

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

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IN RE: DELPHI CORPORATION SECURITIES, DERIVATIVE : MDL No. 1725
& "ERISA" LITIGATION : Master Case No. 05-md-1725
: Hon. Gerald E. Rosen
: This Document Relates to:
: In Re: Delphi Corp. Securities Litig.
: No. 06-10026, and Case Nos. 06-10025, 06-10027,
: 06-10028, 06-10029, 06-10030, 06-10031, and 06-10032
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**SUMMARY NOTICE OF PROPOSED SECOND MODIFICATION TO THE
TERMS OF THE SETTLEMENT WITH CERTAIN DEFENDANTS**

YOU ARE HEREBY NOTIFIED that a proposed second modification ("Second Modification") to the terms of the settlement with certain defendants in the above-referenced Delphi Securities Action has been presented to, and tentatively approved by, the Court. This Second Modification amends the settlement terms set forth in the Stipulation and Agreement of Settlement With Certain Defendants (the "Stipulation") dated August 31, 2007, as amended on January 11, 2008 (the "First Modification"), which was approved by the Court on January 23, 2008 following a fairness hearing and notice to the Class. Unless stated otherwise, all terms capitalized herein are as defined in the Stipulation, as modified by the First Modification and the Second Modification.

The proposed Second Modification accelerates the timing and assures the payment of the Class's recovery but decreases the consideration received by the Class. A summary of the proposed modifications follows:

1. The Settlement will become effective independent of the occurrence of the Bankruptcy Effective Date and/or the substantial consummation of any Delphi plan of reorganization, and thus, the \$90.1 million in cash (plus interest), less Court-approved attorneys' fees and expenses, currently being held in escrow will be distributed pursuant to the terms of the Stipulation, as modified by the First Modification and the Second Modification, regardless of when or whether Delphi emerges from bankruptcy.

2. The Section 510(b) Claim granted to the Class pursuant to the Stipulation and the First Modification will remain allowed in the same aggregate face amount as set forth in the First Modification, but will not be guaranteed any particular treatment or classification in any plan of reorganization that ultimately may be consummated. Under the terms of Delphi's new plan of reorganization confirmed by the Bankruptcy Court in July 2009, the Section 510(b) Claim has no value.

3. The \$15 million cash payment which Delphi originally agreed to cause to be paid by a third party in the First Modification will not be paid.

The parties disagree on the amount of damages, if any, that could have been recovered if the Class prevailed on each claim at trial. As the Section 510(b) Claim has no value under the plan of reorganization confirmed in July 2009, the aggregate amount of the settlement consideration is no less than \$90.1 million. Based upon the claims submitted by Class Members to date, Co-Lead Counsel estimate that the average payment to Class Members would be no less than \$0.13 per share of Delphi common stock, after taking into consideration the relative average payment that would be paid to Authorized Claimants who purchased Delphi Notes during the Class Period.

Co-Lead Counsel were previously awarded attorneys' fees of 18% of the Gross Settlement Fund and reimbursement of costs and expenses in the amount of \$1.3 million. The average reduction to the recovery per share of Delphi common stock attributable to the Court-awarded attorneys' fees and expenses is approximately \$0.02.

Lead Plaintiffs and Co-Lead Counsel have determined that, based upon (i) the dramatic change in Delphi's circumstances since they entered into the First Modification, including the catastrophic downturn in the economy, and in the auto industry in particular, and (ii) the fact that the Bankruptcy Effective Date will not occur with respect to the plan of reorganization that was the subject of the Confirmation Order entered by the Bankruptcy Court in January 2008, it is in the best interest of the Class to allow the Settlement to become effective without regard to the occurrence of the Bankruptcy Effective Date and/or consummation of Delphi's plan of reorganization in the bankruptcy proceeding.

For a more detailed description of the proposed Second Modification to the terms of the Settlement, please visit www.delphiclasssettlement.com to download all relevant documents, including the Website Notice and the Second Modification, or call (800) 918-0998.

A hearing will be held before the Honorable Gerald E. Rosen in the United States District Court for the Eastern District of Michigan, Southern Division, Theodore Levin U.S. Courthouse, 231 W. Lafayette Blvd., Detroit, Michigan 48226, in Courtroom 733, at 1:00 p.m., on November 16, 2009 to determine whether: (1) the Second Modification should be approved by the Court as fair, reasonable and adequate; (2) Judgment should be entered pursuant to the Second Modification; and (3) such other matters as the Court deems appropriate to rule upon.

You may object to the proposed Second Modification or request exclusion from the Settlement, as modified by the First Modification and the Second Modification. To properly object or request exclusion, you must follow the instructions for doing so in the Website Notice, which is available at the above-referenced website. Any objection or request for exclusion must be properly submitted by November 2, 2009.

**SPECIAL NOTICE TO SECURITIES
BROKERS AND OTHER NOMINEES**

If you purchased or acquired Delphi Securities during the Class Period as nominee for a beneficial owner, you are hereby directed to follow the instructions for securities brokers and other nominees contained in the Website Notice available at www.delphiclasssettlement.com.

By Order of The Court

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