




OFFICE OF THE SPECIAL INSPECTOR GENERAL

FOR THE TROUBLED ASSET RELIEF PROGRAM

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WASHINGTON, D.C. 20220

NOV - 3 2010

MEMORANDUM FOR: Timothy Massad – Acting Assistant Secretary for Financial Stability, Department of the Treasury

FROM: Neil M. Barofsky – Special Inspector General for the Troubled Asset Relief Program 

SUBJECT: Engagement Memo – Review of General Motor’s decision to “top-up” Delphi’s pension plan for hourly workers

As part of our continuing oversight of the Troubled Asset Relief Program, we are initiating an audit of General Motor’s (“GM”) decision to “top-up” Delphi’s pension plan for hourly workers. Our audit objectives are to review (1) Treasury’s role in GM’s decision to top-up the pension plan, and (2) whether the Administration or the Automotive Task Force pressured GM to provide additional funding for the plan. The objectives of this assignment may change as the audit progresses. We will keep you informed of any material change in our objectives.

We plan to start work on this engagement immediately. We will perform this work under engagement code 024. We expect to perform our fieldwork at the Office of Financial Stability, General Motors, Delphi, and other key organizational stakeholders. We will coordinate this work closely with the Government Accountability Office, which is also performing work on Delphi’s retirement plans. A member of my staff will contact you shortly to arrange an entrance conference. At that time, we will discuss our scope, methodology, and timeframes in more detail. In the meantime, please contact Kurt Hyde, Deputy Special Inspector General for Audit, at (202) 622-4633 / [kurt.hyde@do.treas.gov](mailto:kurt.hyde@do.treas.gov)).

cc: Jennifer Williams, Oversight Liaison, Office of Financial Stability