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Calculation error shorts 401(k)s of current, ex-Delphi workers

Only a phone call separates many current and former employees of Delphi Corp. from hefty credits to their 401(k) plans.

Because of an administrative error when calculating dividends, participants in that retirement plan who call a toll-free number by 4 p.m. Wednesday may be able to earn a credit of hundreds or even thousands of dollars.

About 18 percent of hourly workers in the plan, or about 3,200 employees nationwide, were affected by the mistake, said a Delphi spokesman. The automotive parts maker has about 400 hourly employees in its Sandusky plant and about 900 in its Adrian facility. Overall, the firm has about 12,000 hourly retirees.

Retiree Robert McPherson, an employee of Delphi and predecessor companies for 39 years before retiring 18 months ago, said he initially discarded the letter from the company last month explaining what affected participants could do.

"I read over the letter when I received it, but it was talking about the GM stock and the dividend ... and I didn't think it applied to me at all," said the resident of Tipp City, Ohio, who said he hadn't purchased company stock in years. "The letter was just a little vague, I guess." He was advised by David Kudla, chief executive of Mainstay Capital Management in Grand Blanc, Mich., and received an \$800 adjustment.

Dividends in the GM Common Stock Fund within the Delphi 401(k) plan were reinvested in that fund from the start of 2000 through March 10, 2004, but they shouldn't have been after Delphi's spin-off from the automaker. Those dividends should have been invested in the Promark Income Fund.

Participants were told in a Sept. 6 letter that they either could do nothing and could keep the increased GM Common Stock Fund in their accounts or could call 1-888-633-2648 by Wednesday and ask that the error be fixed.

Under the latter option, they would receive the difference between what they earned and what they would have earned in the Promark fund.