficiary demographics are unusually young. The relative youth of Delphi Salaried Retirees stems from the fact that persons who retired prior to 1999 are beneficiaries of the corollary GM pension plan, making the mean age of Salaried Plan retirees well below those of a normal defined benefit pension plan. (see Attachment A).
- Under the Salaried Retiree plan, younger retirees often receive a supplemental payment until their first eligibility for Social Security benefits (age 62). These supplemental payments are not insured by the PBGC. Since these supplements

are often substantial it results in large immediate pension reductions to the retiree when the PBGC terminates a plan.

- In 2006, 2007, and 2009, Delphi heavily incentivized the early retirement of increasingly younger salaried employees as a tool to reduce salaried employee headcount. This resulted in a much younger retiree population vulnerable to larger statutory benefit reductions due to their young age at the date of plan termination.
- A large percentage of salaried retirees earned monthly pension benefits that exceed the age indexed PBGC maximum guarantee because of both the younger age of the retiree and the amount of the benefit.
- The PBGC uses a much less favorable formula for calculating the reduction of pension benefits to fund spousal survivor benefits, further reducing the monthly benefit paid by the PBGC.

13. The over-representation of younger retirees in the Salaried Retiree Plan means that DSRA members are disproportionately affected by PBGC penalties imposed on early retirees. See 29 C.F.R. 4022.23; PBGC Maximum Monthly Guarantee Tables (Attachment D).

14. Shortly after the Salaried Plan termination was announced, I made a preliminary estimate of the impact of the termination on our DSRA membership using demographic data from the membership database. My preliminary estimate showed that approximately 70% of DSRA membership was vulnerable to significant reduction of their pension due to their age on the date of plan termination and the statutory limits on the amount of benefits the PBGC can pay beneficiaries. Using the age demographics of our members, I estimated losses for about 70% of retirees currently receiving a pension ranging from 30% to as much as 70% for younger retirees who are receiving uninsured early retirement supplements. As discussed below, this estimate has been substantiated by the actual estimated benefit statements that the PBGC has issued thus far. As an example, one retiree with over 30 years of service who received his benefit election forms from the PBGC saw

combined age-based and surviving-spouse benefit reductions of 51%, making the PBGC paid benefit a mere 49% of his full earned pension benefit.

15. Since that preliminary estimate, I have received a benefit reduction notice from the PBGC; many other Delphi salaried retirees in pay status (i.e., receiving pension checks) have also received these notices. Data from a significant sample of these initial notices validates my original estimate that a large percentage of retirees in pay status will see reductions of between 30% and 70%. A sampling of 238 PBGC notices showed the largest reduction to date at 68% with over half of the reductions exceeding 22%. Over 72% of the 238 reductions exceeded the 13% that reflects the PBGC's estimate of their unfunded plan liability. A summary showing the distribution of these reported PBGC reductions received by retirees is contained in attachment B. The average loss of beneficiary payments is closer to a 25% reduction than the 13% the PBGC would suggest.

II. The re-calculation of the cost of the surviving spouse benefit further reduces individual benefit levels for a large percentage of retiree of all ages.

16. The increased cost of the surviving spouse benefit affects all retirees who elected the option at the time of retirement, regardless of age on the date of termination. Although the formula and method of calculation has been requested from the PBGC by the DSRA, it has not yet been supplied. Therefore, I used actual reductions shared with me by persons who have received a benefit estimate from the PBGC to come up with a reasonable approximation of the formula. The sampling of data taken from PBGC estimated benefit statements showed about an 8% reduction for persons not impacted by maximum guarantee limits to fund their surviving-spouse benefit.

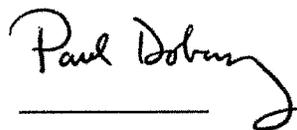
III. Most recent data from the PBGC annual report shows that its current beneficiary payments do not support pension benefits anywhere close to the typical Delphi pension benefit.

17. Each year the PBGC publishes a report with detailed data on its operations including statistical data about payments to beneficiaries of terminated plans. The most recent report for the year of 2008 (*Pension Insurance Data Book 2008*) was published in the summer of 2009. During my review of the report I was drawn to table S-26 entitled "*Total PBGC Payees and Benefit Payments by Size of Monthly Payment (2008) Single Employer Program*" (Attachment C). This table showed beneficiary payment data with the benefit amounts paid to almost 640,000 people whose plans were administered by the PBGC during 2008. The data showed that fewer than 2% of the total 639,405 payees were receiving payments from the PBGC even approaching the benefit amounts currently received by Delphi retirees. The chart also clearly showed that over 50% of PBGC payees were receiving less than \$300 per month and over 75% were receiving less than \$750 per month. Given the data in this report, the typical Delphi Salaried Plan pension amount (which ranges between \$3000 and \$4000 monthly), young retiree demographics, and data from recently received PBGC estimates, I cannot credit or even meaningfully examine the PBGC's assertion of 87% protection of pension benefits without further explanation of how that liability was computed.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: January 6, 2010

Noblesville, Indiana

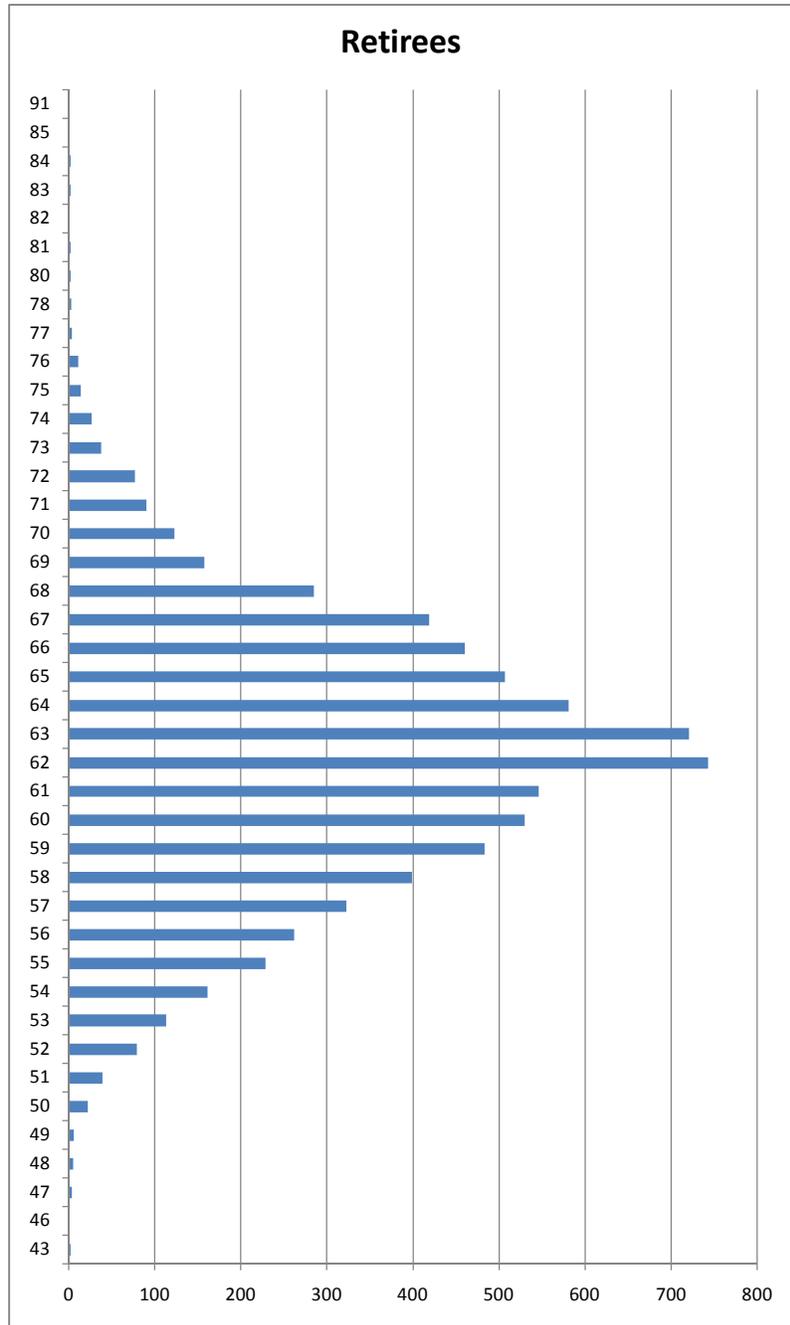
A handwritten signature in cursive script that reads "Paul Dobosz". The signature is written in black ink and is positioned above a horizontal line.

PAUL DOBOSZ

Attachment A

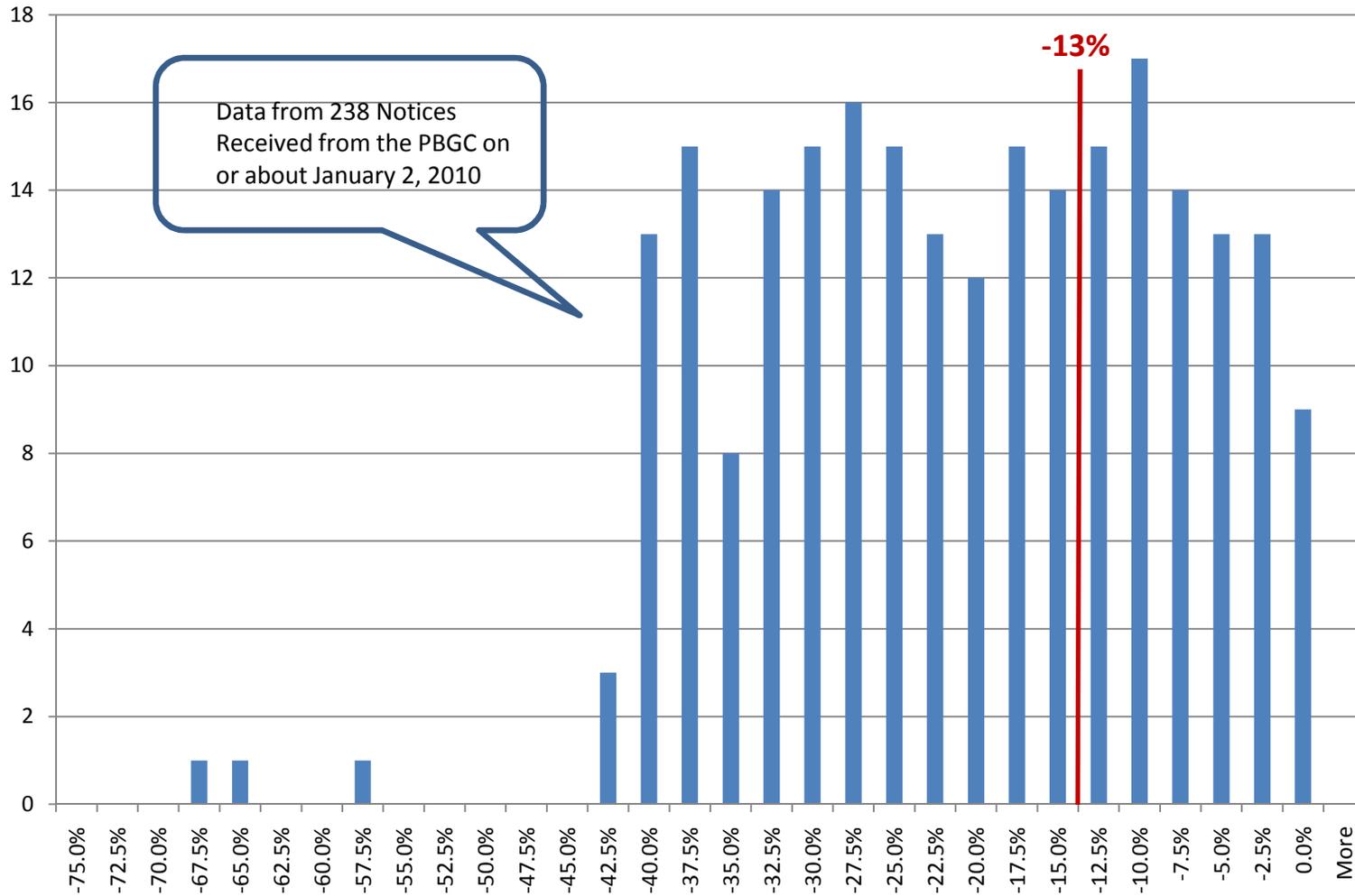
Delphi Salaried Retiree Age Demographics

Age	Retirees	Group	
91	1	2227	Medicare
85	1		
84	2		
83	2		
82	1		
81	2		
80	2		
78	3		
77	4		
76	11		
75	14		
74	27		
73	38		
72	77		
71	90		
70	123		
69	158		
68	285		
67	419		
66	460		
65	507		
64	581		
63	721		
62	743		
61	546		
60	530		
59	483		
58	399		
57	323		
56	262		
55	229		
54	161	432	Pre-HCTC
53	113		
52	79		
51	39		
50	22		
49	6		
48	5		
47	4		
46	1		
43	2		
	7476	7476	



Attachment B

Reduction Percentages of Retirees Receiving PBGC Notices



Attachment C

Table S-26

Total PBGC Payees and Benefit Payments by Size of Monthly Payment (2008) Single-Employer Program

Monthly Payment	Total Payees		Total Pension Payments	
Less than \$50	38,280	6.0%	\$15,293,857	0.4%
\$50 - \$99	90,962	14.2	84,944,309	2.0
\$100 - \$149	73,699	11.5	109,287,895	2.6
\$150 - \$199	49,463	7.7	104,069,846	2.5
\$200 - \$249	41,644	6.5	112,856,275	2.7
\$250 - \$299	32,050	5.0	107,073,415	2.5
\$300 - \$349	29,221	4.6	115,341,150	2.7
\$350 - \$399	23,394	3.7	106,589,316	2.5
\$400 - \$449	22,413	3.5	115,999,600	2.8
\$450 - \$499	19,299	3.0	112,022,768	2.7
\$500 - \$549	18,972	3.0	122,125,478	2.9
\$550 - \$599	17,229	2.7	121,492,755	2.9
\$600 - \$749	41,010	6.4	337,738,676	8.0
\$750 - \$999	43,091	6.7	460,561,395	10.9
\$1,000 - \$1,499	51,004	8.0	776,270,556	18.4
\$1,500 - \$1,999	24,088	3.8	516,826,316	12.3
\$2,000 - \$2,499	10,899	1.7	299,250,885	7.1
\$2,500 or more	12,687	2.0	593,120,991	14.1
TOTAL	639,405	100.0%	\$4,210,865,486	100.0%

Sources: PBGC Participant System (PRISM), fiscal year calculations, and PBGC Management Reports.
 Due to rounding of individual items, numbers may not add up to totals and percentages may not add up to 100%.
 Numbers in table include periodic payees only.

Attachment D

PBGC Maximum Monthly Guarantees for 2009*

Age	2009 Straight-Life Annuity	2009 Joint and 50% Survivor Annuity**
65	\$4,500.00	\$4,050.00
64	\$4,185.00	\$3,766.50
63	\$3,870.00	\$3,483.00
62	\$3,555.00	\$3,199.50
61	\$3,240.00	\$2,916.00
60	\$2,925.00	\$2,632.50
59	\$2,745.00	\$2,470.50
58	\$2,565.00	\$2,308.50
57	\$2,385.00	\$2,146.50
56	\$2,205.00	\$1,984.50
55	\$2,025.00	\$1,822.50
54	\$1,935.00	\$1,741.50
53	\$1,845.00	\$1,660.50
52	\$1,755.00	\$1,579.50
51	\$1,665.00	\$1,498.50
50	\$1,575.00	\$1,417.50
49	\$1,485.00	\$1,336.50
48	\$1,395.00	\$1,255.50
47	\$1,305.00	\$1,174.50
46	\$1,215.00	\$1,093.50
45	\$1,125.00	\$1,012.50

* Amounts shown ignore IRC Section 415 limits, which may reduce payable amounts

** Assumes participant and spouse are same age