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allocations are established through an investment policy, which is updated periodically and reviewed by a committee of the Board of Directors.

Our policy recognizes that the link between assets and liabilities is the level of long-term interest rates, and that properly managing the relationship between assets of the pension plans and pension liabilities serves to mitigate the impact of market volatility on our funding levels. Given our U.S. plans' demographics, the key component of this asset/ liability modeling approach is the use of long duration U.S. government fixed-income securities. The valuation of these securities tends to track the valuation of pension liabilities. This mitigates interest rate risk and provides the opportunity to allocate additional plan assets to other asset categories with low correlation to stock market indices. Our policy permits the plan assets to be invested in a diverse number of investment categories (referred to as "absolute return strategies" investments) including hedge fund of funds, option programs, commodity funds, private equity and real estate. Under our policy, absolute return strategies investments are limited to not more than 15% of total assets. Currently, none of our U.S. plan assets are invested in absolute return strategies investments except for a de minimis amount of private equity securities. The Other category of our U.S. plan assets includes cash and other short-term debt securities which provide for adequate liquidity for near-term (twelve months or less) benefit payments.

	Pension Benefits		Other Benefits	
	2003	2002	2003	2002
Funded Status				
Balance at December 31	\$(547)	\$(687)	\$(1,759)	\$(1,699)
Unrecognized transition obligation	1		3	
Unrecognized prior service cost	20	28	(117)	(3)
Unrecognized loss	574	662	849	735
Prepaid expense (accrued cost)	\$ 48	\$ 3	\$(1,024)	\$ (967)
Amounts recognized in the balance sheet consist of:				
Prepaid benefit cost	\$ 216	\$ 105		
Accrued benefit liability	(638)	(691)	\$(1,024)	\$ (967)
Intangible assets	13	23		
Accumulated other comprehensive loss	457	566		
Net amount recognized	\$ 48	\$ 3	\$(1,024)	\$ (967)

Benefit obligations of the U.S. non-qualified and certain non-U.S. pension plans, amounting to \$149 at December 31, 2003, and the other postretirement benefit plans are not funded.

Based on proposed legislation that would modify the discount rate used to determine funding requirements for U.S. plans to a rate equal to 120% of the four-year weighted average of the 30-year Treasury bond yield, we expect to contribute \$39 for our U.S. plans during 2004. If the proposed legislation were not enacted, we believe our 2004 contribution would increase by \$31. In connection with the planned sale of our automotive aftermarket business, we may contribute a portion of the proceeds generated upon completion of the transaction to our U.S. defined benefit plans. Any such contribution would be in addition to the expected payment required under funding regulations.