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June 5, 2009

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President:

I am writing to express my strong objection to the decision to refer Delphi Corporation's salaried retiree pension plan to the Pension Benefit Guaranty Corporation (PBGC). I am honored to represent thousands of hourly and salaried retirees in the 26th Congressional District in Western New York and in my May 22, 2009 letter to the Task Force, I urged that pension obligations for both hourly and salaried retirees be assumed by GM. I therefore respectfully urge that the Treasury Department's Automotive Task Force demand reconsideration of this decision in advance of the June 10, 2009 U.S. bankruptcy hearing.

As you know, GM spun Delphi off in 1999, and today the company is GM's largest parts supplier. GM has agreed, as part of the restructuring agreement worked out by the Automotive Task Force, to take back five Delphi plants, including Delphi Thermal Systems in Lockport, NY and Delphi Powertrain in Rochester, NY. I believe these are positive steps to set both GM and Delphi on the right course for the future. I am also pleased to see that as part of its restructuring agreement with the Treasury Department, GM will assume the obligations of Delphi's hourly pension plan. This will help strengthen retirement security for thousands of families in my district and give them peace-of-mind during these difficult economic times.

I was dismayed, however, to learn that Delphi's salaried pension obligations will receive entirely different treatment through referral to the PBGC, where pension payments for these workers are liable to be cut drastically, if not eliminated entirely. In the interests of transparency and accountability, I believe the Task Force owes a full explanation of this decision to the workers, retirees and the public, who are now 60 percent owners in the new GM.

It is fundamentally unfair that two groups of retirees from the same company, who worked side-by-side for many years, and who are faced with the same unfortunate situation, are being treated so differently by the federal government. The 15,000 salaried Delphi retirees, most of whom worked for GM for almost their entire careers, deserve to be treated with fairness and equity during these proceedings. While the restructuring of America's auto industry will require shared sacrifice and responsibility, Delphi's salaried retirees are being forced to bear extra burdens that are not warranted and have not been explained.

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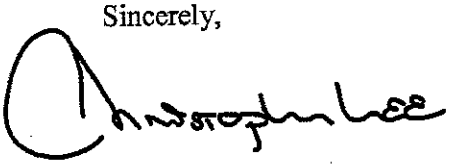
With a 60 percent stake in GM, your Task Force has enormous leverage to demand equitable treatment for hourly and salaried retirees by having GM assume the obligations of both plans. I respectfully urge you and the Automotive Task Force to demand the reconsideration of this decision before the June 10, 2009 U.S. bankruptcy court hearing set to ratify this inequitable agreement.

Thank you for your urgent consideration of this important matter. I look forward to hearing from you. Please do not hesitate to contact me if I can be of any assistance. Please accept my best regards.

Sincerely,



CHRISTOPHER J. LEE
Member of Congress

CC: The Honorable Steven Rattner
Lead Advisor on the Auto Industry
U.S. Department of Treasury

The Honorable Ron Bloom
Senior Advisor on the Auto Industry
U.S. Department of Treasury