



## GM and Delphi to add 401(k) options

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General Motors Corp. and Delphi Corp. will be adding a Roth savings feature to their 401(k) plans this summer.

Beginning July 1, all eligible hourly and salaried GM and Delphi employees will have the opportunity to participate, according to Mainstay Capital Management LLC of Grand Blanc, Mich.

Mainstay says the Roth feature allows employees to "tax diversify" their retirement income sources by providing the flexibility to put contributions in both types of 401(k) accounts. In addition, the Roth 401(k) gives employees who are ineligible for a Roth IRA an opportunity to build tax-free retirement income.

With a traditional 401(k), employee contributions are pre-tax and any distributions at retirement are considered taxable income.

Roth 401(k) contributions, on the other hand, are made on an after-tax basis and distributions are made free of any federal income tax.

Generally, Roth 401(k) assets must remain in an account for five years and the employee must be at least 59 1/2 to make tax-free withdrawals.

Questions on the GM and Delphi 401(k) plan can be directed to Mainstay at (866) 444-6246 or [Roth401k@mainstaycapital.com](mailto:Roth401k@mainstaycapital.com).

Kokomo is world divisional headquarters of Delphi Electronics & Safety and home to about 5,200 of the Delphi Corp. division's 29,900 employees.

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