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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) September 30, 2005

**VISTEON CORPORATION**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

1-15827

(Commission File Number)

38-3519512

(IRS Employer Identification No.)

One Village Center Drive, Van Buren Township, Michigan

(Address of principal executive offices)

48111

(Zip Code)

Registrant's telephone number, including area code (800)-VISTEON

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## SECTION 1 – REGISTRANT’S BUSINESS AND OPERATIONS

### Item 1.01. Entry into a Material Definitive Agreement.

On September 30, 2005, Visteon Corporation (“Visteon”) completed the transfer of certain assets associated with the businesses operated at certain of its North American facilities (the “Business”) to Automotive Components Holdings, LLC (formerly known as VFH Holdings, LLC, “ACH”), a wholly owned subsidiary of Holdings (as defined below), and its subsidiaries pursuant to the terms of the Contribution Agreement, dated as of September 12, 2005 (the “Contribution Agreement”), between Visteon and Automotive Components Holdings, Inc. (formerly known as VHF Holdings, Inc., “Holdings”), a wholly-owned subsidiary of Visteon. Also, in accordance with the Contribution Agreement, on September 30, 2005, Visteon entered into the following agreements:

(i) *Master Services Agreement.* Pursuant to the Master Services Agreement, dated as of September 30, 2005 (the “Master Services Agreement”), between Visteon and ACH, Visteon will provide certain information technology and other transitional services (e.g., human resources and accounting services) to ACH. The services will be provided at a rate approximately equal to Visteon’s cost until such time as the services are no longer required by ACH but not later than December 31, 2008. ACH may elect to continue to obtain services for up to an additional 12 month period at cost plus a 5% mark-up. In the event that a component of the Business is sold to a third party, services will be provided by Visteon for up to 24 months after each such sale, as requested by the buyer, on additional terms. Subject to certain limitations, ACH may terminate the Master Services Agreement prior to the expiration of its term upon 30 days prior written notice to Visteon.

(ii) *Visteon Hourly Employee Lease Agreement.* Pursuant to the Visteon Hourly Employee Lease Agreement, effective as of October 1, 2005, between Visteon and ACH, Visteon will provide ACH with the services of (A) any new hourly employees hired under the terms of the Master Visteon-UAW Collective Bargaining Agreement and (B) hourly employees covered by the UAW Local #1216-Visteon Corporation Regional Assembly and Manufacturing LLC, Bellevue Plant, Labor Agreement. The services will be provided at a rate approximately equal to Visteon’s cost until the termination of employment of all of the leased employees or earlier agreement of the parties. In the event of a sale or transfer of all or part of the Business to a third party, Visteon and ACH will agree on the disposition of the leased employees, subject to UAW consent, and Visteon will provide human resource services to the buyer under the terms of the Master Services Agreement, described above, for up to 24 months.

(iii) *Visteon Salaried Employee Lease Agreement.* Pursuant to the Visteon Salaried Employee Lease Agreement, effective as of October 1, 2005 (the “Salaried Employee Lease Agreement”), between Visteon and ACH, Visteon will provide ACH with the services of Visteon salaried employees to enable ACH to continue to conduct the Business. Visteon will lease salaried employees and provide agency employees to ACH at a rate approximately equal to Visteon’s cost until December 31, 2009, unless the parties agree to an earlier termination date. The term may be extended at ACH’s option for an additional 12 month period ending December 31, 2010, during which ACH will reimburse Visteon for its costs plus a mark-up of 5% (excluding certain taxes). Upon a sale or transfer of all or a part of the Business, Visteon, ACH and the buyer will mutually agree on terms for transitioning the leased employees to the buyer, and

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Visteon will provide human resources services to the buyer for up to 24 months pursuant to the Master Services Agreement, or under similar terms and conditions after the termination of that agreement. Leased employees who do not receive offers of comparable employment from the buyer will be eligible for severance benefits, the costs of which will be reimbursed to Visteon by Ford Motor Company ("Ford") under the terms of the Reimbursement Agreement (as defined below).

(iv) *Purchase and Supply Agreements.* On September 30, 2005, Visteon entered into two Purchase and Supply Agreements with ACH which terminate on December 31, 2008 and set forth the supply obligations, pricing and related matters for certain parts, components and systems that are manufactured by one party and supplied to the other.

(v) *IP and Software Agreements.* On September 30, 2005, Visteon entered into the Intellectual Property Contribution Agreement with Visteon Global Technologies, Inc. ("VGTI"), Holdings and ACH, and the Software License and Contribution Agreement with VGTI and Holdings. These agreements allocate certain intellectual property rights among the parties associated with transferring the Business to ACH.

On October 1, 2005, Ford acquired from Visteon all of the issued and outstanding shares of common stock of Holdings in exchange for Ford's payment to Visteon of approximately \$311 million (net of the amount due in repayment of the \$250 million loan made by Ford to Visteon on September 19, 2005 and other amounts), as well as the forgiveness of certain OPEB liabilities and other obligations relating to hourly employees associated with the Business, and the assumption of certain other liabilities with respect to the Business, each in accordance with the Visteon "B" Purchase Agreement, dated as of September 12, 2005 (the "Purchase Agreement"), between Visteon and Ford. Also, in accordance with the Purchase Agreement, on October 1, 2005, Visteon entered into the following agreements:

(i) *Salaried Employee Lease Agreement.* On October 1, 2005, Visteon and Ford entered into a salaried employee lease agreement that is substantially similar to the Salaried Employee Lease Agreement described above, providing for the lease to Ford of certain salaried employees employed at, or principally supporting, the plants located in Rawsonville and Sterling Heights, Michigan from the date each such plant is transferred by ACH to Ford until January 1, 2006.

(ii) *Hourly Employee Conversion Agreement.* On October 1, 2005, Visteon and Ford entered into the Visteon Hourly Employee Conversion Agreement, dated effective as of October 1, 2005, pursuant to which the parties have transferred Visteon hourly employees subject to Visteon's collective bargaining agreement with the UAW to Ford under the terms of the UAW-Ford collective bargaining agreement.

(iii) *Visteon Salaried Employee Transition Agreement.* On October 1, 2005, Visteon entered into the Visteon Salaried Employee Transition Agreement, dated as of October 1, 2005 (the "Employee Transition Agreement"), with Ford. The Employee Transition Agreement provides that, in the event that ACH transfers its plants located in Rawsonville and/or Sterling Heights, Michigan to Ford, the salaried employees employed at such plants or principally supporting those plants will become Ford salaried employees effective as of January 1, 2006.

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In accordance with the Visteon "A" Transaction Agreement, dated as of September 12, 2005, between Visteon and Ford, Visteon entered into the following agreements:

(i) *Warrant and Stockholder Agreement.* On October 1, 2005, Visteon issued to Ford a warrant (the "Warrant") to purchase 25 million shares of Visteon common stock at an exercise price equal to \$6.90 per share, and entered into the Stockholder Agreement, dated as of October 1, 2005, with Ford, which provides Ford with certain registration rights with respect to the shares of common stock underlying the Warrant and contains restrictions on the transfer of the Warrant and the underlying shares of common stock.

(ii) *Escrow Agreement.* On October 1, 2005, Visteon entered into the Escrow Agreement, dated as of October 1, 2005 (the "Escrow Agreement"), with Ford and Deutsche Bank Trust Company Americas, as escrow agent, pursuant to which Ford paid \$400 million into an escrow account for use by Visteon to restructure its businesses. The Escrow Agreement provides that Visteon will be reimbursed from the escrow account for the first \$250 million of reimbursable restructuring costs, and up to one half of the next \$300 million of such costs. In addition, any residual amounts in the escrow account after December 31, 2012 would be paid to Visteon, except in the event of a "change of control" of Visteon (as defined in the Escrow Agreement), and in which event any residual amounts will be paid to Ford.

(iii) *Reimbursement Agreement.* On October 1, 2005, Visteon entered into a Reimbursement Agreement, dated as of October 1, 2005 (the "Reimbursement Agreement"), with Ford, pursuant to which Ford has agreed to reimburse Visteon for up to \$150 million of separation costs associated with those Visteon salaried employees who are assigned to work at ACH, and whose services are no longer required by ACH or a subsequent buyer (the "Employee Restructuring Costs"). The Reimbursement Agreement provides that Ford will reimburse Visteon for the first \$50 million of the Employee Restructuring Costs, and up to one half of the next \$200 million of such costs. In addition, Ford will pay into the escrow account under the Escrow Agreement any unused funds as of December 31, 2009 (or, if earlier, the date on which there are no longer any Visteon salaried employees leased to ACH).

(iv) *Purchase and Supply Agreement.* On October 1, 2005, Visteon entered into a Purchase and Supply Agreement, dated as of October 1, 2005, with Ford which sets forth the supply obligations, pricing and related matters for certain parts, components and systems that are manufactured by Visteon and supplied to Ford.

(v) *IP License Agreement.* On October 1, 2005, Visteon entered into an Intellectual Property License Agreement with VGTI and Ford, providing for the allocation of certain intellectual property rights among the parties associated with transferring the Business to ACH.

(vi) *Employee Transition Agreement Amendment.* On October 1, 2005, Visteon and Ford amended the Amended and Restated Employee Transition Agreement, dated as of December 19, 2003, pursuant to which Ford released Visteon from its obligations to reimburse Ford for the cost of providing post-retirement health and life benefits, and its pre-funding obligations with respect to such benefits associated with certain employees who are eligible or who may become eligible to retire under the Ford General Retirement Plan, and Ford has agreed to reimburse Visteon for one half the cost of certain OPEB and pension

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expenses associated with leased employees who retire as a result of a sale, closure or exit of a ACH operation.

Pursuant to the agreements described above, Visteon and Ford terminated certain existing commercial agreements, including the Funding Agreement, dated as of March 10, 2005, as amended, the Master Equipment Bailment Agreement, dated as of March 10, 2005, as amended, their Purchase and Supply Agreement, dated as of December 19, 2003, and their 2003 Relationship Agreement, dated as of December 19, 2003, as well as their Amended and Restated Hourly Employee Assignment Agreement, dated as of April 1, 2000, as amended and restated as of December 19, 2003.

The description of the above-referenced documents does not purport to be complete and is qualified in its entirety by reference to the complete text of the documents referred to above, copies of which are filed as Exhibits 10.1 through 10.15 hereto and incorporated herein by reference.

**Item 1.02. Termination of a Material Definitive Agreement.**

The information set forth in Item 1.01 above is incorporated herein by reference.

**SECTION 2 – FINANCIAL INFORMATION**

**Item 2.01. Completion of Acquisition or Disposition of Assets.**

The information set forth in Item 1.01 above is incorporated herein by reference.

Visteon was a wholly-owned subsidiary of Ford until it was spun off from Ford in June of 2000. Ford is Visteon's largest customer and the parties have a number of agreements relating to commercial and employee matters.

**SECTION 8 – OTHER EVENTS**

**Item 8.01. Other Events.**

On October 1, 2005, Visteon announced that it had completed the transactions with Ford that effectuate, among other things, the transfer of certain North American assets of Visteon to an entity that will be controlled by Ford. The press release, filed as Exhibit 99.1 to this Current Report on Form 8-K, is incorporated herein by reference.

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**SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS**

**Item 9.01. Financial Statements and Exhibits.**

(b) Pro Forma Financial Information.

To be filed by amendment.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Master Services Agreement, dated as of September 30, 2005, between Visteon and ACH
10.2	Visteon Hourly Employee Lease Agreement, effective as of October 1, 2005, between Visteon and ACH
10.3	Visteon Salaried Employee Lease Agreement, effective as of October 1, 2005, between Visteon and ACH
10.4	Purchase and Supply Agreement, dated as of September 30, 2005, between Visteon (as seller) and ACH (as buyer)†
10.5	Purchase and Supply Agreement, dated as of September 30, 2005, between ACH (as seller) and Visteon (as buyer)†
10.6	Intellectual Property Contribution Agreement, dated as of September 30, 2005, among Visteon, VGTI, Holdings and ACH
10.7	Software License and Contribution Agreement, dated as of September 30, 2005, among Visteon, VGTI and Holdings
10.8	Visteon Salaried Employee Lease Agreement (Rawsonville/Sterling), dated as of October 1, 2005, between Visteon and Ford
10.9	Visteon Hourly Employee Conversion Agreement, dated effective as of October 1, 2005, between Visteon and Ford
10.10	Visteon Salaried Employee Transition Agreement, dated as of October 1, 2005, between Visteon and Ford
10.11	Escrow Agreement, dated as of October 1, 2005, among Visteon, Ford and Deutsche Bank Trust Company Americas, as escrow agent
10.12	Reimbursement Agreement, dated as of October 1, 2005, between Visteon and Ford
10.13	Purchase and Supply Agreement, dated as of October 1, 2005, between Visteon (as seller) and Ford (as buyer)†
10.14	Intellectual Property License Agreement, dated as of October 1, 2005, among Visteon, VGTI and Ford
10.15	Amendment Number Two, effective as of October 1, 2005, to Amended and Restated Employee Transition Agreement, dated as of April 1, 200 and restated as of December 19, 2003, between Visteon and Ford
99.1	Press release dated October 1, 2005

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† Portions of these exhibits have been redacted pursuant to a confidential treatment request filed with the Secretary of the Securities and Exchange Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended. The redacted material was filed separately with the Securities and Exchange Commission.

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**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>	<u>Page</u>
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10.2	Visteon Hourly Employee Lease Agreement, effective as of October 1, 2005, between Visteon Corporation and Automotive Components Holdings, LLC	
10.3	Visteon Salaried Employee Lease Agreement, effective as of October 1, 2005, between Visteon Corporation and Automotive Components Holdings, LLC	
10.4	Purchase and Supply Agreement, dated as of September 30, 2005, between Visteon Corporation (as seller) and Automotive Components Holdings, LLC (as buyer) †	
10.5	Purchase and Supply Agreement, dated as of September 30, 2005, between Automotive Components Holdings, LLC (as seller) and Visteon Corporation (as buyer) †	
10.6	Intellectual Property Contribution Agreement, dated as of September 30, 2005, among Visteon Corporation, Visteon Global Technologies, Inc., Automotive Components Holdings, Inc. and Automotive Components Holdings, LLC	
10.7	Software License and Contribution Agreement, dated as of September 30, 2005, among Visteon Corporation, Visteon Global Technologies, Inc. and Automotive Components Holdings, Inc.	
10.8	Visteon Salaried Employee Lease Agreement (Rawsonville/Sterling), dated as of October 1, 2005, between Visteon Corporation and Ford Motor Company	
10.9	Visteon Hourly Employee Conversion Agreement, dated effective as of October 1, 2005, between Visteon Corporation and Ford Motor	

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<u>Exhibit No.</u>	<u>Description</u>	<u>Page</u>
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10.10	Visteon Salaried Employee Transition Agreement, dated effective as of October 1, 2005, between Visteon Corporation and Ford Motor Company	
10.11	Escrow Agreement, dated as of October 1, 2005, among Visteon Corporation, Ford Motor Company and Deutsche Bank Trust Company Americas, as escrow agent	
10.12	Reimbursement Agreement, dated as of October 1, 2005, between Visteon Corporation and Ford Motor Company	
10.13	Purchase and Supply Agreement, dated as of October 1, 2005, between Visteon Corporation (as seller) and Ford Motor Company (as buyer) †	
10.14	Intellectual Property License Agreement, dated as of October 1, 2005, among Visteon Corporation, Visteon Global Technologies, Inc. and Ford Motor Company	
10.15	Amendment Number Two, effective as of October 1, 2005, to Amended and Restated Employee Transition Agreement, dated as of April 1, 200 and restated as of December 19, 2003, between Visteon Corporation and Ford Motor Company	
99.1	Press Release dated October 1, 2005.	

† Portions of these exhibits have been redacted pursuant to a confidential treatment request filed with the Secretary of the Securities and Exchange Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended. The redacted material was filed separately with the Securities and Exchange Commission.

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MASTER SERVICES AGREEMENT

between

VISTEON CORPORATION, a Delaware corporation,

and

AUTOMOTIVE COMPONENTS HOLDINGS, LLC, a Delaware limited liability company

dated as of September 30, 2005

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MASTER SERVICES AGREEMENT

This MASTER SERVICES AGREEMENT, dated as of September 30, 2005 is made by and between VISTEON CORPORATION, a Delaware corporation ("Visteon") and AUTOMOTIVE COMPONENTS HOLDINGS, LLC, a Delaware limited liability company ("ACH LLC", and collectively with its Subsidiaries, "ACH"), and shall be effective as of the closing date of the Purchase Agreement (as defined herein) (the "Effective Date"). Visteon and ACH are each individually referred to herein as a "Party," and collectively, as the "Parties."

RECITALS

WHEREAS, Visteon and Automotive Components Holdings, Inc., a Delaware corporation ("ACH Holdings"), have entered into that certain Contribution Agreement dated as of September 12, 2005 (the "Contribution Agreement") pursuant to which, among other things, Visteon contributed or transferred, or caused to be contributed or transferred, to the capital of ACH LLC certain assets and liabilities relating to the Business (as defined in the Contribution Agreement);

WHEREAS, Ford Motor Company ("Ford") and Visteon have entered into that certain Visteon "B" Purchase Agreement dated as of September 12, 2005 (the "Purchase Agreement") pursuant to which, among other things, Visteon has agreed to sell to Ford, and Ford has agreed to purchase from Visteon, all of the outstanding capital stock of ACH Holdings;

WHEREAS, Visteon and ACH Holdings have entered into, concurrently with the execution and delivery of this Agreement by Visteon and ACH LLC, a Software License and Contribution Agreement (the "Software License and Contribution Agreement") pursuant to which, among other things, Visteon transferred or licensed certain intellectual property rights to ACH LLC, certain ACH Buyers (as defined herein) and Ford;

WHEREAS, ACH wishes Visteon to provide, and Visteon wishes to provide, certain information technology and other transitional services to ACH, certain ACH Buyers and Ford, so that ACH may continue to operate the Business, and to facilitate the transfer of components of the Business from Visteon to ACH, ACH Buyers and Ford; and

WHEREAS, it is a condition of the Contribution Agreement that Visteon and ACH enter into this Agreement, which sets forth the terms and conditions under which such services will be provided by Visteon to ACH, certain ACH Buyers and Ford.

NOW, THEREFORE, in consideration of the covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I  
DEFINITIONS

1.1 DEFINITIONS.

Capitalized terms set forth in this Agreement (including any plurals) shall have the meanings set forth in this Article I when such terms are used in this Agreement. Capitalized terms used but not otherwise defined in this Agreement shall have the meanings ascribed to them in the Contribution Agreement.

"AGREEMENT" means this Master Services Agreement, as the same may be amended, modified or supplemented from time to time pursuant to Section 15.2(a).

"APPLICABLE DATE" has the meaning set forth in Section 3.3(b).

"BUSINESS DAYS" means a day, other than Saturday, Sunday or any other day on which commercial banks in Detroit, Michigan are authorized or required by law to close.

"CAPITAL INVESTMENT NOTICE" has the meaning set forth in Section 5.2(a).

"CONFIDENTIAL INFORMATION" has the meaning set forth in Section 11.1(a).

"CONTRIBUTION AGREEMENT" has the meaning set forth in the recitals.

"COST" has the meaning set forth in Section 5.1(d).

"DESIGNATED EXECUTIVES" has the meaning set forth in Section 4.1(c).

"DISPUTE" has the meaning set forth in Section 4.1(a).

"EFFECTIVE DATE" has the meaning set forth in the preamble.

"EQUIPMENT" means equipment owned or leased by Visteon, its Affiliates or a Visteon Third Party Service Provider and not contributed to ACH pursuant to the Contribution Agreement through which Services will be provided hereunder (including, but not limited to, mainframe equipment, servers, data storage devices, wide area network and local area network equipment, peripherals and desktop and laptop computers, telephones, telephone systems, telephone networks, voice mail systems and voice mail networks, systems, systems architecture, Software, databases, technology infrastructure and applications, test equipment and related fixtures, and warehouse equipment).

"ESTIMATED INVOICE" has the meaning set forth in Section 5.3(a).

"ESTIMATED MONTHLY SERVICE FEE" has the meaning set forth in Section 5.3(a).

"EXCLUDED SERVICE" means (a) any Service specifically set forth on Section 3.11(b)(i) of the Disclosure Schedule, (b) any Service that is specifically identified as an Excluded Service in a Statement of Work, provided, however, that such Service shall be an Excluded Service only for purposes of the Statement of Work in which it is so identified, (c) any Service (including any



Service performed by Leased Employees) that is not specifically identified in a Statement of Work as of May 1, 2006 or (d) any Service that was identified in a Statement of Work but is subsequently terminated by ACH in accordance with Section 6.2 of this Agreement.

"EXTENDED TERM" has the meaning set forth in Section 2.1(b).

"FACILITIES" has the meaning set forth in Section 8.2(a).

"FIXED ALLOCATION RATIO" has the meaning set forth in Section 5.3(b).

"FORCE MAJEURE" has the meaning set forth in Section 13.1.

"FUNCTIONAL SERVICE AREA STATEMENT(S) OF WORK" means the following statements of work, as amended from time to time in accordance with this Agreement:

- Exhibit B-1: Communications
- Exhibit B-2: Real Estate
- Exhibit B-3: Legal
- Exhibit B-4: Quality (including EPL-Quality)
- Exhibit B-5: Purchasing
- Exhibit B-6: Intellectual Property
- Exhibit B-7: Manufacturing Engineering & PLT
- Exhibit B-8: Material Planning and Logistics
- Exhibit B-9: Aftermarket and OE Service
- Exhibit B-10: Engineering
- Exhibit B-11: Information Technology
- Exhibit B-12: Mexico Operation
- Exhibit B-13: Human Resources
- Exhibit B-14: Finance.

"INITIAL TERM" has the meaning set forth in Section 2.1(a).

"INITIAL IT TRANSITION SERVICES" has the meaning set forth in Section 3.7.

"LAWS" means any law, statute (including all applicable building, zoning, subdivision, health and safety and other land use statutes), regulation, rule, permit, license, certificate, judgment, order, award or other legally binding decision or requirement of any arbitrator, court, government or governmental agency or instrumentality (domestic or foreign).

"LEASED EMPLOYEES" has the meaning set forth in the Visteon Salaried Employee Lease Agreement.

"LOSSES" means any and all losses, liabilities, costs, claims, demands, damages, fines, penalties and expenses, including reasonable attorneys' fees and expenses.

"NEW SERVICE" means any service that is (i) not identified in a Statement of Work during the Term, or (ii) an Excluded Service that, upon mutual agreement of the Parties and in accordance with Section 3.6, is added to the scope of Services under this Agreement. Upon such

addition, such New Services shall be included in the term "Services" and the Costs for such New Services shall be determined in accordance with Article V.

"NEW SERVICES REQUEST" has the meaning set forth in Section 3.6(a).

"NOTICE OF NON-COMPLIANCE" has the meaning set forth in Section 4.2.

"PARTICIPATION AGREEMENT" has the meaning set forth in Section 3.3(b).

"PARTICIPATION NOTICE" has the meaning set forth in Section 3.3(c).

"PERSONNEL" means the employees, or if applicable, agents, subcontractors or representatives of Visteon or its Affiliates or Visteon Third Party Service Providers who provide any Services under this Agreement.

"PURCHASE AGREEMENT" has the meaning set forth in the Recitals.

"QUALIFYING CAPITAL INVESTMENTS" has the meaning set forth in Section 5.2(a) and Section 5.2(b).

"RELATIONSHIP MANAGER" has the meaning set forth in Section 4.1(b).

"SERVICE" means any service, function, or responsibility either (i) identified in the Statements of Work attached to this Agreement as of the date of this Agreement or (ii) identified by ACH on or prior to May 1, 2006 as reasonably required for the operation of the Business as a going concern, but excluding Excluded Services. For the avoidance of doubt, Services shall include New Services that are agreed to by the Parties in writing pursuant to the terms of this Agreement; provided, however, that the Costs for such New Services shall be determined in accordance with Article V.

"SERVICE FEES" has the meaning set forth in Section 5.1(c).

"SERVICE LEVEL" has the meaning set forth in Section 3.1(e).

"SERVICE LEVEL EXCLUSION EVENT" has the meaning set forth in Section 3.2(e).

"SERVICE LEVEL SCHEDULE" means a schedule (as may be amended from time to time in accordance with the terms of this Agreement) attached to a Statement of Work identifying the Service Level for the applicable Service obtained from Visteon pursuant to this Agreement.

"SIGNIFICANT EVENT" has the meaning set forth in Section 5.3(b)(iii).

"SOFTWARE" has the meaning ascribed thereto in the Software License and Contribution Agreement.

"SOFTWARE LICENSE AND CONTRIBUTION AGREEMENT" has the meaning set forth in the Recitals.

"STATEMENT(S) OF WORK" means (a) the Functional Service Area Statement(s) of Work (as such Statement(s) of Work shall be amended from time to time in accordance with the terms of this Agreement) and (b) such other statements of work that Visteon and ACH LLC may enter into from time to time pursuant to the terms of this Agreement to authorize Visteon to perform Services. For the avoidance of doubt, except as otherwise expressly provided in this Agreement or in a Functional Services Area Statement of Work (in effect of the Effective Date), the terms and conditions of this Agreement shall take precedence over any Statement of Work.

"TECHNOLOGY CHANGES" has the meaning set forth in Section 8.3(a).

"TERM" means the Initial Term, and if extended in accordance with Section 2.1(b), the Extended Term.

"TERMINATION CHARGES" means all costs, fees and expenses incurred by Visteon as a result of any early termination or significant reduction in the Services by ACH, including, without limitation, any termination fees, "kill fees," stranded costs (direct or indirect), wind-down fees, minimum revenue commitment shortfall charges, fees or expenses actually incurred by Visteon as a result of early termination or significant reduction of each such Service, including those amounts payable to any Visteon Third Party Service Providers.

"ACH BUYER(S)" has the meaning set forth in Section 3.3(a).

"ACH CHANGE NOTICE" has the meaning set forth in Section 3.4(a).

"ACH ELECTION NOTICE" has the meaning set forth in Section 3.2(b).

"VISTEON A TRANSACTION DOCUMENT" has the meaning set forth in the Visteon A Transaction Agreement dated September 12, 2005 between Ford and Visteon.

"VISTEON B TRANSACTION DOCUMENT" has the meaning set forth in the Purchase Agreement.

"VISTEON CAPACITY NOTICE" has the meaning set forth in Section 3.2(b).

"VISTEON CHANGE NOTICE" has the meaning set forth in Section 3.2(b).

"VISTEON HOURLY EMPLOYEE LEASE AGREEMENT" means the Visteon Hourly Employee Lease Agreement dated as of October 1, 2005 by and between Visteon and ACH LLC.

"VISTEON LICENSED SOFTWARE" means Software owned by a third party and licensed or sublicensed to Visteon or its Affiliates.

"VISTEON OWNED SOFTWARE" means Software owned by Visteon or its Affiliates.

"VISTEON SALARIED EMPLOYEE LEASE AGREEMENT" means the Visteon Salaried Employee Lease Agreement dated as of October 1, 2005 by and between Visteon and ACH LLC.

"VISTEON THIRD PARTY SERVICE PROVIDER" means any Person (excluding ACH or an Affiliate thereof) contracting directly or indirectly with Visteon to provide Equipment, Visteon Licensed Software or services that are used or provided by Visteon to perform the Services under this Agreement from time to time during the Term.

ARTICLE II  
TERM OF AGREEMENT

2.1 TERM.

(a) The term of this Agreement shall commence on the Effective Date and will terminate on December 31, 2008 (the "Initial Term"), unless extended or terminated earlier pursuant to the terms of this Agreement.

(b) Upon not less than ninety (90) days written notice to Visteon prior to expiration of the Initial Term, ACH shall have a one (1)-time right to extend the Initial Term by up to twelve (12) months, provided that ACH acknowledges that the Service Fees set forth herein shall be subject to increase, as set forth in Section 5.1, during any such extension period (such extension period, the "Extended Term"). Such extension notice shall indicate the period, which may not be more than twelve (12) months, by which ACH desires to extend the Initial Term.

(c) Upon expiration of the Term, Visteon's obligations to provide the Services shall immediately expire.

ARTICLE III  
SERVICES

3.1 SCOPE.

(a) At the Effective Date, Visteon shall provide to ACH the Services set forth in the applicable Statements of Work at the applicable Service Levels, and ACH shall make payment to Visteon for the Services provided, in accordance with the terms, and subject to the conditions, of this Agreement.

(b) This Agreement establishes the standard provisions that will apply to the provision of Services by Visteon to ACH. The Parties acknowledge and agree that Visteon has historically provided Services to the Business and that the Parties have attempted to identify the Services required by ACH as of the Effective Date in the Functional Service Area Statements of Work. To the extent that questions arise as to the scope of the Services to be provided hereunder, the nature of a particular Service, or any other responsibilities of Visteon or ACH hereunder, the Parties shall be guided by past reasonable practices of Visteon and the Business.

(c) The scope of the Services to be provided hereunder may be expanded to provide for New Services only as provided in Section 3.6.

(d) ACH acknowledges and agrees that Visteon has outsourced and retains the right to outsource significant portions of its own information technology and other services requirements to various third parties and that any and all of the Services may be provided

directly by Visteon or indirectly through Visteon Third Party Service Providers, subject to the terms and conditions of this Agreement. Visteon acknowledges and agrees that, subject to the terms and conditions of this Agreement, ACH shall not be obligated to receive any Services, in whole or in part, from Visteon or any Visteon Third Party Service Provider, and that ACH may, in its sole discretion, elect to receive, in whole or in part, any and all Services from a third party not affiliated with Visteon or any Visteon Third Party Service Provider, subject to the terms and conditions of this Agreement.

(e) Except as otherwise mutually agreed by the Parties in a Statement of Work, Visteon shall provide each Service at a service level that is the highest of (i) substantially the same manner and at least an equivalent quality (A) as then currently provided by Visteon for such Service to Visteon's own business, or (B) in the event that Visteon ceases to use a particular Service, as provided by Visteon for such Service to Visteon's own business immediately prior to the time that Visteon ceased using such Service, (ii) the same manner and quality as provided by Visteon to the Business as of May 24, 2005, and (iii) the service level set forth in the applicable Statement of Work (such highest service level, the "Service Level"). The applicable Service Level for each Statement of Work shall include the implementation of, and adherence to, by Visteon or a Visteon Third Party Service Provider, as appropriate, effective internal controls governing the Services provided. For purposes of this Section 3.1(e), "effective internal controls" shall be defined as at least the same level of internal controls that Visteon applies to its own business supplemented by internal control reviews by ACH and Ford as needed. The Parties agree that Visteon's performance of Services at a level at or above the applicable Service Level shall be a satisfactory level of performance of such Services. For the avoidance of doubt and except as otherwise mutually agreed by the Parties, the manner of providing a Service shall include, without limitation, the timing, method of delivery, and similar details relating to the provision of the Service; and further, Visteon shall respond with the same level of urgency to any threatened or actual disruption of the Services to ACH as it would respond to a similar threatened or actual disruption within Visteon's own internal operations.

(f) In order to optimize the financial and operational efficiency of providing Services to ACH's subsidiaries located in Mexico, the Parties agree to negotiate in good faith within a reasonable time after the date of this Agreement, on terms and conditions mutually agreeable to the Parties, (i) to implement the applicable provisions of this Agreement in order to provide for the provision of Services by a Mexican subsidiary of Visteon to ACH's subsidiaries located in Mexico, and (ii) to amend the Statements of Work under this Agreement as may be required in connection with such implementation of this Agreement.

### 3.2 LIMITATIONS AND EXCLUSIONS.

(a) Visteon's obligation to provide the Services is subject to: (i) any limitations imposed by applicable Laws; and (ii) the limitations expressly set forth in this Agreement including, without limitation, in this Section 3.2.

(b) In the event that (i) Visteon receives notice from a Visteon Third Party Services Provider or otherwise becomes aware of an impending material change in the Services provided by such Visteon Third Party Service Provider to Visteon, including, but not limited to, the expiration, termination or renegotiation of any contract, any impending increase or decrease

in costs or Service Levels, or any other change that is reasonably likely to materially affect any Service(s) provided by Visteon to ACH hereunder, or (ii) Visteon becomes aware of or determines to pass through to ACH any proportional material change in the Cost of any Service, Visteon shall, within a reasonable time after receiving such notice, provide ACH with written notice of such material change (such notice, a "Visteon Change Notice"). The Visteon Change Notice shall include a description in reasonable detail of the material change. Visteon agrees to consult with ACH at the request of ACH with respect to any such material change. Within a reasonable time after the receipt of a Visteon Change Notice, ACH shall notify Visteon of whether ACH desires to continue to receive the affected Service(s) or whether ACH desires to terminate the affected Service(s) in accordance with Section 6.2(b) of this Agreement (such notice, a "ACH Election Notice"). If, notwithstanding the material change described in the Visteon Change Notice, ACH elects in the ACH Election Notice to continue to receive the affected Service(s) in accordance with the terms of this Agreement, Visteon shall use commercially reasonable efforts to continue to provide or procure such Service(s) in accordance with the terms of this Agreement on behalf of ACH, it being understood by the Parties that any such continued provision or procuring of the Service(s) by Visteon shall continue to occur in accordance with Article V. Within a reasonable time after receipt of the ACH Election Notice, Visteon shall determine in good faith whether it is able through the use of commercially reasonable efforts (as defined in Section 3.6(b)) to continue to provide or procure such Service(s) and shall notify ACH of such determination (such notice, a "Visteon Capacity Notice"). In the event that Visteon determines in good faith that, despite the use of commercially reasonable efforts, it is unable to continue to provide or procure such Service(s) in accordance with the terms of this Agreement, Visteon shall explain in reasonable detail in the Visteon Capacity Notice the reasons for Visteon's inability to continue to provide or procure such Service(s) and shall cooperate in good faith with ACH to identify and facilitate (by providing reasonable access to its personnel, facilities, equipment or otherwise) an alternative means of obtaining such Service(s). If ACH wishes to dispute Visteon's inability to provide or procure such Service(s), then the Parties shall make use of the provisions of Article IV hereof to resolve any such dispute.

(c) Under this Agreement, the provision of the Services shall be subject in all respects to (i) such policies, procedures, methodologies of Visteon and (ii) other matters that may be mutually agreed to by Visteon and Visteon Third Party Service Providers on or after the Effective Date, provided that Visteon or such Visteon Third Party Service Providers, as the case may be, continue to meet the requirements set forth in this Agreement and the applicable Statement(s) of Work or Service Level Schedule.

(d) ACH shall use the Services for its own internal business purposes only and solely to support the Business or a portion thereof, and will not act as a commercial reseller of, or service desk with respect to, all or any portion of the Services to third party entities, provided, however, that upon reasonable advance written notice to Visteon and subject to applicable Law, limitations contained in agreements between Visteon and Visteon Third Party Service Providers, and Section 3.9, ACH shall have the right in its sole discretion to resell all or any portion of the Services to Ford or to ACH Buyers in accordance with Section 3.3 and without mark-up.

(e) Visteon shall not be liable for any failure to meet any applicable Service Level to the extent Visteon is unable to meet such Service Level(s) (i) due to the acts, errors or omissions of ACH or any third party that is not a Visteon Third Party Service Provider; (ii) with

respect to equipment or software provided by ACH and used by Visteon with respect to the Services, due to any failure of ACH to secure the access rights or maintenance and support services from the vendor of such equipment or software necessary for Visteon to provide such Services, or (iii) because ACH declines to make a Qualifying Capital Investment in accordance with Section 5.2 below, provided that Visteon has previously notified ACH in writing that the implementation of such request or refusal to make such Qualifying Capital Investment would result in such failure to meet the applicable Service Level (each a "Service Level Exclusion Event"). Notwithstanding the preceding sentence, in the event of any such failure, Visteon shall use commercially reasonable efforts to mitigate the effects thereof. Visteon shall not be excused from the performance of its obligations under this Agreement by the failure under any agreement between Visteon and a Third Party Service Provider of either Visteon or such Visteon Third Party Service Provider to perform its respective obligations under such agreement.

### 3.3 PROVISION OF SERVICES TO ACH BUYERS AND TO FORD.

(a) If, during the Term, a third party purchaser of a line of business or all or substantially all of the business conducted at any Plant(s) (a "ACH Buyer") requests Visteon to provide any or all of the Services then being provided by Visteon to ACH under this Agreement, then Visteon shall provide Services to such ACH Buyer for a period not to exceed twenty-four (24) months after completion of a sale of such business by ACH to such ACH Buyer. Visteon's obligation to provide any Services to a ACH Buyer that are provided to Visteon by Visteon Third Party Service Providers is subject to (i) the terms and conditions set forth in this Agreement and the Statements of Work and (ii) the satisfaction by ACH Buyer of the conditions set forth in Section 3.3(b) below.

(b) For a ACH Buyer to receive Services under this Agreement, such ACH Buyer shall enter into a written agreement with Visteon substantially in the form attached hereto as Exhibit A, together with such other commercial terms and conditions as Visteon and the ACH Buyer may agree (each such agreement, a "Participation Agreement"). Visteon shall negotiate with any such ACH Buyer in good faith and in a commercially reasonable and expeditious manner. Each Participation Agreement shall be a separate contract between the parties thereto. Each ACH Buyer shall have the right to receive all Services being received by ACH at the time that such ACH Buyer and Visteon enter into the applicable Participation Agreement (the "Applicable Date"), and the terms and conditions of this Agreement that reasonably apply to such ACH Buyer and the particular Services desired by such ACH Buyer shall be incorporated into each Participation Agreement and shall remain in full force and effect during the term of such Participation Agreement, as such terms and conditions may be amended, either at the Applicable Date or thereafter, by mutual agreement of Visteon and such ACH Buyer. In the event that a ACH Buyer requests that Visteon provide New Services or Excluded Services (determined as of the Applicable Date) to such ACH Buyer, Visteon shall determine in its sole discretion whether to provide such New Services or Excluded Services.

(c) No later than five (5) days after entering into a Participation Agreement with a ACH Buyer, Visteon shall provide written notice thereof to ACH (such notice, a "Participation Notice"). Each Participation Notice shall include a copy of the executed version of the applicable Participation Agreement and any schedules of work or service level schedules thereto, subject to any applicable confidentiality requirements. Notwithstanding any provision in

Section 6.2 of this Agreement to the contrary, upon receipt of a Participation Notice, ACH shall have the right to terminate any and all Service(s) with respect to the Plants to be acquired from ACH by the applicable ACH Buyer, effective immediately upon the effective date of the applicable Participation Agreement, as set forth in Section 6.2(c).

(d) If, during the Term (including the Extended Term, if applicable), Ford requests Visteon to provide with respect to any Plant(s) that may be subsequently transferred to Ford or any Affiliate any of the Services then being provided by Visteon to ACH under this Agreement, Visteon shall provide such Services to Ford in accordance with Section 5.1(a). Visteon's obligation to provide any Services to Ford that are provided to Visteon by Visteon Third Party Service Providers is subject to the terms and conditions set forth in this Agreement and the applicable Statements of Work. For Ford to receive Services under this Agreement, Ford shall enter into a written agreement with Visteon in such form as Ford and Visteon may agree. At such time as Ford and Visteon enter into such agreement, the terms and conditions of this Agreement that reasonably apply to Ford and the particular Services desired by Ford shall be incorporated into such agreement and shall remain in full force and effect during the term of such agreement, as such terms and conditions may be amended, either at such time as Visteon and Ford enter into such agreement or thereafter, by mutual agreement of Visteon and Ford. Notwithstanding the preceding sentence, in no event shall Ford be eligible to receive Excluded Services (determined as of the effective date of such agreement), unless otherwise mutually agreed by Visteon and Ford.

#### 3.4 MATERIAL CHANGE IN VOLUME OR PRIORITY OF SERVICES.

(a) If, at any time during the Term of this Agreement, ACH determines to make a material increase or decrease in the volume or a materially different priority of any Service being provided to ACH, ACH shall submit to Visteon reasonable advance written notice requesting a material increase or decrease in the volume or a materially different priority of any Service being provided to ACH as of the date of the request (such request, a "ACH Change Notice"). In the event that there is a ACH Change Notice resulting in a material decrease in the consumption of Services and which results in Costs incurred by Visteon after the material decrease of Service that cannot be offset, avoided or mitigated by Visteon, Visteon shall provide written notice thereof to ACH and ACH agrees to continue paying its proportional share of such Costs for ninety (90) days from the date of the ACH Change Notice. For any such Costs that Visteon continues to incur after such ninety (90) days, the Parties acknowledge that Visteon shall be entitled to reimbursement thereof pursuant to the terms of the Escrow Agreement. The ACH Change Notice shall include a description in reasonable detail of the material increase or decrease in volume or material difference in priority, and, upon the written request of Visteon, within a reasonable period of time following receipt of such request, ACH shall submit to Visteon any additional information reasonably required by Visteon to evaluate such request. Visteon shall use commercially reasonable efforts to accommodate any such request, it being understood by the Parties that any such accommodation shall occur in accordance with Article V. Within a reasonable period of time following receipt of the ACH Change Notice, Visteon shall determine in good faith whether it is able through the use of commercially reasonable efforts to accommodate the request and shall provide ACH with a Capacity Notice.



(b) In the event that Visteon determines that, through the use of commercially reasonable efforts, it is able to accommodate the request in the ACH Change Notice, Visteon shall set forth in reasonable detail in the Capacity Notice an estimated schedule for such accommodation and the estimated Cost. Within a reasonable time after receiving the Capacity Notice, ACH shall provide Visteon with a ACH Election Notice indicating whether ACH elects to (i) receive the affected Service(s) on the terms set forth in the Capacity Notice, (ii) continue to receive the affected Service(s) without the requested increase or decrease in volume or different priority, or (iii) terminate the affected Service(s) in accordance with Article VI of this Agreement.

(c) In the event that Visteon determines in good faith that, despite the use of commercially reasonable efforts, it is unable to accommodate the request in the ACH Change Notice, Visteon shall explain in reasonable detail in the Capacity Notice the reasons for Visteon's inability to accommodate the request. Within a reasonable time after receiving the Capacity Notice, ACH shall provide Visteon with a ACH Election Notice indicating whether ACH elects to (i) continue to receive the applicable Service(s) without the requested increase or decrease in volume or different priority, or (ii) terminate the affected Service(s) in accordance with Article VI of this Agreement.

(d) If ACH wishes to dispute Visteon's inability to accommodate any request under this Section 3.4, then the Parties shall make use of the provisions of Section 4.1 to resolve any such dispute.

### 3.5 MANAGEMENT AND CONTROL OF THE SERVICES.

(a) The management of and control over the provision of the Services (including, without limitation, the determination or designation at any time of the Equipment, employees and other resources of Visteon to be used in connection with the provision of the Services) shall reside solely with Visteon. Subject to Sections 3.1(e) and 3.2(b), Visteon shall have the right in its sole discretion to modify or change the methods of operation and delivery of the Services, including the right in its sole discretion to use a new or different Visteon Third Party Service Provider to provide a particular Service, provided that Visteon continues to fulfill its obligations under this Agreement.

(b) Visteon shall provide to ACH at least seven (7) days prior written notice of the proposed date of any scheduled outage affecting the delivery of the Services and shall cooperate with ACH in determining the exact date and time during which such a scheduled outage shall occur, taking into account any scheduled events at ACH that would be disrupted by such an outage; provided, that in the event that an outage of any Visteon operating system is required to perform any emergency maintenance work, Visteon shall provide ACH with as much prior notice of such an outage as is reasonably practicable in the circumstances. All changes to or outages of any Visteon operating system shall be conducted in accordance with Visteon's standard policies and procedures.

### 3.6 NEW SERVICES.

(a) In the event that ACH wishes to obtain New Services during the Term, ACH may request in writing that Visteon provide New Services (a "New Services Request"), pursuant to a validly executed amendment to a Statement of Work or a new Statement of Work in accordance with this Section 3.6.

(b) Visteon shall use commercially reasonable efforts to accommodate any such New Services Request from ACH. For purposes of this Section 3.6, accommodating a New Services Request shall be deemed commercially reasonable if, notwithstanding any plan, policy or practice of Visteon to reduce the scope, level and/or volume of services provided to the Business prior to the Closing, such New Services Request is a request for any New Services that are reasonably required for the operation of the Business as a going concern. New Services shall be deemed reasonably required for the operation of the Business as a going concern if a reasonable business person would expect ACH to receive or otherwise enjoy the benefits thereof, or of substantially similar services, in the ordinary course as a going concern in the automotive supply businesses in which ACH is active at the time of such New Services Request. Upon the written request of Visteon, within a reasonable period of time following receipt of such request, ACH shall submit to Visteon any information reasonably required by Visteon to evaluate such New Services Request. Within a reasonable time after receiving the New Services Request, Visteon shall determine in good faith whether it is able through the use of commercially reasonable efforts to accommodate the request and shall provide ACH with a Capacity Notice, it being understood by the Parties that any such accommodation shall occur in accordance with Article V.

(c) In the event that Visteon determines that, through the use of commercially reasonable efforts, it is able to accommodate the New Services Request, Visteon shall set forth in the Capacity Notice a written description of and a schedule for commencing the New Services. Visteon and ACH shall negotiate in good faith to agree upon an amendment to a Functional Services Area Statement of Work or a new Statement of Work describing the work Visteon is to perform in connection with such New Services and the Cost of such New Services. No amendment to a Functional Services Area Statement of Work or new Statement of Work for such New Services will become effective until it has been executed by an authorized representative of each of Visteon and ACH. Within a reasonable time after receiving the Capacity Notice, ACH shall provide Visteon with a ACH Election Notice indicating whether ACH elects to receive the New Service(s) on the terms set forth in the Capacity Notice.

(d) If ACH elects to receive the New Service(s) on the terms set forth in the Capacity Notice, and the Parties agree upon and execute an amendment to a Functional Services Area Statement of Work or a new Statement of Work, as applicable, Visteon will perform the New Services in accordance with the provisions of this Agreement. Upon execution by Visteon and ACH of an amendment to a Functional Services Area Statement of Work or a new Statement of Work for the New Services, the scope of the Services to be provided by Visteon to ACH will be expanded accordingly to include such New Services. Notwithstanding the preceding sentence, for the avoidance of doubt, the expansion of the scope of the Services to include the requested New Services pursuant to this Section 3.6 shall not expand the scope of the Services

then provided by Visteon to any ACH Buyer under any Participation Agreement previously executed between Visteon and such ACH Buyer.

(e) In the event that Visteon determines in good faith that, despite the use of commercially reasonable efforts, it is unable to accommodate the New Services Request, Visteon shall explain in reasonable detail the reasons for Visteon's inability to accommodate the request. If ACH wishes to dispute Visteon's inability to accommodate the request, then the Parties shall make use of the provisions of Article IV hereof to resolve any such dispute.

### 3.7 INITIAL IT TRANSITION SERVICES.

On a one-time basis and as part of the Services, Visteon shall provide to ACH certain initial information technology related transition Services as identified on Exhibit C ("Initial IT Transition Services"), the cost of which shall be shared equally by Visteon and ACH.

### 3.8 MUTUAL OBLIGATIONS.

(a) In addition to the other obligations of the Parties set forth in this Agreement, each Party will promptly provide all information and materials reasonably required for, and will take such other actions as are reasonably necessary to assist or enable, the other Party to perform its obligations under this Agreement. In performing their obligations under this Agreement, each Party agrees and understands that such Party's performance of its obligations is necessary to enable the other Party to perform its obligations. Accordingly, each Party agrees that if it does not perform its obligations under this Agreement and such non-performance affects the other Party's ability to perform its obligations, the other Party shall not be considered in default or breach under this Agreement to the extent its failure to perform is caused by such Party's non-performance.

(b) Each Party acknowledges and agrees that their respective obligations under this Agreement will be governed by the fundamental principle of good faith and fair dealing and that each Party will take all commercially reasonable actions to mitigate costs or expenses to be incurred by the other Party in connection with the provision or receipt of the Services hereunder.

### 3.9 CONSENTS.

(a) This Agreement shall not constitute an agreement to provide any Service if provision of such Service, without the consent of a third party thereto, would constitute a breach or other contravention of an agreement between Visteon and any third party. Visteon shall use its best efforts to obtain the consent of any third parties to the provision of any and all Services hereunder to ACH, any ACH Buyer or Ford, as applicable, prior to the commencement of the applicable Service; provided, that ACH shall cooperate with Visteon to the extent reasonably required of ACH in order to obtain any such consents, and provided further, that, except as set forth in this Section 3.9 of this Agreement, such efforts shall not require Visteon or ACH to incur any material expenses or Liabilities or provide any material financial accommodation or to provide a guarantee to obtain any such consent (provided that Visteon agrees to accept a consent notwithstanding that it does not include a release). If such consent is not, or has not been as of the commencement of the applicable Service, obtained, or if the

attempted provision of such Service(s) would adversely affect the rights of Visteon under an agreement between Visteon and a third party so that ACH would not in fact receive all such Services or would incur a Liability, until such consent is obtained (whereupon such Service(s), to the extent still required by ACH, shall be promptly provided by Visteon to ACH or the applicable Subsidiary of ACH pursuant to the applicable provisions of this Agreement), Visteon and ACH will cooperate in a mutually agreeable arrangement under which ACH would obtain the benefits and assume the obligations thereunder, including making any required payments for Services thereunder, in accordance with this Agreement, including sub-contracting, sub-licensing, or sub-leasing to ACH, or under which Visteon would enforce for the benefit of ACH the applicable agreement with such third party and any claim, right or benefit arising thereunder.

(b) To the extent that any consents, permissions or waivers that are required for Visteon to perform any Service(s) pursuant to this Agreement have not been obtained by Visteon as of the date of this Agreement, or any infringement of any intellectual property rights of any third party is caused thereby, Visteon shall be responsible, at its sole cost and expense, for any added costs or expenses caused thereby or necessary to clear and resolve such infringement, other than such costs or expenses as are required to be paid by Visteon pursuant to Section 7.04 of the Software License and Contribution Agreement.

#### ARTICLE IV DISPUTES AND DISPUTE RESOLUTION

##### 4.1 DISPUTES.

(a) The Parties shall resolve all disputes, controversies or claims of any kind or nature arising under or in connection with this Agreement or any Statement of Work, including disputes as to the creation, validity, interpretation, breach or termination of this Agreement or any Statement of Work (other than those matters that are the subject of a Notice of Non-Compliance, which matters shall be addressed as provided in Section 4.2 below) (a "Dispute") informally to the maximum extent possible. Except as expressly provided in this Agreement or in a Functional Service Area Statement of Work as in effect as of the Effective Date, the terms and conditions of this Agreement shall take precedence over any Statement of Work.

(b) Promptly after the date of this Agreement, each Party shall designate, and shall notify the other Party of such designation, a representative for communicating with the other Party regarding the duties and obligations of the Parties under each separate Statement of Work entered into pursuant to this Agreement (each such representative, a "Relationship Manager"). The Relationship Managers of Visteon and ACH shall act as the principal points of contact between the Parties for all matters relating to the day-to-day provision of the Services provided pursuant to a Statement of Work, and shall meet as often as may be reasonably necessary in connection therewith. The Parties agree that the Relationship Managers shall initially negotiate all Disputes and other matters of joint concern in good faith, with the intention of resolving issues between them in a mutually satisfactory manner. Either Party may change its Relationship Manager(s) by notice to the other Party pursuant to Section 15.1 of this Agreement.

(c) Promptly after the date of this Agreement, each Party shall designate, and shall notify the other Party of such designation, one or more senior business executives ("Designated Executives") for purposes of this Section 4.1. The Relationship Managers of each Party shall report to the Designated Executives on a regular basis with respect to issues and concerns arising out of the provision and receipt of the Services under this Agreement. The Designated Executives of each Party shall meet from time to time during the Term, as the Parties agree to be reasonably necessary. The Parties agree that, if a Dispute cannot be resolved in a mutually satisfactory manner within thirty (30) days by the Relationship Managers pursuant to Section 4.1(b) or Section 4.2, the Dispute may be submitted to the Parties' Designated Executives, who shall negotiate in good faith with the intention of resolving any such dispute in a mutually satisfactory manner. If the Dispute cannot be resolved in a mutually satisfactory manner by the Designated Executives within thirty (30) days of such submission, the Dispute may be submitted to dispute resolution in accordance with Section 4.3 below.

(d) Only Disputes within the scope of this Agreement are subject to this Article. Nothing in this Section 4.1 shall preclude the Parties from exercising their termination rights under this Agreement. The cost of internal dispute resolution shall be shared equally by the Parties. Each Party shall bear its own attorneys' fees. The Parties agree all statements or offers of settlement made in connection with internal dispute resolution efforts under this Article IV shall not be considered admissions or statements against interest by either Party. The Parties further agree that they will not attempt to introduce such statements or offers of settlement at any later trial, arbitration, or mediation between the Parties.

#### 4.2 NOTICE OF NON-COMPLIANCE.

In the event that ACH is dissatisfied with the level or quality of any Service provided under this Agreement or otherwise believes that Visteon is not be in full compliance with its obligations under this Agreement, ACH shall provide prompt written notice thereof (a "Notice of Non-Compliance") to Visteon, setting forth in reasonable detail the basis for ACH's belief as well as ACH's view of the actions that should be taken by ACH to remedy the alleged non-compliance. The Parties shall negotiate in good faith to address the alleged deficiency or non-compliance in a commercially reasonable manner. If the dispute cannot be resolved in a mutually satisfactory manner within thirty (30) days after receipt of such Notice of Non-Compliance, the dispute shall be submitted to the Relationship Managers of Visteon and ACH for the applicable Service. The Relationship Managers shall review the facts surrounding the claim made in the Notice of Non-Compliance, make such investigation as they may deem necessary for purposes of verification of the facts and work in good faith to develop a plan to resolve the claim made in the Notice of Non-Compliance. Upon the determination of the Relationship Managers that the claim made in the Notice of Non-Compliance was valid, the Relationship Managers shall agree in writing on a plan for the resolution of such claim and Visteon shall promptly take action as required thereunder. Pending any such final determination, Visteon shall continue to provide all Services hereunder without interruption. ACH shall not be entitled to deliver another Non-Compliance Notice or pursue other remedies with respect to the same matter so long as Visteon complies in all material respects with the terms of such resolution plan. If the Relationship Managers cannot agree upon such a determination or on a resolution plan, the Parties shall submit the issue to the Designated Executives as a Dispute in accordance with Section 4.1(c) above.

#### 4.3 DISPUTE RESOLUTION.

If a Dispute arises between the Parties relating to this Agreement that the Parties have otherwise been unable to resolve pursuant to this Article IV, the following shall be the sole and exclusive procedure for enforcing the terms hereof and for seeking relief, including but not limited to damages, injunctive relief and specific performance:

(a) The Parties promptly shall hold a meeting of executives with decision-making authority who are senior to the Designated Executives to attempt in good faith to negotiate a mutually satisfactory resolution of the Dispute; provided that no Party shall be under any obligation whatsoever to reach, accept or agree to any such resolution; provided further, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the Parties or be deemed a waiver by a Party hereto of any remedies to which such Party would otherwise be entitled.

(b) If the Parties are unable to negotiate a mutually satisfactory resolution as provided above, then upon request by either party, the Dispute shall be submitted to binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration. Within five Business Days after the selection of the arbitrator, each Party shall submit its requested relief to the other Party and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed. Upon the conclusion of discovery, each Party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one Party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one Party's requested relief as to certain claims or counterclaims and the other Party's requested relief as to other claims or counterclaims. Rather, the arbitrator must only select one or the other Party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator shall enter a final ruling that adopts in whole such requested relief. The arbitrator shall limit his/her final ruling to selecting the entire requested relief he/she considers the most appropriate from the requests submitted by the Parties.

(c) Arbitration shall take place in the City of Dearborn, Michigan unless the Parties agree otherwise or the arbitrator selected by the Parties orders otherwise. Punitive or exemplary damages shall not be awarded. This Section 4.3 is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., or comparable legislation in non-U.S. jurisdictions, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction.

#### ARTICLE V CHARGES AND PAYMENTS

##### 5.1 FEES FOR SERVICES.

(a) During the Initial Term, the Services shall be provided to ACH at Visteon's Cost as defined below. During any Extended Term, Services shall be provided to ACH at Visteon's Cost plus a 5% mark-up. Subject to Section 3.6 of this Agreement, all New

Services to be added to the scope of the Services during the Term shall be provided to ACH as follows:

(i) New Services resulting from statutory, regulatory or other legal requirements that affect ACH shall be provided to ACH at Visteon's Cost;

(ii) New Services to support due diligence and other activities relating to the sale of all or substantially all of the business conducted at any Plant(s) ("Sell-Side Activities") shall be provided to ACH at Visteon's Cost. All Sell-Side Activities are set forth on Exhibit D attached hereto. The Parties acknowledge and agree that ACH shall not be obligated to request New Services relating to Sell-Side Activities from Visteon or any Visteon Third Party Service Provider, and that ACH may, in its sole discretion, elect to receive, in whole or in part, any and all New Services relating to Sell-Side Activities directly from a third party service provider not affiliated with Visteon or any Visteon Third Party Service Provider;

(iii) New Services that were Excluded Services shall be provided to ACH at a price to be negotiated between Visteon and ACH; and

(iv) all New Services other than as set forth in Section 5.1(a)(i), 5.1(a)(ii) and 5.1(a)(iii) of this Agreement shall be provided to ACH (A) if requested during the first eighteen (18) months of the Term of this Agreement, at Visteon's Cost during the Term, and (B) if requested after the first eighteen (18) months of the Term of this Agreement, at a price to be negotiated between Visteon and ACH, provided, that, where the annual cost or project cost is less than \$100,000, such negotiated price shall be Visteon's Cost plus a 5% mark-up. Visteon and ACH agree to negotiate prices expeditiously, in good faith and on commercially reasonable terms.

(b) For Businesses that are sold by ACH during the Term to ACH Buyers who qualify as ACH Buyers hereunder, Services will be provided by Visteon for up to twenty-four (24) months after each such sale, as requested by a ACH Buyer, on the following terms:

Term	Price
- - - - -	- - - - -
9 months post-sale	Cost + 5%
10 - 15 months post-sale	Cost + 8%
16 months and beyond post sale	Cost + 12%

In the event that a ACH Buyer requests New Services during such 24-month post-sale period, such New Services, subject to Section 3.3(b), shall be provided (i) if directly by Visteon to such ACH Buyer, at a price to be negotiated between Visteon and such ACH Buyer, and (ii) if indirectly by Visteon through ACH, pursuant to Section 5.1(a) of this Agreement.

(c) All of the foregoing, together with all costs and expenses otherwise payable by ACH to Visteon under this Agreement, collectively constitute the "Service Fees". All Service Fees shall be invoiced and paid according to Section 5.3. For the avoidance of doubt, ACH shall not be liable for any Service Fees owed to Visteon by any ACH Buyer.

(d) For purposes of this Agreement, the term "Cost" means the fully accounted costs including a reasonable allocation for internal overhead costs (excluding certain corporate staffs and overhead) as well as any direct costs for outside suppliers.

(i) For the avoidance of doubt, the term Cost includes, without limitation, any (1) mutually agreed retention programs instituted by Visteon in order to insure performance of such services to ACH and to Visteon; (2) depreciation for any asset shared by Visteon and ACH in the course of providing or receiving Services under this Agreement, but only to the extent that such asset is (i) directly related to the provision of Services and (ii) set forth individually, and under a grouping by business function, on a schedule provided by Visteon to ACH on or before December 15, 2005; (3) for the first twenty-seven (27) months after the Effective Date, a fee of Twelve Million Dollars (\$12,000,000) per calendar year for certain administrative services and business office management which are deemed to be part of the Services (the "Business Management Offices Charge"), which shall be invoiced to ACH and paid in equal monthly installments.

(ii) For the avoidance of doubt, the term Cost shall not include: (1) any amount for which Visteon is entitled to reimbursement pursuant to the terms of the Escrow Agreement; (2) any taxes, which shall be reimbursed as set forth in Section 5.5 of this Agreement; (3) any penalties, late fees, costs or expenses of any kind, arising from any failure to perform or other breach by Visteon of any obligation under this Agreement or any other agreement relating to the Services; (4) fiduciary insurance premium increases greater than Ford's year-over-year rate of increase determined on a per capita basis; and (5) any Consent Expenses (as defined in the Software License and Contribution Agreement).

(iii) For the avoidance of doubt, with respect to shared personnel that are Visteon employees or agency personnel of Visteon, Costs shall be calculated in accordance with the methods set forth for salaried Visteon personnel leased to ACH in Sections 4.01 through 4.03 of the Visteon Salaried Employee Lease Agreement.

## 5.2 CAPITAL INVESTMENTS.

(a) Subject to the provisions of this Section 5.2, Visteon shall have the right but not the obligation to make such capital investments as it deems reasonably necessary to support provision of the Services to ACH ("Qualifying Capital Investments"). Visteon shall provide advance written notice to ACH, including a description in reasonable detail of the nature and estimated amount of the cost, of any such Qualifying Capital Investments that Visteon proposes to make (each such notice a "Capital Investment Notice").

(b) ACH shall have the right but not the obligation to request such capital investments as it deems reasonably necessary to support provision of the Services to ACH ("Qualifying Capital Investments"). Visteon shall use commercially reasonable efforts to accommodate Qualifying Capital Investments requested by ACH.



(c) Notwithstanding Section 5.2(a), ACH shall have the right in its sole discretion to accept or reject participation in any and all Qualifying Capital Investments proposed by Visteon. Within a reasonable time after receiving a Capital Investment Notice, ACH shall provide notice to Visteon of its acceptance or rejection of participation in the proposed Qualifying Capital Investment. ACH acknowledges that its rejection of participation in a proposed Qualifying Capital Investment may constitute a Service Level Exclusion Event.

(d) In the event that ACH elects to accept participation in a Qualifying Capital Investment proposed by Visteon,

(i) where the Qualifying Capital Investment relates exclusively to the provision of Service(s) to ACH, ACH shall, subject to Visteon's contractual obligations with Visteon Third Party Service Providers, purchase and acquire title to, depreciate and amortize, the asset funded by such Qualifying Capital Investment; and

(ii) where the Qualifying Capital Investment relates to the provision of Service(s) that are shared by Visteon and ACH, (A) Visteon shall pay for the entire purchase price of, and acquire title to, the asset funded by such Qualifying Capital Investment, and (B) Visteon shall include as a pass-through expense in Visteon's Cost for the affected Service(s) an amount equivalent to the amount of Visteon's depreciation/amortization and Visteon's (I) expenses to operate and maintain the asset, and/or (II) reductions in Visteon's Cost resulting from the Qualifying Capital Investment, in each case in proportion to ACH's use of such asset for the duration of such use. In the event that ACH terminates the applicable Service(s) before the asset funded by such Qualifying Capital Investment is fully depreciated/amortized, Visteon and ACH shall cooperate to mitigate any stranded costs associated with such asset.

(e) In the event that ACH elects to reject participation in a Qualifying Capital Investment proposed by Visteon, ACH shall not be required to reimburse Visteon for any portion of the purchase price of the asset or to pay any amount relating thereto as a pass through expense included in Visteon's Cost (including depreciation, amortization and other expenses), without regard to whether such Qualifying Capital Investment relates to Services that are provided exclusively to ACH or shared by ACH and Visteon. ACH acknowledges that its rejection of participation in a proposed Qualifying Capital Investment may constitute a Service Level Exclusion Event.

### 5.3 PAYMENT.

(a) All Service Fees, unless specifically otherwise addressed in a Statement of Work, shall be calculated, invoiced and paid in accordance with this Section 5.3. The initial invoicing and payment process shall be as follows; provided, however, that within (6) months of the Effective Date, the Parties agree that they will cooperate in good faith to develop and implement, if necessary, any mutually agreeable revisions to the billing and payment process set forth in this Section 5.3.

(i) On or about the 13th day of the month Visteon shall provide ACH with:

(1) a calculation of actual Service Fees incurred on behalf of ACH in the previous month (and reasonably sufficient supporting detail to enable ACH to analyze its Cost);

(2) a calculation of any over or under payment made by ACH in the previous month; and

(3) an estimated monthly Service Fee ("Estimated Monthly Service Fee") for the then current month. The Estimated Monthly Service Fee will contain a reasonably detailed itemization of the categories and corresponding estimated Costs allocable to ACH.

(ii) Within two (2) Business Days of Visteon's delivery of the materials in Section 5.3(a)(i), the Parties will work collaboratively to review the information in Section 5.3(a)(i) and develop (A) a summary of any errors in or required adjustments to the actual amounts from the previous month and (B) any changes which should be reflected in the Estimated Monthly Service Fee for the then current month.

(iii) On the next Business Day following the completion of the two Business Day period referred to in clause (ii) immediately above, Visteon will provide an invoice to ACH reflecting (A) the Estimated Monthly Service Fee, including any changes resulting from the efforts described in Section 5.3(ii)(B) above; (B) the amount of any over-payment or under-payment made by ACH in the previous month reflecting any adjustments from Section 5.3(a)(ii) above and (C) the net payment due calculated as the sum of items (A) and (B) of this Section 5.3(a)(iii).

(iv) Invoices are due and payable by ACH within two (2) Business Days of receipt. Payments will be made by wire transfer to an account designated by Visteon or other method acceptable to Visteon.

(b) As of the Effective Date, with respect to Cost items that are allocated partially to ACH and partially to Visteon in calculating the applicable Service Fee, such Cost items shall be allocated using the fixed ratios (e.g., based on North America revenue, North America salaried employee headcount, global employee headcount, etc.) set forth in the Statements of Work or otherwise identified in attachments or in Cost Schedule 1, Cost Schedule 2, or Cost Schedule 3 to the Statements of Work and, such ratios shall be applied and adjusted as agreed to by the Parties in accordance with the following principles (each, a "Fixed Allocation Ratio"):

(i) The initial Fixed Allocation Ratios identified in each line item of a Statement of Work or the applicable schedules to such Statement of Work shall be applied to calculate the Cost to be charged to ACH with respect to such line item;

(ii) Fixed Allocation Ratios shall be adjusted as on a quarterly basis in the following manner: Commencing in the first quarter of 2006, during the second month of each calendar quarter, Visteon shall recalculate the Fixed Allocation Ratios and submit the recalculations to ACH for its review for accuracy. Once the Parties agree on the accuracy of any appropriate adjustment, if any, for each Fixed Allocation Ratio, such agreed upon adjusted Fixed Allocation Ratio shall be applied beginning in the first month of the immediately following calendar quarter.

(iii) Notwithstanding the provisions of clause (b)(ii) above, upon the occurrence of (A) a sale or closure of a Plant or the transfer of a Plant to Ford, (B) ACH's exit from a line of Business or (C) the provision to Visteon of a ACH Change Notice relating to a material change pursuant to Section 3.4 (each, a "Significant Event"), the Parties shall promptly meet and agree to an appropriate adjustment of the affected Fixed Allocation Ratio, which adjusted Fixed Allocation Ratios shall be applied in the month following the month during which the Significant Event occurs.

(c) Visteon will provide to ACH the same billing data (including consumption detail) and level of detail as Visteon receives from a Visteon Third Party Service Provider or customarily provides to Visteon's other businesses and such other related data as may be reasonably requested by ACH, including a breakdown of the costs associated with the provision of the Services to ACH under each Statement of Work. Visteon shall provide ACH with any billing data or other information that ACH reasonably requires to verify that the proposed charges are in compliance with the Costs provided for in this Agreement.

(d) As more specifically set forth in (i) an amended Statement of Work or a Statement of Work associated with a New Service Request, (ii) a ACH Change Notice or (iii) a Capital Investment Notice, Service Fees and such others amounts identified in a Statement of Work that are in addition to the Estimated Monthly Service Fee shall be invoiced by Visteon separately on a monthly basis as incurred by Visteon and shall be paid by ACH in accordance with this Section 5.3.

(e) After providing Visteon with reasonable prior notice, ACH shall have the right to withhold amounts invoiced by Visteon but only with respect to amounts for which ACH determines in good faith that ACH is not liable to Visteon because the Service at issue was not provided or the invoiced amount was not correct. Any payment amounts withheld shall be submitted to the dispute resolution process set forth in Article IV.

#### 5.4 AUDITS AND ACCESS TO INFORMATION.

(a) ACH or its designee shall have the right to perform audits (including, but not limited to, financial, operational and systems audits) and internal control reviews of any and all Services provided under this Agreement, including, to the extent possible, Services provided by a Visteon Third Party Service Provider. Subject to the provisions of Sections 5.4(a)(i) and 5.4(a)(ii), Visteon shall provide ACH's external auditors, other unaffiliated third party, and Ford, as applicable, with access at reasonable times and upon reasonable notice, to Visteon's data,

personnel, and books and records relating to the Services for the purpose of performing such internal audits and control reviews, which may include internal audits and control reviews of the data and methodology used by Visteon to determine the costs of, and the key processes supporting, such Services.

(i) With respect to Services provided by Visteon employees who are not leased by ACH from Visteon under the Visteon Hourly Employee Lease Agreement or the Visteon Salaried Employee Lease Agreement, and as set forth in greater detail in Exhibit E hereto, Visteon and ACH shall cooperate in good faith in order to meet the requirements of both Parties in the most efficient possible manner (A) to develop for each calendar year a mutually agreeable internal audit and control review plan, and (B) to perform, or to cause to be performed, the financial, operational and systems internal audits and reviews contemplated by this Section 5.4. Visteon and ACH agree to meet not less than four times each calendar year, to develop and/or modify and adjust, by mutual agreement, the internal audit and control review plan for the applicable calendar year. Notwithstanding the foregoing, if either (i) Visteon elects not to perform, or to cause to be performed, an internal audit or control review of any aspect of the Services required by the agreed upon internal audit and control review plan or otherwise requested by ACH or (ii) ACH disagrees in any material respect with the conduct or results of any such internal audit or control review, ACH shall have the right to perform, or to cause to be performed, an internal audit or control review of such aspect of the Services in accordance with this Section 5.4.

(ii) Notwithstanding any other provision of this Section 5.4, ACH or its designee shall have the sole right to perform internal audits and control reviews of processes (including, but not limited to, financial, operational and systems processes) directed by ACH and any employees leased by ACH from Visteon under the Hourly Employee Lease Agreement and the Salaried Employee Lease Agreement.

(b) If any internal audit or control review reveals either (i) any actual or potential ongoing or one-time material financial or operational risk to ACH or Visteon in excess of \$500,000, or (ii) any material violation of law, regulation or other applicable governmental requirement, fraud, theft, or other significant risk to ACH or Visteon that relates to the Services, Visteon or ACH shall provide the other Party with all such information reasonably required by the other Party in order for the other Party to understand the nature of the risk and with a copy of the report containing such findings to the extent relevant to the Services, together with a summary description of any corrective action, the timing thereof, and subsequent testing for such risk as contemplated by Visteon. In the event that ACH requests that Visteon take any material action under this Agreement relating to internal controls, including, but not limited to, separation of systems or information, systems processing, Visteon and ACH data, or imposition of security measures or other activities for purposes of ACH's compliance with any law, regulation or other applicable governmental requirement (including the internal controls requirements of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act")), Visteon shall use commercially reasonable efforts to accommodate such request, provided, that ACH shall be responsible for all costs and expenses of such request, but only to the extent that the action requested is incremental to Visteon's obligations pursuant to Section 3.1(e).

(c) Each Party shall be responsible for its own personnel and other costs in connection with the performance of, or provision of access and assistance relating to, internal audits or control reviews under this Section 5.4 (including, but not limited to, all such items set forth in Exhibit E hereto). Each of the Parties may request, however, that a SAS 70 Type II review be performed and a SAS 70 Type II report be provided to such Party with respect to the Services, provided, that the requesting Party shall bear the expenses of such SAS 70 Type II review and report.

(d) Subject to the confidentiality provisions and any other restrictions contained in the terms and conditions of this Agreement, Visteon and ACH shall provide, upon written request, any information within such Party's possession that the requesting Party reasonably needs in connection with Services being provided by or to such requesting Party (i) to comply with requirements imposed on the requesting Party by a governmental authority; (ii) for use by such requesting Party in any internal audit, control review, accounting, tax or similar process; or (iii) otherwise to comply with such requesting Party's obligations under this Agreement. Notwithstanding the foregoing, Visteon shall only be obligated to provide access to any of Visteon's personnel records, internal costing data, research and development data or other information, in each case to the extent that such information relates to the Business or the Services provided under this Agreement. ACH's auditors and other representatives shall sign a non-disclosure agreement in form and substance mutually agreeable to the Parties and shall comply with Visteon's reasonable security requirements. With respect to any internal audit or control review under this Agreement conducted jointly by the Parties or their designees under this Section 5.4, each Party shall provide the other upon request with copies of work papers prepared by its audit personnel (or the audit personnel of its designees) regarding such audit or internal control review; provided, however, that neither Party shall be obligated under this Section 5.4 to provide any documents or information protected by attorney-client privilege or the work product doctrine.

#### 5.5 TAXES.

ACH shall be responsible for and pay any and all excise, sales, use, gross receipts, Mexican value-added or other similar transaction taxes (provided that Visteon provides ACH with supporting documentation, including a VAT invoice, as appropriate) that may be levied by any domestic or foreign government related to the charges or Services rendered pursuant to this Agreement. Where allowed by Law, ACH may pay such taxes directly to the applicable tax authorities and, in such cases, will furnish Visteon with appropriate documentation (e.g., direct-pay permit, etc.). In all other cases, applicable taxes will be included as a component of the Estimated Monthly Service Fee charged by Visteon to ACH under this Agreement or, where necessary, billed separately.

### ARTICLE VI TERMINATION

#### 6.1 TERMINATION BY VISTEON.

Visteon shall have the right to terminate this Agreement upon notice to ACH in the event any of the following occur:

(a) The commencement of any proceedings under court supervision for the liquidation or dissolution of ACH;

(b) The insolvency, appointment of a receiver for or institution of reorganization or similar proceedings of or for ACH;

(c) The making of any assignment for the benefit of creditors by ACH;

(d) The filing of a petition in bankruptcy by or against ACH under any bankruptcy or debtor's Laws for its relief or reorganization or for the composition, extension, arrangement or readjustment of its obligations; or

(e) The failure by ACH to perform any of its material obligations under this Agreement relating to any of the Services, which has not been corrected within thirty (30) calendar days after written notice thereof is delivered to ACH by Visteon or in the event of non-payment of any Service Fees payable to Visteon by ACH pursuant to Section 5.3 above (other than those Service Fees that are withheld pursuant to Section 5.3(e) above) which has not been cured within five (5) Business Days after written notice has been delivered by Visteon to ACH. ACH acknowledges and agrees that any such failure of ACH that materially adversely affects Visteon's relationship with any Visteon Third Party Service Provider shall be deemed to constitute a material failure for purposes of the foregoing.

## 6.2 TERMINATION OF AGREEMENT AND SERVICES BY ACH.

(a) ACH may terminate this Agreement prior to the expiration of the Term: (i) if Visteon fails to perform any of its material obligations under this Agreement relating to the Services, following notice and reasonable opportunity to cure; or (ii) for any reason, upon ninety (90) days' advance written notice to Visteon.

(b) Subject to any applicable provision in a Statement of Work, ACH may terminate one or more Statement(s) of Work in its or their entirety, or any Service(s) in its or their entirety provided under such Statement(s) of Work, with respect to one or more Plant(s), by giving Visteon ninety (90) days' written notice of such termination. In the event of any such termination, the applicable Statement of Work and the applicable Service Level Schedule for such Service shall be deemed to have been terminated or amended, as the case may be, accordingly.

(c) In the event of any termination of this Agreement, a Statement of Work or a Service pursuant to this Section 6.2, ACH shall not be responsible for any Termination Charges or other costs, expenses, fees, or charges of any kind whatsoever incurred by or imposed on or required to be paid by Visteon as a result of such termination, including those payable to any Visteon Third Party Service Provider. Each of Visteon and ACH acknowledges that Visteon shall be entitled to reimbursement of any such Termination Charges or other costs, expenses, fees or charges pursuant to the terms of the Escrow Agreement.

(d) Upon the termination of any Services by ACH pursuant to this Section 6.2, such terminated Services shall be deemed to be Excluded Services for all purposes under this Agreement.

### 6.3 EFFECT OF EXPIRATION OR TERMINATION; SURVIVAL.

(a) Upon termination of any particular Service or of this Agreement in accordance with its terms, Visteon shall have no further obligation to provide such terminated Service or to perform its obligations hereunder with respect to such terminated Service, and ACH shall not have any obligation to purchase any such terminated Service from Visteon, pay any Termination Charges or other fees relating to such terminated service or make any other payments with respect to such terminated Service after the date of expiration, except in either case as provided in Section 6.2 or otherwise expressly set forth in this Agreement.

(b) If ACH terminates this Agreement, any or all Services, or all Services at a particular Plant pursuant to Section 6.2(b) prior to the expiration of the Term, upon the written request of ACH (which shall be delivered to Visteon as a New Services Request pursuant to Section 3.6 concurrently with ACH's written notice of termination to Visteon pursuant to Section 6.2(b)), Visteon and ACH shall cooperate to transition the affected businesses from the Services to the new systems used by ACH or a ACH Buyer; provided however, that unless otherwise agreed to by the Parties in writing, Visteon's obligation to cooperate in such transition shall not exceed ninety (90) days from the date of such notice of termination.

(c) Notwithstanding any termination of a Service or expiration or termination of this Agreement, but subject to the other terms of this Agreement, ACH shall remain liable to Visteon for all Service Fees and amounts, costs and expenses payable or incurred by Visteon or any of its Affiliates on behalf of ACH in connection with the provision of any Services prior to the effective date of such termination in accordance with the terms of this Agreement.

(d) Upon expiration or termination of this Agreement: (i) no Party shall be relieved of any liability for the breach of any provision of this Agreement; and (ii) any amounts owed hereunder by one Party to another Party shall be paid as they become due and payable within forty-five (45) days under the terms of this Agreement as applicable to payments prior to the expiration or termination of this Agreement, and shall be made by wire transfer of immediately available funds; provided that, with respect to payment for any Services, all Service Fees shall be invoiced sixty (60) days after the end of the month during which such termination occurred. Upon expiration or termination of this Agreement, all rights and obligations hereunder will terminate except that Articles IV, IX, XI, XII, XIV and XV and Sections 5.3, 5.4, and 6.3 will continue to survive any expiration or termination of this Agreement.

## ARTICLE VII USE OF VISTEON SOFTWARE AND EQUIPMENT

### 7.1 USE OF VISTEON SOFTWARE AND EQUIPMENT.

ACH acknowledges and agrees that certain assets used by Visteon in the provision of the Services, including various components of the Equipment, Visteon Owned Software and Visteon Licensed Software, will be shared and used concurrently by Visteon, ACH and ACH Buyers, and/or a third party(ies) during the Term of this Agreement.

ARTICLE VIII  
PERSONNEL, FACILITIES AND SYSTEMS

8.1 PERSONNEL.

(a) Services may be provided by such Personnel as Visteon deems appropriate in its reasonable discretion. Visteon may hire or engage one or more subcontractors or other third parties to perform all or any of the Services, provided that Visteon shall remain ultimately liable and responsible for compliance with the terms and conditions of the Agreement.

(b) During the Term, ACH agrees not to solicit, directly or indirectly, for employment or employ any Visteon Personnel (other than retired Personnel) who is or was actively involved in the performance, consumption or evaluation of the Services without the prior written consent of Visteon; provided, however, that nothing contained herein will prevent ACH from hiring any such Personnel who responds to a general hiring program conducted in the ordinary course of business or who approaches ACH on a wholly unsolicited basis.

8.2 FACILITIES.

(a) The Services shall be provided by Visteon from locations as determined by Visteon in its sole discretion from time to time during the Term and using the Equipment and furniture and fixtures owned or leased by Visteon or its Affiliates, or owned or leased by Visteon Third Party Service Providers (collectively, the "Facilities"). Visteon may move or change Facilities in its discretion from time to time as required for Visteon's business, provided that Visteon continues to fulfill its obligations under this Agreement. Except where purchased by ACH pursuant to Section 5.2(d)(i), ACH acknowledges and agrees that it shall not have any right, title, or interest in or to the Facilities (including the Equipment).

(b) Subject to the mutual agreement of the Parties, the Services may also be provided by Visteon from locations owned or leased by ACH and using equipment and furniture and fixtures owned or leased by ACH. Subject to the mutual agreement of the Parties, to the extent any Service requires access to or use of any asset of ACH or its Affiliates, ACH shall permit Visteon's Personnel, or cause ACH's Affiliates and Subsidiaries to permit Visteon's Personnel, to have such reasonable access and reasonable use of any such asset, without charge or expense to Visteon, for the provision of Services. Further, subject to the mutual agreement of the Parties, ACH shall provide Visteon with all reasonable access to and right to use ACH's personnel, facilities, equipment, data and software (including object code and source code therefor) as Visteon reasonably deems necessary to provide the Services. Visteon shall store and safeguard all storage media containing such equipment, data and software in the possession and custody of Visteon in accordance with Visteon's standards for maintaining its own similar data or software.

8.3 TECHNOLOGY CHANGES.

(a) Visteon shall have the right to control and change the configuration and operation of any changes to all Equipment used to provide the Services, whether or not fully dedicated to provide Services. In addition, Visteon shall be entitled to move the location at which the Services are performed, including the facilities in which data of ACH is processed at



the convenience of Visteon to functionally equivalent equipment owned or operated by Visteon or one of its Subsidiaries, Affiliates and/or contractors, provided that Visteon continues thereafter to fulfill its obligations under this Agreement. Visteon may make any material changes to technology infrastructure and applications within the Equipment (including but not limited to mainframe equipment, servers, data storage devices, wide area network and local area network equipment, peripherals, desktop and laptop computers, telephones, telephone systems, telephone networks, voice mail systems and voice mail networks), systems, systems architecture, software, databases, technology infrastructure and applications or any other item or service acquired (including, without limitation, by adding updates and new releases and changing the operating system or particular software or equipment) that Visteon determines are desirable in the normal course of business ("Technology Changes"), provided, that Visteon continues thereafter to fulfill its obligations under this Agreement, and provided further, that any Technology Changes that constitute Capital Investments shall be subject to Section 5.2 of this Agreement.

(b) In the event that Visteon determines to implement a Technology Change, Visteon shall provide to ACH with reasonable advance written notice a Visteon Change Notice. The Visteon Change Notice shall include a description in reasonable detail of the Technology Change. Within a reasonable time after the receipt of a Visteon Change Notice, ACH shall provide a ACH Election Notice to Visteon indicating whether ACH desires to continue to receive the affected Service(s) or whether ACH desires to terminate the affected Service(s) in accordance with Section 6.2(b) of this Agreement. If, notwithstanding the Technology Change described in the Visteon Change Notice, ACH elects in the ACH Election Notice to continue to receive the affected Service(s), Visteon shall use commercially reasonable efforts (as defined in Section 3.6) to continue to provide or procure such Service(s) on behalf of ACH in accordance with the terms of this Agreement, it being understood by the Parties that Visteon any such continued provision or procuring of the Service(s) shall occur in accordance with Article V. Within a reasonable time after receipt of the ACH Election Notice, Visteon shall determine in good faith whether it is able through the use of commercially reasonable efforts to continue to provide or procure such Service(s) and shall provide ACH with a Visteon Capacity Notice. In the event that Visteon determines in good faith that, despite the use of commercially reasonable efforts, it is unable to continue to provide or procure such Service(s), Visteon shall explain in reasonable detail in the Visteon Capacity Notice the reasons for Visteon's inability to continue to provide or procure such Service(s) and shall cooperate in good faith with ACH to identify and facilitate (by providing reasonable access to its personnel, facilities, equipment or otherwise) an alternative means of obtaining such Service(s). If ACH wishes to dispute Visteon's inability to provide or procure such Service(s), then the Parties shall make use of the provisions of Article IV hereof to resolve any such dispute.

(c) ACH shall not change any procedure or method of operation that materially adversely affects Visteon's performance of its obligations under this Agreement or any of the Equipment without Visteon's prior written consent.

ARTICLE IX  
INDEMNIFICATION

9.1 INDEMNIFICATION.

The Parties agree that the applicable provisions of Article VIII of the Contribution Agreement subject to the specific limitations and exclusions set forth in Article XII of this Agreement shall apply to this Agreement.

9.2 EXCLUSIVE REMEDY.

Subject to Article XII, the Parties acknowledge that their sole remedy contained in this Agreement shall be as referred to in this Article IX. Nothing contained herein, however, shall limit the rights of any Party to seek and obtain injunctive relief to specifically enforce the other Party's obligations hereunder under Section 15.12 or otherwise.

ARTICLE X  
COMPLIANCE WITH AND CHANGES TO LAWS AND POLICIES

10.1 COMPLIANCE WITH LAWS AND POLICIES.

(a) At all times while a Statement of Work is in effect, Visteon shall comply, and shall remain in compliance, with all applicable Laws affecting its performance of the Services, and the terms of this Agreement relating to or affecting the performance of its obligations hereunder, and shall secure and maintain in full force and effect all governmentally required licenses, permits and authorizations necessary for the performance of its obligations hereunder. Visteon shall comply with all Laws applicable to its business. Notwithstanding any provision herein to the contrary, Visteon shall be entitled to reasonably rely on all written instructions provided by a duly authorized officer of ACH to Visteon with respect to legal and regulatory requirements applicable to the businesses of ACH.

(b) At all times during the Term of this Agreement, ACH shall comply, and be and remain in compliance with all applicable Laws and the terms of this Agreement relating to or affecting the receipt of the Services and the performance of its obligations hereunder, and shall secure and maintain in full force and effect all licenses, permits and authorizations necessary for the performance of its obligations hereunder, provided, that ACH shall not be responsible for any failure or inability to meet its obligations under this Section 10.1(b) where such failure or inability arises from, or is reasonably attributable to, any failure or inability of Visteon to comply with Visteon's obligations under this Agreement, including, but not limited to, the failure or inability of Visteon to obtain any consents required in order to provide Services to ACH under this Agreement.

10.2 CHANGES IN LAWS.

Notwithstanding anything to the contrary in this Agreement, in the event of any change in Law or enactment of a new Law that affects the Services after the date of this Agreement, Visteon and ACH will negotiate in good faith to modify the applicable Statement of Work (including the Service Fees) and related Services to the extent necessary to comply with

such new or amended Law. For the avoidance of doubt, to the extent New Services are required for purposes of such compliance, Visteon shall provide such New Services to ACH in accordance with Section 3.6, and all such New Services shall be provided to ACH (but not to ACH Buyers) in accordance with Article V of this Agreement. To the extent that a change in any applicable Laws adversely affects the ability of Visteon to perform its obligations under this Agreement, Visteon shall take such actions as are reasonably necessary and appropriate for Visteon to fulfill its obligations hereunder. To the extent that a change in any applicable Law adversely affects the ability of ACH to receive or to use Services, ACH shall take such actions as are reasonably necessary and appropriate for ACH to receive or to use Services or otherwise to fulfill its obligations hereunder. If any joint action by Visteon or ACH is required under this Section, ACH and Visteon shall cooperate in good faith to promptly and mutually agree upon the course of action required.

## ARTICLE XI CONFIDENTIAL INFORMATION

### 11.1 CONFIDENTIAL INFORMATION.

(a) Each of Visteon and ACH agrees to hold in confidence, and to use only in connection with the provision or receipt of the Services under this Agreement, all information that is disclosed under this Agreement and designated by the disclosing Party in writing or by appropriate stamp or legend as "CONFIDENTIAL" or some similar marking of like importance, or where the nature of the information is such that a reasonable person who deals with such information would believe that a party intends or is obligated to maintain it as confidential (hereinafter "Confidential Information"). For the avoidance of doubt, the Parties agree that Confidential Information shall include information of Visteon Third Party Service Providers that is designated as confidential under the terms of an agreement between Visteon and such Visteon Third Party Service provided that such information is designated by the disclosing Party in writing or by appropriate stamp or legend as "CONFIDENTIAL" or some similar marking of like importance. The receiving Party agrees to use the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use and disclosure of the Confidential Information to third parties (including Ford) as it uses to protect its own confidential information of like importance. Except as specified below, the obligations of this Article XI shall terminate on the expiration of the Term of this Agreement, after which the party having received the Confidential Information shall limit further disclosure in the same manner as that party protects its own confidential information of like importance.

(b) Notwithstanding any other provision of this Agreement, the obligations of restricted disclosure and use specified herein will not apply to Confidential Information which: (i) is available as of the Effective Date or becomes available to the public without breach of this Agreement; (ii) is authorized for release in writing by the disclosing Party prior to the applicable disclosure; (iii) is lawfully obtained from a third party or parties without a duty of confidentiality; (iv) is disclosed to a third party by the disclosing Party without a similar duty of confidentiality; or (v) is at any time developed by the receiving Party independently of any related disclosure(s) from the disclosing Party.

(c) With regard to any Confidential Information disclosed pursuant to this Agreement, the receiving Party shall not be liable for unauthorized disclosure of such Confidential Information pursuant to judicial action or governmental regulations or requirements, provided that the receiving Party notifies the disclosing Party of the need for such disclosure within a reasonable period of time before such disclosure is required.

ARTICLE XII  
LIMITATION OF LIABILITY; NO WARRANTIES

12.1 LIMITATION OF LIABILITY.

Notwithstanding any other provision of this Agreement, and for any reason, including breach of any duty imposed by this Agreement or independent of this Agreement, and regardless of any claim in contract, tort (including negligence) or otherwise, the liability of each Party under this Agreement and all Participation Agreements, for any single breach, other than ACH's obligations to make payments to Visteon under this Agreement, shall in no circumstance exceed, in the aggregate the total amount of all payments made to Visteon by ACH for the Services during the three (3) months prior to the act or event giving rise to such claim under the Statement of Work to which such claim relates.

12.2 EXCLUSION OF INCIDENTAL AND CONSEQUENTIAL DAMAGES.

INDEPENDENT OF, SEVERABLE FROM, AND TO BE ENFORCED INDEPENDENTLY OF ANY OTHER PROVISION OF THIS AGREEMENT, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY (NOR TO ANY PERSON CLAIMING RIGHTS DERIVED FROM THE OTHER PARTY'S RIGHTS) IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND, INCLUDING LOST PROFITS, LOSS OF BUSINESS, OR OTHER ECONOMIC DAMAGE, EXCEPT IN THE CASE OF WILLFUL OR INTENTIONAL BREACH.

12.3 NO WARRANTIES.

EXCEPT AS SET FORTH IN SECTION 3.1(e) OR AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, VISTEON MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION HERewith (INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO ANY SERVICES OR ANY DATA, WORKS OR MATERIALS PROVIDED HEREUNDER) INCLUDING, BUT NOT LIMITED TO, NON-WARRANTIES OF IMPLIED MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT WITH RESPECT TO THE SERVICES OR ANY DATA, WORKS OR MATERIALS TO BE PROVIDED UNDER THIS AGREEMENT.

12.4 ESSENTIAL ELEMENTS.

ACH and Visteon acknowledge and agree that the limitations contained in this Article XII are essential to this Agreement, and that Visteon and ACH have expressly relied upon the inclusion of each and every provision of this Article XII as a condition to executing this Agreement.

ARTICLE XIII  
FORCE MAJEURE

13.1 FORCE MAJEURE.

If either Party hereto is rendered unable wholly or in part by Force Majeure (as defined herein) to perform its obligations hereunder (other than the obligation to pay money), such Party shall give prompt notice to the other Party with reasonable particulars thereof and the probable extent of the inability to perform such obligation, whereupon the obligation of such Party shall be suspended so far as it is affected by such Force Majeure during but no longer than the continuance thereof. The affected Party shall use all possible diligence to remove such Force Majeure.

(b) For the purpose of this Agreement, the term "Force Majeure" shall mean any act of God, strike or lockout or other labor dispute, act of the public enemy, war declared or undeclared, terrorist act, blockade, revolution, riot, insurrection, civil commotion, lightening, fire, storm, flood, earthquake, explosion, governmental restraint, embargo, inability to obtain or delay in obtaining governmental approvals, permits, licenses or allocations (excluding any such governmental approvals, permits, licenses or allocations that a Party was required to obtain under any Contribution Agreement Transaction Document, Visteon A Transaction Document or Visteon B Transaction Document), and any other cause of the kind enumerated above which is not reasonably within the control of the Party claiming Force Majeure.

ARTICLE XIV  
INTELLECTUAL PROPERTY

14.1 INTELLECTUAL PROPERTY

The Parties agree that this Agreement shall require the performance of Services only and shall not entail any transfer or licensing of either Party's rights in intellectual property. Notwithstanding anything in this Agreement to the contrary, the rights of the Parties as set forth in the Intellectual Property Contribution Agreement and the Software License and Contribution Agreement shall not be modified or affected in any manner by the provisions of this Agreement.

14.2 INTEREST IN PROPRIETARY INFORMATION.

(a) Except as set forth in Section 14.2 (b), ACH shall not be deemed to have acquired any interest in proprietary information of Visteon which becomes available to ACH in the performance of Visteon's obligations under this Agreement or otherwise in connection with the provision of Services. Visteon shall not be deemed to have acquired any interest in proprietary information of ACH which becomes available in performance of the obligations under this Agreement or otherwise in connection with the provision of Services.

(b) As used in this Section 14.2, "Shared Resource" shall mean any employees, or if applicable, agents, subcontractors or representatives of Visteon or its Affiliates who provide any Services under this Agreement and who are obligated under law or contract to assign or license intellectual property rights to Visteon.

(c) (i) The Parties agree that all right, title and interest in and to intellectual property developed or conceived by a Shared Resource shall be owned by the party for which the Shared Resource was working, at the time of development or conception, only if there is convincing evidence that such intellectual property could not reasonably be attributed to a task or project previously or currently assigned by the other party. Visteon hereby agrees that if ownership of the intellectual property under this Section 14.2(c)(i) should be assigned to ACH, Visteon shall or shall cause its subsidiary to assign such intellectual property to ACH. The Parties agree to meet on a regularly scheduled basis to review all disclosures submitted to either party that name one or more Shared Resources as an inventor. The Parties shall agree at that time whether the invention satisfies the requirements of this Article. If the Parties can not come to an agreement, then Sections 14.2(c)(ii) through (c)(vi) shall apply as appropriate.

(ii) The Parties agree that all right, title and interest in intellectual property developed in the course of providing Services related to Visteon Core Shared Products and Technologies (as defined in the Intellectual Property Contribution Agreement) under this Agreement shall be owned by Visteon. Further, Visteon shall grant or shall cause its subsidiary to grant to ACH an irrevocable, non-exclusive, worldwide, non-sublicensable, fully paid, royalty free license to make, have made, use, have used, offer for sale, sell and import products under any of the intellectual property developed in the course of providing Services related to Visteon Core Shared Products and Technologies under this Agreement.

(iii) Visteon shall or shall cause its subsidiary to assign all right, title and interest in intellectual property developed in the course of providing Services related to Visteon Non-Core Shared Products and Technologies (as defined in the Intellectual Property Contribution Agreement) under this Agreement to ACH. Further, ACH shall grant to Visteon or Visteon's designated subsidiary an irrevocable, non-exclusive, non-sublicensable, fully paid, royalty free license to make, have made, use, have used, offer for sale, sell, and import products and methods under any of the intellectual property developed in the course of providing Services related to Visteon Non-Core Shared Products and Technologies under this Agreement.

(iv) Visteon agrees to grant to ACH a royalty bearing license on commercially reasonable terms and conditions to Visteon's or its subsidiaries' intellectual property which is necessary to utilize the intellectual property developed in the course of providing Services related to Visteon Non-Core Shared Products and Technologies under this Agreement. Such royalty bearing license shall not apply to royalty free rights granted to ACH under the Intellectual Property Contribution Agreement.

(v) Visteon agrees to grant to ACH on commercially reasonable terms (i) an irrevocable, non-exclusive, non-sublicensable, royalty bearing license to make and use products and manufacturing methods in North America, and (ii) an irrevocable, non-exclusive, worldwide, non-sublicensable, royalty bearing license to use, have used, offer for sale, sell, and import products, to Visteon's or its subsidiaries' intellectual property which is necessary to utilize the intellectual property developed in the course of providing Services related to Visteon Core Shared Products and Technologies under this Agreement. Such royalty bearing license shall not apply to royalty free rights granted to ACH under the Intellectual Property Contribution Agreement.

(vi) The license rights granted in Sections 14.2(c)(ii), (iii), (iv), or (v) shall be severable and separately transferable by business, under the same terms and conditions, upon the sale of all or substantially all of the assets related to that business to a ACH Buyer. Subject to the terms of Section 7.04(B) of the Intellectual Property Contribution Agreement, the licensee of the rights granted in Sections 14.2(c)(ii), (iii), (iv), or (v) above shall retain rights under that portion of such license which is transferred to the ACH Buyer in the event that the licensee has remaining manufacturing facilities currently producing products requiring all or a portion of the transferred license.

ARTICLE XV  
MISCELLANEOUS

15.1 NOTICES.

All notices, requests and other communications to any Party hereunder shall be in writing (including facsimile transmission and electronic mail ("e-mail") transmission, so long as a receipt of such email is requested and received) and shall be given,

if to ACH, to:

Automotive Components Holdings, LLC  
c/o Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126  
Attention: Peter J. Sherry, Jr.  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

Ford Motor Company  
Office of the General Counsel  
One American Road  
320 World Headquarters  
Dearborn, Michigan 48126  
Attention: Marcia J. Nunn  
Facsimile No.: (313) 337-3209  
E-mail: munn@ford.com

if to Visteon, to:

Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: John Donofrio, General Counsel  
Facsimile No.: (734) 710 - 7132  
E-mail: jdonofri@visteon.com

or such other address or facsimile number as such Party may hereafter specify for the purpose by notice to the other Party hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

#### 15.2 AMENDMENTS; WAIVER.

(a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective.

(b) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

#### 15.3 INTERPRETATION.

(a) When a reference is made in this Agreement to a Section, Exhibit or Schedule, such reference shall be to a Section of, or an Exhibit or Schedule to, this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the singular is used herein, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate.

(b) No provision of this Agreement will be interpreted in favor of, or against, any Party hereto by reason of the extent to which any such Party hereto or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof or thereof.

#### 15.4 SUCCESSORS AND ASSIGNS.

The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other Party hereto. Notwithstanding the foregoing, Visteon may assign this Agreement and any and all rights, duties and obligations hereunder to any directly or indirectly wholly-owned Subsidiary of Visteon without the consent of ACH or any ACH Buyer, provided that such an assignment shall not constitute a release of Visteon. The Parties acknowledge and agree that the use by Visteon of a Visteon Third Party Service Provider to provide any of the Services shall not constitute an assignment. In no event shall a ACH Buyer be permitted to assign a Participation Agreement or any rights, interests or obligations thereunder without the consent of Visteon, which consent may be withheld for any reason.



#### 15.5 GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the law of the State of Michigan, without regard to the conflicts of law rules of such state.

#### 15.6 JURISDICTION.

Subject to Article IV hereof, the Parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in any federal court sitting in Michigan or any Michigan State court sitting in Wayne County or Oakland County, Michigan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Michigan, and each of the Parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court.

#### 15.7 WAIVER OF JURY TRIAL.

EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

#### 15.8 COUNTERPARTS; EFFECTIVENESS; THIRD-PARTY BENEFICIARIES.

This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by the other Party hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties hereto and their respective successors and permitted assigns under Section 15.4.

#### 15.9 ENTIRE AGREEMENT.

This Agreement, together with all Statements of Work and all schedules, exhibits and attachments thereto, constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements and understandings, both oral and written, between the Parties with respect to the subject matter of this Agreement.

15.10 SEVERABILITY.

If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

15.11 INDEPENDENT CONTRACTORS.

This Agreement does not constitute a partnership and nothing herein is intended to render, nor shall anything herein be construed to render, the Parties hereto as partners of each other. Nothing contained herein shall render either Party an agent of the other Party, and neither Party shall have the power, authority or right to act on behalf of or bind the other Party or negotiate or conclude contracts on behalf of or in the name of the other Party or impose any liability or obligation to third parties upon the other Party. Neither Party shall incur or accept any liability or enter into any commitments or contracts on behalf of the other Party.

15.12 SPECIFIC PERFORMANCE.

The Parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts specified in Section 15.6, in addition to any other remedy to which they are entitled at law or in equity.

[Signatures appear on the following page]

IN WITNESS WHEREOF, each of the Parties hereto, having caused this Master Services Agreement to be duly executed, do hereby warrant and represent that their respective signatories, whose signatures appear below, have been and are on the date of this document officers duly authorized by all necessary and appropriate corporate action to execute this Master Services Agreement.

VISTEON CORPORATION, a Delaware corporation

AUTOMOTIVE COMPONENTS HOLDINGS, LLC, a Delaware limited liability company

By: /s/ James F. Palmer

By: /s/ James F. Palmer

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Its: Executive Vice President  
and Chief Financial Officer

-----  
Its: President

## VISTEON HOURLY EMPLOYEE LEASE AGREEMENT

This Lease Agreement (the "AGREEMENT") is made effective as of October 1, 2005 (the "EFFECTIVE DATE"), between Visteon Corporation, a Delaware corporation ("VISTEON"), and Automotive Components Holdings, LLC f/k/a/ VFH Holdings, LLC, a Delaware limited liability company ("ACH"). ACH and Visteon are referred to herein individually as a "PARTY" and collectively as the "PARTIES".

## RECITALS

WHEREAS, ACH is engaged in the business of manufacturing and assembling automotive parts and providing related services ("BUSINESS");

WHEREAS, ACH is an entity managed by Ford Motor Company, a Delaware corporation ("FORD");

WHEREAS, ACH and Ford will attempt to disposition certain assets of the Business to subsequent buyers;

WHEREAS, Visteon hourly employees are represented by the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW and its affiliated locals (collectively, "UAW") and are covered under the terms and conditions of the (i) Master Visteon-UAW Collective Bargaining Agreement dated June 29, 2000 and the Supplemental Agreement dated as of May 4, 2004 and extensions or successor agreements by and between Visteon and the UAW (collectively, "MASTER VISTEON CBA") or (ii) the UAW Local #1216-Visteon Corporation Regional Assembly and Manufacturing LLC, Bellevue Plant, Labor Agreement ("BELLEVUE CBA") such employees hereafter known as ("BELLEVUE HOURLY EMPLOYEES");

WHEREAS, pursuant to the terms of a Memorandum of Agreement dated as of May 24, 2005 by and between the UAW, Ford and Visteon ("MOA") the parties thereto agreed that all Visteon employees represented under the Master Visteon CBA as of the Effective Date would be converted to Ford employees and that after the Effective Date, Visteon would hire any new hourly employees under the terms of the Master Visteon CBA and lease them to ACH ("VISTEON NEW HIRES");

WHEREAS, ACH desires to obtain the services of Visteon New Hires to conduct the Business pursuant to the terms of this Agreement; and

WHEREAS, ACH desires to obtain the services of Bellevue Hourly Employees to conduct the Business pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the above premises and the mutual covenants herein contained, and for other good and valuable consideration given by each Party hereto to the other, the sufficiency and receipt of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE 1  
TERM

Section 1.01. Term. The term of this Agreement shall commence on October 1, 2005, such date being referred to hereafter as the "EFFECTIVE DATE" and shall terminate on the earlier to occur of (i) the termination of employment of all of the Leased Employees (as defined below) or (ii) the agreement of the Parties to terminate this Agreement ("TERM").

ARTICLE 2  
LEASE OF VISTEON HOURLY EMPLOYEES

Section 2.01. Lease and Employee Census. A preliminary employee census is attached as Schedule 2.01 ("PRELIMINARY CENSUS"). The Preliminary Census sets forth a list of the Bellevue Hourly Employees to be leased to ACH as of the Effective Date, together with their base hourly wage rate, Visteon service date, job classification, location code and Global Identification Number. Within five days of the date hereof, Visteon shall update the Preliminary Census with any applicable changes and deliver the Preliminary Census to ACH. ACH shall have an additional five days to approve the revised Preliminary Census. After the revised Preliminary Census is approved by ACH, it shall be substituted for Schedule 2.01 and shall be known as the "EMPLOYEE Census". Employees who are identified on the Employee Census shall be known as "LEASED EMPLOYEES". In the event that ACH requires additional hourly employees to work in the Business, ACH will inform Visteon of its personnel requirements. Visteon shall hire only that number of employees with the specified skills that ACH requests. Visteon and ACH shall agree on the hiring process to be used. Visteon shall update the Employee Census at least monthly for any Visteon New Hires or Bellevue Hourly Employees and other employee transactions (i.e., quits, death, transfers, etc.) in connection with the invoice procedure specified in Section 4.04. Bellevue Hourly Employees and Visteon New Hires on the Employee Census shall be known for purposes of this Agreement as the "LEASED EMPLOYEES". The period during which Leased Employees are leased to ACH is referred to as the "LEASE PERIOD". ACH agrees to lease from Visteon, and Visteon agrees to lease to ACH, the Leased Employees under the terms of this Agreement.

Section 2.02. Buyer Leasing. In the event of a sale or transfer of all or any part of the Business to a buyer, Visteon and Ford shall mutually agree on any ultimate disposition of the Leased Employees to a buyer, subject to UAW consent. Visteon shall make any appropriate arrangements concerning HR services as is determined by ACH, Visteon and a buyer for up to twenty-four (24) months under the terms of the Master Services Agreement between the Parties executed as of even date herewith ("MASTER SERVICES AGREEMENT"). Visteon shall provide such HR services to a buyer at the following rates:

TERM	PRICE
- - - - -	- - - - -
9 months post-sale	Cost + 5%
10-15 months post-sale	Cost + 8%
16 months and beyond post-sale	Cost + 12%

Section 2.03. Redundant Employees. ACH shall give Visteon at least ten business days notice (where practical) when ACH desires to discontinue the lease of any individual Leased Employee or group of Leased Employee, in its sole discretion. The requirement for at least ten business days notice will be waived in situations when a Leased Employee commits an offense which would justify a "for cause" termination under Visteon's personnel practices and consistent with the applicable CBA, in which event such employee will be terminated from this Agreement immediately and returned to Visteon. Visteon shall delete any such employee from the Employee Census effective on the last day worked for ACH; provided however, that ACH shall remain responsible for reimbursing Visteon for only those costs Visteon may incur with respect to such employee under the terms of the applicable CBA, including SUB costs, if any. Notwithstanding the above, lease fees for any Leased Employee terminated "for cause" shall cease the day the termination is effective. Visteon shall be responsible for complying with any applicable Worker Adjustment and Retraining Notification ("WARN") Act or other applicable legal requirements in connection with a termination of a Leased Employee, provided that Visteon receives notice from ACH sufficiently in advance to permit such compliance, including notification requirements. If Visteon does not receive sufficient notice from ACH, ACH shall be responsible for all costs of such compliance with WARN or any similar law, including costs of any period of continued employment or pay in lieu of notice.

ARTICLE 3  
EMPLOYER MATTERS

Section 3.01. Employer Definition. Visteon shall be the employer of the Leased Employees and ACH shall not be considered the employer. Visteon will instruct Leased Employees to (i) conform to applicable law and ACH policies while at ACH facilities regarding safety and health, personal and professional conduct (including the wearing of an identification badge or personal protective equipment and adhering to plant regulations and general safety practices or procedures) generally applicable to such facilities, which policies, procedures, rules and regulations ACH will provide as soon as practicable after the date hereof, and as soon as practicable upon any modification, termination or adoption of any such policy, procedure, rule or regulation; and (ii) to otherwise conduct themselves in a lawful and businesslike manner. Leased Employees also shall be subject at all times to ACH's and Visteon's policies and procedures. During the Lease Period, Visteon shall retain responsibility for all payments and benefits due to the Leased Employees in connection with their work relating to the Business and pro-rated for part-time employment, including but not limited to:

(i) the payment of Leased Employees' base hourly wage or other components of pay as required under the applicable CBA (less any applicable withholding or other taxes or any amounts deducted from such wages pursuant to normal payroll practices of Visteon);

(ii) the provision of all other employee benefits under the applicable CBA;

(iii) payment of all federal, state, or local taxes withheld or otherwise required to be paid with respect thereto; and

(iv) the liability for statutory benefits, including workers' compensation, payable to employees.

Section 3.02. Management of Employees. ACH and its management shall have the right to assign to, and to structure work for, the Leased Employees in accordance with the terms of the applicable CBA. Visteon acknowledges that ACH will have no employees, but ACH will carry out its management responsibilities hereunder by retaining appropriate personnel by assignment from Ford, leasing salaried employees from Visteon or retaining agency employees either by itself or through Visteon.

Section 3.03. Information. ACH shall provide Visteon on a weekly basis a summary of the hours of service rendered by each of the Leased Employees during the preceding week. In addition, ACH shall provide Visteon with such information or documents as Visteon may reasonably request with respect to a

Leased Employee. ACH will share any such information with Visteon (other than non-job related personal care received by the Leased Employees unless related to a legitimate business interest of Visteon) regardless of any claim of privilege or confidentiality because Visteon is an employer of the Leased Employees.

Section 3.04. Payroll and Related Services. During the Lease Period, Visteon shall provide payroll processing services for the Leased Employees comparable to such services for its employees other than Leased Employees. Upon reasonable request or as needed, Visteon will provide assurances that all proper payments and reporting requirements have been made.

Section 3.05. Employee Benefit Plans. (a) During the Lease Period, Visteon shall cover the Leased Employees under the employee benefit and fringe benefit plans and arrangements under the applicable CBA. Leased Employees shall be ineligible to participate in any employee benefit plan or fringe benefit program sponsored by ACH or Ford. Requests for leave, reasonable accommodation and other benefits provided by Visteon policies or by federal, state or local law will be coordinated by ACH and Visteon. For avoidance of doubt, during the Lease Period, Visteon reserves the right to modify, terminate or suspend any employee benefit or fringe benefit plan applicable to any of the Leased Employees, with ACH consent, and subject to the applicable CBA.

(b) During the Lease Period, Visteon shall maintain, administer and manage all employee benefit and fringe benefit plans and arrangements offered to the Leased Employees.

#### ARTICLE 4 REIMBURSEMENT

Section 4.01. Direct Wage and Benefit Costs. Visteon shall be reimbursed for the direct wage and benefit costs for the Leased Employees. For purposes of this Section 4.01, reimbursements for "direct wage and benefit costs" shall include:

(i) The weekly gross wage, and any other type of cash compensation specified in the applicable CBA, such as the Christmas bonus, moving allowance, and any other cash compensation not included in the Standard Monthly Group Fringe Cost (as defined below);

(ii) A per-employee Standard Monthly Group Fringe Cost according to the rate schedules set forth on Schedule 4.01(ii) attached hereto. The rate schedule shall be reviewed monthly by ACH. Visteon may change the rate schedule periodically to reflect changes in costs and plan benefits, but no more than four



times per any calendar year commencing in 2006, subject to ACH prior written approval, which approval shall not be unreasonably withheld. The Standard Monthly Group Fringe Cost shall not include any fees that are to be reimbursed to Visteon under the Master Services Agreement for such expenses;

(iii) Expenses incurred by Visteon with respect to each Leased Employee which is not included in (i) and (ii) above that arise as a result of the Leased Employee's work for ACH, such as reserves for any workers' compensation claims arising out of a work accident while the Leased Employee was performing work for ACH during the Lease Period;

(iv) Reasonable and necessary travel and business related expenses incurred by Visteon in furtherance of ACH Business and paid or reimbursed to a Leased Employee by Visteon as authorized by Visteon's standard travel and business expense reimbursement policy. Reimbursement under this subsection shall not include any fees that are to be reimbursed to Visteon under the Master Services agreement for such expense; and

(v) Any taxes incurred or paid by Visteon with respect to the Leased Employees not otherwise covered under Sections (i) through (iv), above, including employer payroll taxes, the Michigan single business tax, and any excise, sales, use, gross receipts, value-added or other similar transaction taxes that may be levied by any domestic or foreign government related to the charges or services rendered pursuant to this Agreement; provided, however, that Visteon shall use commercially reasonable efforts to mitigate any applicable tax, including reasonable cooperation with ACH or Ford in connection with such mitigation.

Section 4.02. Annual Rate Setting. Except as provided below, Visteon and ACH shall meet sixty (60) days prior to the end of the calendar year, or on a mutually agreed upon annual time period that is consistent with regular annual fringe cost changes, for the purpose of determining the Standard Monthly Group Fringe Cost (set forth in Section 4.01(ii) above) applicable for the following twelve month period. If the Parties are unable to agree on the per-employee rate for the Standard Monthly Group Fringe Cost set forth in Section 4.01(ii) above, the rate as determined by Visteon shall be in effect and applied to the most current Employee Census until the new rate is agreed upon and any adjustment shall be retroactively effective as of the beginning of the twelve month period. If the rate is not agreed upon prior to the beginning of the applicable periods, the Parties shall continue to diligently resolve the rate differences in a timely manner.

Section 4.03. Reconciliation. Within a thirty (30) day period subsequent to the end of the calendar year, Visteon shall provide ACH with a statement indicating the Actual Group Monthly Fringe Cost for the year for the Leased Employees and the amount that was billed to ACH pursuant to Section 4.01(ii).

For purposes hereof, "ACTUAL GROUP MONTHLY FRINGE COST" for the year equals the actual payments made to include year end accruals, plus or minus the changes in reserves. ACH or its representatives shall have the right to verify the statement and Visteon promptly shall make available to ACH or its representatives all supporting documentation. After ACH approves the statement, Visteon shall make any appropriate adjustment (credit or debit) in the next billing cycle.

Section 4.04. Payment Schedule/Payment. Payments due hereunder shall be paid according to the following schedule:

(i) Visteon shall provide ACH with an invoice for Section 4.01(i) wages and other cash compensation and Section 4.01(v) statutory fees two business days prior to the applicable pay date; and

(ii) Section 4.01(ii) Standard Monthly Group Fringe Cost, Section 4.01(iii) other expenses and Section 4.01(iv) travel and business expenses shall be invoiced five business days prior to the end of the month.

Visteon shall render an invoice to ACH in such form and containing such detail as ACH shall reasonably require, for the amounts described above. The total due on the invoice shall be paid to Visteon on (a) the second business day after receipt of the invoice with respect to Section 4.04(i) and (b) the last business day of the month with respect to Section 4.04 (ii). Payments may be made by wire transfer or other means reasonably acceptable to Visteon. ACH or its representatives shall have a right to audit the invoices and related records of Visteon upon reasonable notice during normal business hours, at a place mutually agreed upon by the Parties.

Section 4.05. Workers' Compensation and Unemployment Insurance. Visteon shall continue to provide Workers' Compensation and Unemployment Compensation coverage for all of the Leased Employees at all times during the Term.

#### ARTICLE 5 WORK ENVIRONMENT

Section 5.01. Compliance with All Health and Safety Laws. The Parties shall comply with all applicable, national, federal, state and local health and safety laws, regulations, ordinances, directives, and rules for Leased Employees working on their respective premises.

Section 5.02. Compliance with Employment Laws. Each of the Parties shall comply with all applicable national, federal, state and local employment

laws, including, but not limited to, wage and hour, overtime, discrimination laws, and/or local ordinances, with regard to its respective employees.

ARTICLE 6  
INDEMNITY

Section 6.01. ACH Indemnity. ACH shall indemnify Visteon and its affiliates ("VISTEON INDEMNITEES") against and agrees to hold it harmless from any and all damage, loss, claim, liability and expense (including without limitation, reasonable attorneys' fees and expenses in connection with any action, suit or proceeding brought against any Visteon Indemnatee) incurred or suffered by any Visteon Indemnatee arising out of the breach of any agreement made by ACH hereunder with respect to the Leased Employees.

Section 6.02. Visteon Indemnity. Visteon shall indemnify ACH, Ford and their affiliates ("FORD INDEMNITEES") against and agrees to hold them harmless from any and all damage, loss, claim, liability and expense (including without limitation, reasonable attorneys' fees and expenses in connection with any action, suit or proceeding brought against any Ford Indemnatee) incurred or suffered by any Ford Indemnatee arising out of (i) breach of any agreement made by Visteon hereunder; (ii) any employment, payroll, benefit, workers compensation, or other claims of any kind of any current or former Bellevue Hourly Employee or Visteon New Hire, including any Leased Employee, or any agency employee leased by Visteon to ACH pursuant to this Agreement, regardless of when they arise; or (iii) any claim by any current or former Bellevue Hourly Employee or Visteon New Hire, including any Leased Employee (or their dependents or beneficiaries), to the Pension Benefit Guaranty Corporation, the Department of Labor, the Internal Revenue Service, the Securities and Exchange Commission or comparable federal or national agencies in the United States, arising out of or in connection with the operation, administration, funding or termination of any of the employee benefit plans applicable to any Bellevue Hourly Employee or Visteon New Hire, including any Leased Employee, that arise prior to, during or after the Lease Period.

Section 6.03. Indemnification Procedures. The procedure for indemnification under this Article 6 shall be the same procedure set forth in Section 7.03 of the Visteon Salaried Employee Lease Agreement dated as of October 1, 2005 between Visteon and ACH.

Section 6.04. Survival of Indemnity Provisions. The provisions of this Article shall survive the termination of this Agreement indefinitely or until the latest date permitted by applicable law.

ARTICLE 7  
MISCELLANEOUS

Section 7.01. Notices. All notices, requests and other communications to any Party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to ACH, to:

Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

Ford Motor Company  
Office of the General Counsel  
One American Road  
Room 626 World Headquarters  
Dearborn, Michigan 48126  
Facsimile No.: (313) 322-0248  
E-mail: bgoricha@ford.com

if to Visteon to:

Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: John Donofrio, General Counsel  
Facsimile No.: (734) 710-7132  
E-mail: jdonofri@visteon.com

with a copy to:

Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, NY 10153  
Attention: Michael E. Lubowitz, Esq.  
Facsimile No.: (212) 310-8007  
E-mail: michael.lubowitz@weil.com

or such other address, facsimile number or e-mail as such Party may hereafter specify for the purpose by notice to the other Parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding business day in the place of receipt.

Section 7.02. Amendments and Waivers. Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective.

No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 7.03. Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

Section 7.04. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto. Upon any such permitted assignment, the references in this Agreement to ACH shall also apply to any such assignee unless the context otherwise requires.

Section 7.05. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Michigan, without regard to the conflicts of law rules of such state.

Section 7.06. Dispute Resolution. If a dispute arises between the Parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof and for seeking relief, including but not limited to damages, injunctive relief and specific performance:

(a) The Parties promptly shall hold a meeting of senior executives with decision-making authority to attempt in good faith to negotiate a mutually satisfactory resolution of the dispute; provided that no Party shall be under any obligation whatsoever to reach, accept or agree to any such resolution; provided

further, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the Parties or be deemed a waiver by a Party hereto of any remedies to which such Party would otherwise be entitled.

(b) If the Parties are unable to negotiate a mutually satisfactory resolution as provided above, then upon request by either Party, the matter shall be submitted to binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration. Within five business days after the selection of the arbitrator, each Party shall submit its requested relief to the other Party and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed. Upon the conclusion of discovery, each Party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one Party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one Party's requested relief as to certain claims or counterclaims and the other Party's requested relief as to other claims or counterclaims. Rather, the arbitrator must only select one or the other Party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator will enter a final ruling that adopts in whole such requested relief. The arbitrator will limit his/her final ruling to selecting the entire requested relief he/she considers the most appropriate from those submitted by the Parties.

(c) Arbitration shall take place in the City of Dearborn, Michigan unless the Parties agree otherwise or the arbitrator selected by the Parties orders otherwise. Punitive or exemplary damages shall not be awarded. This Section 7.06 is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., or comparable legislation in non-U.S. jurisdictions, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction.

Section 7.07. Jurisdiction. Subject to Section 7.06, the Parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in any federal court sitting in Michigan or any Michigan State court sitting in the Wayne County or Oakland County, Michigan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Michigan. Each of the Parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been

brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court.

Section 7.08. Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 7.09. Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by all of the other Parties hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties hereto and their respective successors and permitted assigns under Section 7.04.

Section 7.10. Entire Agreement. This Agreement and the other documents executed in connection with this transaction constitute the entire agreement between the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements and understandings, both oral and written, between the Parties with respect to the subject matter of this Agreement and the other transaction documents.

Section 7.11. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 7.12. Specific Performance. The Parties hereto agree that irreparable damage would occur if any provision of this Agreement were not

performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts specified in Section 7.07.

[signatures appear on following page]



IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

VISTEON CORPORATION

AUTOMOTIVE COMPONENTS HOLDINGS, LLC

By: /s/ James F. Palmer

By: /s/ James F. Palmer

-----  
Title: Executive Vice President and  
Chief Financial Officer

-----  
Title: President

VISTEON SALARIED EMPLOYEE LEASE AGREEMENT

AGREEMENT (this "AGREEMENT") dated as of October 1, 2005 between Visteon Corporation, a Delaware corporation ("VISTEON"), and Automotive Components Holdings, LLC f/k/a VFH Holdings, LLC, a Delaware limited liability company, ("ACH"). Visteon and ACH are referred to herein individually as a "PARTY" and collectively as the "PARTIES".

WITNESSETH:

WHEREAS, Visteon and Ford Motor Company ("FORD") have agreed to restructure their business and commercial relationships, resulting, among other matters, in a Ford-controlled entity acquiring, through the purchase of Automotive Components Holdings, Inc. f/k/a/ VFH Holdings, Inc., certain assets and liabilities related to Visteon's North America business, (the "BUSINESS") pursuant to a Visteon "B" Purchase Agreement dated as of September 12, 2005;

WHEREAS, ACH is a wholly owned subsidiary of Automotive Components Holdings, Inc. f/k/a/ VFH Holdings, Inc and the Business shall be contributed by Visteon to ACH in connection with the transactions; and

WHEREAS, ACH desires to obtain the services of certain Visteon salaried employees ("VISTEON SALARIED EMPLOYEES") to enable it to continue to conduct the Business and Visteon is willing to provide the services of certain Visteon Salaried Employees to ACH.

NOW THEREFORE, in consideration of the above premises and the mutual covenants herein contained, and for other good and valuable consideration given by each Party hereto to the other, the sufficiency and receipt of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE 1  
TERM

Section 1.01. Term. The term of this Agreement shall commence on October 1, 2005, such date being referred to hereafter as the "Effective Date" and shall terminate on the earlier of (i) the termination of employment of all of the Leased Employees (as defined below); (ii) the agreement of the Parties to terminate this Agreement or (iii) December 31, 2009 ("TERM"). The Term may be extended at ACH's option for an additional twelve month period ending December 31, 2010 ("EXTENDED TERM").

ARTICLE 2  
ASSIGNMENT OF VISTEON SALARIED EMPLOYEES

Section 2.01. Employee Census. (a) A preliminary employee census is attached as Schedule 2.01 ("PRELIMINARY CENSUS"). The Preliminary Census sets forth a list of the Visteon Salaried Employees to be leased to ACH as of the Effective Date, together with their base

salary, any other targeted or mandatory cash compensation, and including without limitation, applicable bonus levels, job classification, and Global Identification Number. Within ten days of the date hereof, Visteon shall update the Preliminary Census with any applicable changes and deliver the Preliminary Census to ACH. ACH shall have an additional ten days to approve the revised Preliminary Census. After the revised Preliminary Census is approved by ACH, it shall be substituted for Schedule 2.01 and shall be known as the "EMPLOYEE CENSUS". Employees who are identified on the Employee Census shall be known as "LEASED EMPLOYEES". Visteon shall update the Employee Census at least monthly for any employee transaction (i.e., quits, death, transfers, etc.) in accordance with this Agreement and any employees added shall also be known as Leased Employees.

(b) The period during which Leased Employees are leased to ACH is referred to as the "LEASE PERIOD". During the Lease Period, Visteon shall make available to ACH the services of the Leased Employees as requested by ACH. For avoidance of doubt, no Inactive Visteon Salaried Employee (as hereafter defined) shall be leased to ACH as of the Effective Date. An Inactive Visteon Salaried Employee shall be any Visteon Salaried Employee who is absent from work and who is entitled to reinstatement on return to employment, including those on leave of absence, workers' compensation leave or short or long term disability leave, but excluding those who are on paid absence for jury duty, bereavement, short term military service, vacation or holiday. If a Leased Employee becomes an Inactive Visteon Salaried Employee and is removed from Visteon's active payroll at anytime during the Lease Period, such Leased Employee shall be removed from the Employee Census and ACH shall bear no further financial responsibility with respect to such employee.

Section 2.02. Replacement of Attrition. (a) If ACH requires a replacement for a Leased Employee who is no longer providing services to ACH, and ACH determines that Visteon should provide the replacement employee, ACH will inform Visteon of its requirements together with direction that the vacancy should be filled by a Visteon new hire, an existing Visteon employee or an agency employee, in its sole discretion, subject to Section 2.02(d) below. If ACH directs that the position be filled by a Visteon new hire, Visteon shall use commercially reasonable efforts to fill the position using Visteon's standard employment practice, policies and procedures. If Visteon has an existing Visteon employee who Visteon believes is qualified for the position, ACH shall consider such qualified employee. Visteon may utilize its normal job posting procedures for M7 and below positions or its personnel development process for M6 or above positions to identify internal candidates for the position, either among the Leased Employees or among other Visteon employees. Either Visteon or ACH may suspend or narrow the scope of the internal candidate identification process, upon ten days prior written notice to the other Party. In any event, for a period of up to six months from the date hereof, a Visteon employee who is not a Leased Employee shall not be considered for an open position at ACH; provided, however, that the Parties may mutually agree to waive, modify or restore (if previously waived) the six month restriction. Candidates for the position shall be reviewed with the manager who initiated the employment request to determine if the candidate is qualified for the position and the employment decision shall be made in accordance with Visteon's applicable employment policies. If Visteon hires the candidate and assigns such candidate to ACH, or if an existing Visteon employee is approved

by ACH for lease, Visteon shall modify the Employee Census to add any such employee to the Employee Census in which case the employee shall become a Leased Employee.

(b) If ACH determines that Visteon shall provide an agency employee to fill a position, Visteon shall supply such agency employee to ACH at cost without markup until the expiration of the Term. Visteon shall not supply any agency employees to ACH for the Extended Term, provided however, that Visteon will assign any contract for agency personnel to ACH, at ACH's request and shall use commercially reasonable efforts to obtain the consent of the employment agency.

(c) ACH may contract directly with employment agencies or technical service firms to supply required personnel, in its sole discretion. If ACH contracts directly with such agencies or firms, it will furnish Visteon a census similar in content and frequency to the Employee Census furnished to ACH by Visteon pursuant to Section 1.01, and ACH shall reimburse Visteon for any applicable occupancy charge with respect to such contracted employees on the same basis as is provided in Section 4.01(iv) hereof. This provision shall not be subject to the Agency Threshold described below.

(d) ACH shall instruct Visteon to replace a Leased Employee with a Leased Employee and an agency employee with an agency employee; provided, however, that ACH may, in its sole discretion, instruct Visteon to replace an agency employee with a Leased Employee if the percentage of agency employees assigned to the Business is not less than 5.7% of the number of Leased Employees assigned to the Business as of the month end immediately prior to the date of such replacement instruction (the "AGENCY THRESHOLD"). If the percentage of agency employees is below the Agency Threshold, the Parties shall mutually agree on whether a replacement shall be a Leased Employee or an agency employee.

Section 2.03. Return to Visteon by Mutual Agreement. In the event that there is a promotional or other career development opportunity at Visteon available for a Leased Employee, and upon mutual agreement between the Parties, a Leased Employee may be removed from this Agreement and returned to Visteon on a mutually agreeable date. Visteon shall modify the Employee Census accordingly and any reimbursements from ACH with respect to such employee shall cease as of the date the employee is returned to Visteon. Such attrition shall be replaced as provided in Section 2.02 above. Notwithstanding the above, for a period of up to six months after the date hereof, no Leased Employee shall be returned to Visteon under the provisions of this Section 2.03 unless mutually agreed by the Parties.

Section 2.04. Removal of Leased Employee from Lease Without Cause. If ACH desires to discontinue the lease of any individual Leased Employee or group of Leased Employees under circumstances that would make the Leased Employee eligible for benefits under the Visteon Separation Program ("VSP") and not for reasons related to "performance issues" or "cause" as described in Section 3.02, ACH shall use commercially reasonable efforts to give Visteon at least ten business days notice prior to the end of the calendar month. Upon receipt of notice, Visteon shall attempt to place the Leased Employee in a comparable position at Visteon. The Leased Employee will remain under lease until the earlier of (i) the date such

employee is placed at Visteon or (ii) thirty (30) days following the date of the notice of termination to the employee, provided the termination shall occur no later than the end of the month following the month during which the notice of lease discontinuance occurs. ACH shall remain responsible for the lease fees for such time period. At ACH discretion, it may retain the services of the Leased Employee at ACH for such time period or may dismiss such Leased Employee. In any event, the Leased Employee shall not return to Visteon unless to report to work at a comparable Visteon position. In the event of a sale of a facility or other extraordinary event, the Parties may mutually agree to terminate the lease of a group of Leased Employees prior to the end of a month.

Section 2.05. Buyer Employment. (a) Visteon will be responsible for transitioning Leased Employees to any buyer of all or any part of the Business under terms mutually agreed by Visteon, the buyer and ACH. Visteon shall cooperate with ACH and buyer to support and facilitate such transfers and promptly shall provide any information reasonably required by Ford or a buyer in the conduct of buyer's due diligence in connection with such transaction pursuant to the terms of the Master Services Agreement dated as of even date herewith between the Parties and subject to any confidentiality provisions. Visteon shall not impose any confidentiality obligations on a Leased Employee who is transferred to a buyer that are greater than the obligations the Leased Employee had as a Visteon Salaried Employee and any such confidentiality obligations shall be no greater than those imposed on a Leased Employee to ACH. Any Leased Employee who transfers to a buyer shall be removed from the Employee Census effective on the date of transfer to buyer and all future lease fees with respect thereto shall cease. At buyer's request, Visteon shall lease the Leased Employees affected by the sale to the buyer for a period not to exceed six months from the sale date, at the same cost as such employees had been leased to ACH.

(b) In the event of a sale or transfer of all or any part of the Business to a buyer, and a transfer of Leased Employees to such buyer in accordance with (a) above, Visteon shall make any appropriate arrangements concerning HR services as is determined by ACH, Visteon and a buyer for up to twenty-four (24) months as provided under the terms of the Master Services Agreement. Visteon shall provide such HR services to a buyer at the following rates:

TERM	PRICE
- - - - -	-----
9 months post-sale	Cost + 5%
10-15 months post-sale	Cost + 8%
16 months and beyond post-sale	Cost + 12%

Section 2.06. Terminations. (a) If a Leased Employee's services are no longer required pursuant to Section 2.04 above, and Visteon terminates such employee because no comparable job is available at Visteon, Visteon shall terminate the Leased Employee under the terms of the

VSP as applicable to Leased Employees and as in effect as of the date hereof. A Leased Employee who declines a comparable job at Visteon or a buyer shall not be eligible for benefits under the VSP. Visteon and ACH shall mutually agree on the definition of "comparable job". During the Lease Period, Visteon shall make no change in the terms of the VSP that reduces the schedule of separation benefits, duration of welfare benefit continuation or continuation of outplacement assistance as applicable to Leased Employees as of the date hereof. Any waiver and release obtained from a Leased Employee in connection with the VSP shall include as released parties ACH, Ford and their affiliates, as well as present and former officers, directors, employees and agents of each of them. Visteon shall not terminate a Leased Employee under the terms of the VSP if such Leased Employee is being terminated "for cause" or for failure to achieve acceptable performance under the Visteon Performance Improvement Program ("PIP"), as described in Section 3.02 (b). Visteon shall be reimbursed for costs under the VSP only to the extent provided in the Reimbursement Agreement dated as of even date herewith among Ford and Visteon and the Escrow Agreement dated as of even date herewith between Ford, Visteon and Deutsche Bank Trust Company Americas. No reimbursement for VSP costs shall be allowable under Article 4 hereof.

(b) Visteon shall be responsible for complying with any applicable Worker Adjustment and Retraining Notification ("WARN") Act and any other legal requirements in connection with a termination of a Leased Employee, provided that Visteon receives notice from ACH sufficiently in advance to permit such compliance, including notification requirements. If Visteon does not receive sufficient notice from ACH, ACH shall be responsible for all costs of compliance with WARN or any similar law, including cost of any period of continued employment or pay in lieu of notice.

Section 2.07. Baseline. The sum of the number of Visteon Salaried Employees who (i) are initially leased to ACH as of October 1, 2005 under this Agreement; (ii) have been identified as TBD positions under the Employee Roster delivered to ACH pursuant to Section 5.06 of the Contribution Agreement; and (iii) are leased under the lease agreement dated as of even date herewith between Visteon and Ford concerning the Rawsonville and Sterling Visteon Salaried Employees ("FORD LEASE AGREEMENT") (the lease transaction being subject to adoption of competitive operating agreements at the plants), shall establish a baseline ("BASELINE"). In the event of attrition, Visteon shall replace employees on a one for one basis up to the Baseline, in accordance with the terms of Section 2.02. The Baseline shall be adjusted as follows:

- A. In the event of a corporate transaction involving (i) the sale of all or any part of the Business; (ii) a transfer of any part of the Business to Ford (i.e., Rawsonville/Sterling); or (iii) closure of all or any part of the Business, where Leased Employees are either transferred to Ford, a buyer or are terminated by Visteon, the Baseline shall be reduced by the number of the Leased Employees who are transferred or terminated in connection with such transaction.

B. In the event a Leased Employee receives a VSP benefit and is not otherwise part of a corporate transaction described in (A) above, the baseline will be reduced by one.

The Baseline so reduced shall be known as the "ADJUSTED BASELINE". Visteon shall not be obligated to fill ACH requisitions for replacement employees under this Agreement through new Leased Employees in excess of the lesser of the Baseline or Adjusted Baseline, as applicable.

ARTICLE 3  
EMPLOYER MATTERS

Section 3.01. Employer Definition. Visteon shall be the employer of the Leased Employees and ACH shall not be considered the employer. Visteon will instruct Leased Employees while at ACH facilities (i) to conform to ACH policies and applicable law regarding safety and health, and personal and professional conduct (including wearing an identification badge or personal protective equipment and adhering to plant regulations and general safety practices or procedures) generally applicable to such facilities, which policies, procedures, rules and regulations ACH will provide as soon as practicable after the date hereof, and as soon as practicable upon any modification, termination or adoption of any such policy, procedure, rule or regulation; and (ii) to otherwise conduct themselves in a lawful and businesslike manner. Leased Employees also shall be subject at all times to Visteon's policies and procedures. During the Lease Period, Visteon shall retain responsibility for all payments and benefits due to the Leased Employees in connection with their work relating to the Business, including but not limited to:

- (i) the payment of Leased Employees' base salary or other components of pay (less any applicable withholding or other taxes or any amounts deducted from such wages pursuant to normal payroll practices of Visteon);
- (ii) the provision of employee benefits applicable to Leased Employees;
- (iii) payment of all federal, state, or local taxes withheld or otherwise required to be paid with respect thereto, and
- (iv) the liability for statutory benefits, including workers' compensation.

Section 3.02. Employer Rights. (a) Visteon shall retain all employer rights, except as specifically provided below, including the right to terminate Leased Employees, after notice to ACH. Visteon shall have the right to change the salary and job classification of the Leased Employees upon reasonable notice to ACH. Although Visteon shall remain responsible for performance management and personnel development, ACH and its management shall have the right to assign to, and structure work for, Leased Employees. Leased Employees shall administer Visteon's human resources management policies and practices, such as performance reviews, compensation planning, discipline, and personnel development policies, and other Visteon policies, procedures, rules and regulations applicable to the Leased Employees, and ACH shall permit the Leased Employees to conduct such activities. Visteon may request ACH to provide information or documents with respect to the Leased Employees' job performance and other matters, and ACH shall cooperate with Visteon in providing such information or documents.



(b) In the event that ACH has a concern regarding a Leased Employee during the Lease Period, including but not limited to a concern regarding a Leased Employee's performance or conduct, ACH shall provide written notice of its concern to Visteon and such notice shall identify specifically the nature of ACH's concern. Upon receipt of such notice, Visteon shall implement a PIP in accordance with its policies. If the identified concern is not cured to the satisfaction of ACH by the end of the PIP, ACH shall have the right to notify Visteon in writing that the Leased Employee is to be returned to Visteon and removed from the Employee Census effective at the end of the month immediately following the end of the PIP. If a Leased Employee commits an offense which would justify a "for cause" termination under Visteon's personnel policies, as determined by Visteon, such employee shall be immediately escorted from the worksite and removed from the Employee Census. ACH's obligation to reimburse Visteon for any such employee removed from the Employee Census shall terminate on the last day worked for ACH.

Section 3.03. Management of Hourly Employees. Pursuant to a Ford Hourly Employee Assignment Agreement dated as of even date herewith between Ford Motor Company and ACH, ACH intends to lease certain Ford hourly employees represented by the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW and its affiliated locals (collectively, "UAW") who are covered under the terms and conditions of the Ford-UAW Collective Bargaining Agreement dated as of September 15, 2003 between Ford and the UAW and various local agreements by and between Ford and the UAW, and any successor agreements ("FORD-UAW CBA") ("FORD HOURLY EMPLOYEES"). Pursuant to a Visteon Hourly Employee Lease Agreement dated as of even date herewith between Visteon and ACH, ACH intends to lease certain Visteon hourly employees represented by the UAW who are covered under the terms and conditions of the (i) Master Visteon-UAW Collective Bargaining Agreement dated June 29, 2000 and the Supplemental Agreement dated as of May 4, 2004 and extensions or successor agreements by and between Visteon and the UAW (collectively, "MASTER VISTEON CBA") ("VISTEON HOURLY SUPPLEMENTAL AGREEMENT EMPLOYEES") or (ii) the UAW Local #1216-Visteon Corporation Regional Assembly and Manufacturing LLC, Bellevue Plant, Labor Agreement ("BELLEVUE CBA") ("BELLEVUE HOURLY EMPLOYEES").

The Leased Employees who are engaged in hourly supervision have authority to exercise day to day supervision over the Ford Hourly Employees, the Visteon Hourly Supplemental Agreement Employees and the Bellevue Hourly Employees (collectively, "HOURLY EMPLOYEES") in accordance with the terms of the Ford-UAW CBA, Master Visteon CBA, and Bellevue CBA, respectively. In the event that any employment concern arises in connection with administration of the applicable CBA, the Leased Employee shall consult with ACH, and Visteon or Ford, as applicable, and shall resolve the concern consistent with Visteon's or Ford's application of the applicable CBA to their general hourly populations, if any.

Section 3.04. Employer Representations. Visteon represents and warrants that as of the date a Visteon Salaried Employee becomes a Leased Employee, (i) the Leased Employee shall be paid by Visteon on a salaried basis; (ii) shall not be subject to any collective bargaining

agreement or have elected to be represented by a collective bargaining representative unless otherwise disclosed in Section 3.07(a)(v) of the Contribution Agreement dated as of September 12, 2005 between Visteon and ACH Holdings, Inc. and (iii) shall be subject to Visteon's annual compensation planning process as set forth in Visteon's policies and procedures.

Section 3.05. ACH Confidentiality Agreement. A Leased Employee shall be required to execute the ACH Leased Employee Confidentiality Agreement attached hereto as Schedule 3.05 ("CONFIDENTIALITY AGREEMENT"). ACH shall not require a Leased Employee to divulge Visteon's confidential information to ACH except to the extent that any confidential information was otherwise acquired by ACH in connection with the transactions. Visteon will use commercially reasonable efforts to require Leased Employees to comply with the terms of the Confidentiality Agreement. Visteon shall not use confidential information of either ACH or Ford that is provided by a Leased Employee in breach of the Confidentiality Agreement.

Section 3.06. Payroll and Related Services. During the Lease Period, Visteon shall provide payroll processing services for its Leased Employees comparable to such services for its salaried employees other than Leased Employees. Upon reasonable request or as needed, Visteon will provide assurances that all proper payments and reporting requirements have been made.

Section 3.07. Employee Benefit Plans. (a) During the Lease Period, Visteon shall provide benefits to the Leased Employees under any Visteon employee benefit plan, as such term is defined in Section 3(3) of the Employment Retirement Income Security Act of 1974 ("ERISA") ("EMPLOYEE PLANS") and which are intended to be qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, ("QUALIFIED PLANS") that are the same as provided to other Visteon salaried employees.

(b) During the Lease Period, Visteon shall maintain the level of benefits under Employee Plans and any other fringe benefit plans and arrangements of Visteon for Leased Employees that are in effect as of the date hereof, unless otherwise agreed by ACH. Visteon shall give ACH at least ninety days (90), where practicable, but in no event less than thirty (30) days (one hundred eighty (180) days in the case of benefits offered through the Flexible Benefits Plan of Visteon Corporation) prior written notice of any proposed change in Visteon's Employee Plans or other employee arrangements applicable to Leased Employees and Visteon shall consult with ACH about such changes. Any change must be consistent with any applicable collective bargaining agreement. ACH shall inform Visteon whether or not it will consent to such changes within thirty (30) days of receipt of notice of the proposed change from Visteon. In the event ACH consents to any such change, then the change shall be applicable to the Leased Employees as well as to other salaried employees of Visteon. Either prior to or after the proposed change in Employee Plans or arrangements takes effect, ACH may request that Visteon adopt and administer a special retention benefit in the sole discretion of ACH which benefit may take the form of cash-based retention incentives and/or non-cash benefits. Visteon shall advise ACH of any incremental benefit administration costs that would be charged to ACH in connection with a non-cash benefit. In the event ACH requests the form be non-cash benefits, Visteon shall have the right to reject such request if it would be

administratively burdensome or not permitted by law. The cost of such special retention benefits shall be included in the direct wage and benefit costs reimbursed by ACH under Section 4.01 below, and any incremental benefit administration costs associated with a non-cash benefit shall be borne by ACH. For avoidance of doubt, Visteon shall retain the right to modify, suspend or terminate any Employee Plans and any other fringe benefit plans and arrangements of Visteon applicable to other Visteon salaried employees who are not Leased Employees.

(c) Except as provided below, for performance periods commencing 2006 and beyond, during the Lease Period Visteon shall make no change in the incentive compensation plans applicable to Leased Employees that reduces the target incentive opportunities of such plans as of the date hereof. Prior to the date hereof, Visteon and Ford implemented a process by which Visteon would review with, and seek to obtain approval of, (i) amended incentive compensation plan terms for transfers of Leased Employees to buyers and (ii) the right of ACH to request adjustments to any performance metrics within such plan to be relevant to ACH's Business rather than Visteon's remaining business, by the Visteon Organization and Compensation Committee ("COMPENSATION COMMITTEE"). If the Compensation Committee subsequently fails to approve the proposal described above, any arrangements under this Agreement concerning reimbursement for Visteon long term incentive programs shall be suspended pending a final resolution. Visteon shall implement any mutually agreed changes as soon as practicable after the date hereof at a mutually agreed date, subject to Compensation Committee approval, if applicable.

(d) Leased Employees shall be ineligible to participate in any employee benefit plan, fringe benefit program or other benefit arrangement sponsored by ACH or Ford, except (i) as otherwise may be provided in the Amended and Restated Employee Transition Agreement between Ford and Visteon dated as of April 1, 2000 and restated as of December 19, 2003, and as amended by Amendment Number One to Amended and Restated Employee Transition Agreement dated effective as of December 19, 2003, and as further amended by Amendment Number Two to Amended and Restated Employee Transition Agreement dated as of even date herewith. ("EMPLOYEE TRANSITION AGREEMENT") or (ii) as ACH, Ford and Visteon may mutually agree in writing.

(e) Requests for leave, reasonable accommodation and other benefits provided by Visteon policies or by federal, state or local law will be coordinated by ACH and Visteon.

(f) During the Lease Period, Visteon shall maintain, administer and manage all employee benefit and fringe benefit plans and arrangements offered to the Leased Employees, except as provided in the paragraph immediately above.

ARTICLE 4  
REIMBURSEMENT

Section 4.01. Direct Wage and Benefit Costs. Visteon shall be reimbursed for the direct wage and benefit costs for the Leased Employees. For purposes of this Section 4.01, reimbursements for "direct wage and benefit costs" shall include:

- (i) The base monthly salary, and any other type of cash compensation paid by Visteon to the Leased Employees for work performed during the Lease Period, such as overtime, moving allowance, vehicle allowances, and any other cash compensation not included in the Standard Monthly Group Fringe Cost (as defined below), subject to ACH prior written approval of the annual compensation allocations including the annual market increases, special market increases and movement in range;
- (ii) A per-employee Standard Monthly Group Fringe Cost according to the rate schedules set forth on Schedule 4.01(ii) attached hereto. The rate schedule shall be reviewed monthly by ACH. Visteon may change the rate schedule periodically to reflect changes in costs and plan benefits but no more than four times per any calendar year commencing in 2006, subject to ACH prior written approval, which approval shall not be unreasonably withheld. The Standard Monthly Group Fringe Cost shall not include any fees that are to be reimbursed to Visteon under the Master Services Agreement for such expenses;
- (iii) Prorata expense for annual and long-term incentives associated with the Leased Employees, assessed on a monthly basis, based on the allocation of responsibility set forth in Schedule 4.01(iii);
- (iv) A per-employee Occupancy Charge at the rate of Seven Thousand Five Hundred Dollars (\$7,500) per year, assessed on a monthly basis commencing April 1, 2006, but only with respect to a Leased Employee who continues to occupy Visteon's owned or leased facilities and only to the extent ACH does not otherwise reimburse Visteon for such expense through any other means;
- (v) Expenses incurred by Visteon with respect to each Leased Employee which is not included in (i) through (iv) above that arise as a result of the Leased Employee's work for ACH, such as reserves for any workers' compensation claims arising out of a work accident while the Leased Employee was performing work for ACH during the Lease Period;
- (vi) Reasonable and necessary travel and business related expenses incurred by Visteon in furtherance of ACH Business and paid or reimbursed to a Leased Employee by Visteon as authorized by Visteon's standard travel and business expense reimbursement policy. Reimbursement under this subsection shall not include any fees that are to be reimbursed to Visteon under the Master Services Agreement for such expenses; and

(vii) Any taxes incurred or paid by Visteon with respect to the Leased Employees not otherwise covered under Sections (i) through (v) above, including employer payroll taxes, the Michigan single business tax, and any excise, sales, use, gross receipts, value added or other similar transaction taxes that may be levied by any domestic or foreign government related to the charges or services rendered pursuant to this Agreement; provided, however, that Visteon shall use commercially reasonable efforts to mitigate any applicable tax, including reasonable cooperation with ACH or Ford in connection with such mitigation.

Section 4.02. Annual Rate Setting. Except as provided below, Visteon and ACH shall meet sixty (60) days prior to the end of the calendar year, or at a mutually agreed annual time period that is consistent with regular annual fringe cost changes, for the purpose of determining (i) the Standard Monthly Group Fringe Cost set forth in Section 4.01(ii) above; and (ii) the Occupancy Charge set forth in Section 4.01(iv), each applicable for the following twelve month period. If the Parties are unable to agree on the per-employee rate for the Standard Monthly Group Fringe Cost set forth in Section 4.01(ii) above, the rate as determined by Visteon shall be in effect and applied to the most current Employee Census until the new rate is agreed and any adjustment shall be retroactively effective as of the beginning of the twelve month period. If the Parties are unable to agree on the per-employee Occupancy Charge set forth in Section 4.01(iv) above, the immediately prior rate shall remain in effect and applied to the most current monthly Employee Census until the new rate is agreed and the new rate shall be retroactively effective as of the beginning of the twelve month period. If either of the rates is not agreed prior to the beginning of the applicable periods, the Parties shall continue to diligently resolve the rate differences in a timely manner.

Section 4.03. Reconciliation. Within a thirty (30) day period subsequent to the end of the calendar year, Visteon shall provide ACH with a statement indicating the Actual Group Monthly Fringe Cost for the year for the Leased Employees and the amount that was billed to ACH pursuant to Section 4.01(ii). For purposes hereof, "Actual Group Monthly Fringe Cost" for the year equals the actual payments made to include year end accruals, plus or minus the changes in reserves. ACH or its representatives shall have the right to verify the statement and Visteon promptly shall make available to ACH or its representatives all supporting documentation. After ACH approves the statement, Visteon shall make any appropriate adjustment (credit or debit) in the next billing cycle. Notwithstanding the above, any adjustments with respect to pension or other post employment benefits shall be made in accordance with Schedule 4.01(ii) Salaried Fringe Expense Definitions, "Pension and OPEB Budget and Adjustment".

Section 4.04. Payment Schedule/Payment. Payments due hereunder shall be paid according to the following schedule:

(i) Visteon shall provide ACH with an invoice for Section 4.01(i) salary and other cash compensation and Section 4.01(vii) statutory fees invoice two business days prior to the applicable pay date; and

(ii) Section 4.01(ii) Standard Monthly Group Fringe Cost, Section 4.01(iii) Incentive Compensation Fees, Section 4.01(iv) Occupancy Charge; Section 4.01 (v) Other Expenses and Section 4.01 (vi) Travel and Business expenses shall be invoiced five business days prior to the end of the month.

Visteon shall render an invoice to ACH in such form and containing such detail as ACH shall reasonably require, for the amounts described above. The total due on the invoice shall be paid to Visteon on (i) the second business day after receipt of the invoice with respect to Section 4.04(i) and (ii) the last business day of the month with respect to Section 4.04 (ii) provided, however that reimbursement with respect to post retirement health and life benefits for Group I and II Employees (as defined in the Employee Transition Agreement) who are Leased Employees shall not be reimbursed to Visteon but shall be credited by Ford to the Salaried Employee OPEB Payment Notional Account under the Employee Transition Agreement as more fully described under the Employee Transition Agreement. Payments may be made by wire transfer or other means reasonably acceptable to Visteon. ACH or its representatives shall have a right to audit the invoices and related records of Visteon upon reasonable notice during normal business hours, at a place mutually agreed by the Parties.

Section 4.05. Workers' Compensation and Unemployment Insurance. Visteon shall continue to provide Workers' Compensation and Unemployment Compensation coverage for all of the Leased Employees at all times during the term of this Agreement.

Section 4.06. Extended Term Rate. In the event that ACH requests Visteon to extend the term of this Agreement until December 31, 2010, ACH shall reimburse Visteon on the same basis as set forth in Section 4.01 through Section 4.04; provided, however, that with respect to the Extended Term, in addition to the types of reimbursable expenses set forth in Section 4.01, Visteon shall be reimbursed monthly for continued personnel and benefits administration services with respect to the Leased Employees ("HR SERVICES") at five percent (5%) of the reimbursable expenses set forth in Section 4.01, excluding subsection (vii), of the Leased Employees who are leased at that time. Except as set forth above with respect to cost, Visteon shall provide the HR Services to ACH under substantially the same terms and conditions as such HR Services were provided under the Master Services Agreement.

Section 4.07. Pension Adjustment. ACH shall reimburse Visteon for the effect on the projected benefit obligation, as defined in SFAS No. 87, of the liabilities related to Group I and II Leased Employees under the Ford General Retirement Plan and any Leased Employee under the Visteon Pension Plan for any Leased Employee average merit salary increase which exceeds the average merit increase applicable to Visteon salaried employees by one-half percent in any given year, provided ACH shall receive credit toward the lease fees otherwise owed hereunder if the Leased Employee average merit increase is less than the average Visteon salaried employees merit increase by one-half percent in any given year using the same methodology as provided under Exhibit Y to the Employee Transition Agreement. Notwithstanding the above, Visteon shall not be reimbursed, or ACH credited, in a manner that would result in either of the Parties being given duplicative reimbursement or credit arising from the same event.

ARTICLE 5  
WORK ENVIRONMENT

Section 5.01. Compliance With All Health and Safety Laws. The Parties shall comply with all applicable, national, federal, state and local health and safety laws, regulations, ordinances, directives, and rules for Leased Employees working on their respective premises.

Section 5.02. Compliance with Employment Laws. Each of the Parties shall comply with all applicable national, federal, state and local employment laws, including, but not limited to, wage and hour, overtime, discrimination laws, and/or local ordinances with respect to its employees.

ARTICLE 6  
INTELLECTUAL PROPERTY ASSIGNMENT

Section 6.01. Assignment. Leased Employees are employees of Visteon or a Subsidiary thereof. As a result, all intellectual property rights in inventions, discoveries or improvements made, conceived, developed or first reduced to practice, and in original and derivative works of authorship created by each of them, during the period of their employment with Visteon and that relate to any matter, thing, process or method of manufacture connected in any way with Visteon's or its Subsidiary's business, are the property of Visteon under the terms of their employment agreements or by law. Under this Agreement, Visteon agrees to assign or cause to be assigned to ACH all right, title and interest in and to such inventions, discoveries, improvements, and original and derivative works of authorship created, made, conceived, developed or first reduced to practice by any of the Leased Employees, during the term each Leased Employee is leased to ACH. Such assignment shall not preempt, supersede or otherwise interfere with Visteon practicing rights received under license from ACH in accordance with other agreements between the Parties. Visteon further agrees to execute or cause to be executed all assignment and other transfer documents as may be necessary to cause the above transfers of intellectual property rights to be legally formalized. All such documents shall be prepared by ACH at ACH's expense, and provided to Visteon with at least thirty (30) days notice.

Section 6.02. Visteon's IP Warranty. Visteon warrants that it has the right to make the assignment to ACH of intellectual property rights in the inventions and works of authorship created by Leased Employees.

Section 6.03. WARRANTY DISCLAIMER AND LIMITATION OF LIABILITY.

(a) EXCEPT TO THE EXTENT OF THE WARRANTY MADE ABOVE, VISTEON MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED. BY WAY OF EXAMPLE BUT NOT OF LIMITATION, VISTEON MAKES NO REPRESENTATIONS OR WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. VISTEON SHALL IN NO EVENT BE LIABLE TO ACH, ITS SUCCESSORS, OR A THIRD PARTY FOR ANY DAMAGES, WHETHER DIRECT OR

INDIRECT, SPECIAL OR GENERAL, CONSEQUENTIAL OR INCIDENTAL, ARISING FROM ANY LOSS CLAIMED AS A RESULT OF ACH'S USE OF THE INTELLECTUAL PROPERTY RIGHTS ASSIGNED HEREUNDER.

(b) VISTEON MAKES NO WARRANTY OR REPRESENTATION THAT THE INTELLECTUAL PROPERTY RIGHTS ASSIGNED HEREUNDER CAN BE USED FOR ANY PARTICULAR FUNCTION OR THAT ACH HAS THE ABILITY TO USE THEM. VISTEON ASSUMES NO RESPONSIBILITY FOR THE SAFETY, QUALITY, DESIGN, SPECIFICATIONS, COMPLETENESS, ACCURACY OR OTHER CHARACTERISTICS OF THE PERFORMANCE, OUTPUT OR END PRODUCT RESULTING FROM THE USE OF THE INTELLECTUAL PROPERTY RIGHTS ASSIGNED HEREUNDER.

(c) EXCEPT TO THE EXTENT OF THE WARRANTY PROVIDED ABOVE, NOTHING CONTAINED HEREIN SHALL BE CONSTRUED AS CONFERRING BY IMPLICATION, ESTOPPEL OR OTHERWISE THE INDEMNIFICATION OF ACH BY VISTEON AGAINST ANY CLAIM OF INFRINGEMENT OF OTHER THIRD PARTY INTELLECTUAL PROPERTY RIGHTS, WHETHER OR NOT THE EXERCISE OF ANY RIGHT GRANTED HEREIN NECESSARILY EMPLOYS OR REQUIRES THE PRACTICE OF ANY SUCH EXISTING OR SUBSEQUENTLY CREATED THIRD PARTY INTELLECTUAL PROPERTY RIGHTS.

ARTICLE 7  
INDEMNITY

Section 7.01. ACH Indemnity. ACH shall indemnify Visteon and its affiliates ("VISTEON INDEMNITEES") against and agrees to hold it harmless from any and all damage, loss, claim, liability and expense (including without limitation, reasonable attorneys' fees and expenses in connection with any action, suit or proceeding brought against any Visteon Indemnitee) incurred or suffered by any Visteon Indemnitee arising out of (i) the breach of any agreement made by ACH hereunder; (ii) any employment, payroll, benefit, workers compensation or other claims of any kind of any current or former Ford employee leased by Ford to ACH pursuant to the Ford Hourly Assignment Agreement dated as of even date herewith or the Ford Salaried Employee Assignment Agreement dated as of even date herewith or any agency employee retained directly by ACH, arising during the period of time the Ford employee is or was leased to ACH or the agency employee was retained directly by ACH; or (iii) any claim by any current or former Ford employee (or their dependents or beneficiaries), to the Pension Benefit Guaranty Corporation ("PBGC"), the Department of Labor ("DOL"), Internal Revenue Service ("IRS"), the Securities and Exchange Commission ("SEC") or comparable federal or national agencies in the United States, arising out of or in connection with the operation, administration, funding or termination of any of the employee benefit plans applicable to the Ford employee that arise during the period of time the Ford employee is or was leased to ACH.

Section 7.02. Visteon Indemnity. Visteon shall indemnify ACH, Ford and their affiliates ("FORD INDEMNITEES") against and agrees to hold them harmless from any and all



damage, loss, claim, liability and expense (including without limitation, reasonable attorneys' fees and expenses in connection with any action, suit or proceeding brought against any Ford Indemnitee) incurred or suffered by any Ford Indemnitee arising out of (i) breach of any agreement made by Visteon hereunder; (ii) employment, payroll, benefit, workers compensation, or other claims of any kind of any current or former Visteon Salaried Employee, including any current or former Leased Employee, or any agency employee provided by Visteon to ACH pursuant to this Agreement, regardless of when they arise; or (iii) any claim by any current or former Visteon Salaried Employee including any current or former Leased Employee (or their dependents or beneficiaries), to the PBGC, the DOL, IRS, SEC or comparable federal or national agencies in the United States, arising out of or in connection with the operation, administration, funding or termination of any of the employee benefit plans applicable to the Visteon Salaried Employees, including any current or former Leased Employee, that arise prior to, during or after the Lease Period.

Section 7.03. Indemnification Procedures. With respect to a Party's indemnity obligations hereunder with respect to third-party claims, the following procedures shall apply:

- (i) Promptly after receipt by any entity entitled to indemnification hereunder of notice of the commencement or threatened commencement of any civil, criminal, administrative, or investigative action or proceeding involving a claim in respect of which the indemnitee will seek indemnification pursuant to the terms and conditions herein, the indemnitee shall notify the indemnitor of such claim in writing. No failure to so notify an indemnitor shall relieve it of its obligations under this Agreement except to the extent that it can demonstrate damages attributable to such failure. Within fifteen (15) days following receipt of written notice from the indemnitee relating to any claim, but no later than ten (10) days before the date on which any response to a complaint or summons is due, the indemnitor shall notify the indemnitee in writing if the indemnitor acknowledges its responsibilities and obligations with respect to such indemnification and elects to assume control of the defense and settlement of that claim (a "NOTICE OF ELECTION").
- (ii) If the indemnitor delivers a Notice of Election relating to any claim within the required notice period, the indemnitor shall be entitled to have sole control over the defense and all negotiations for the compromise or settlement of such claim; provided that (i) the indemnitee shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim, and (ii) the indemnitor shall obtain the prior written approval of the indemnitee before entering into any settlement of such claim or ceasing to defend against such claim, unless the settlement provides for an unqualified release of all claims against the indemnitee. The indemnitor shall not be required to indemnify the indemnitee for any amount paid or payable by the indemnitee in the settlement of any claim for which the indemnitor has delivered a timely Notice of Election if such amount was agreed to without the written consent of the indemnitor.

(iii) If the indemnitor does not deliver a Notice of Election relating to any claim within the required notice period, the indemnitee shall have the right to defend the claim in such manner as it may deem appropriate, at the cost and expense of the indemnitor. The indemnitor shall promptly reimburse the indemnitee for all such costs and expenses.

(iv) In a circumstance where the potential resolution of a legal or regulatory matter by an indemnitor on behalf of an indemnitee under this Article would involve equitable action on the part of the indemnitee, the indemnitor shall have no authority to enter into any such resolution without the written authority of the indemnitee. The indemnitor shall promptly notify the indemnitee of the proposed resolution and request the indemnitee's written authority to enter into the resolution, and provide such information as requested by the indemnitee to facilitate indemnitee's timely review. Indemnitor shall not withhold authority unreasonably, giving full consideration to adverse business or labor relations impact on indemnitee, provided, however, that indemnitor remains responsible for and shall promptly reimburse indemnitee for all costs relating to indemnitee's execution of the action.

Section 7.04. Survival of Indemnity Procedure. The provisions of this Article shall survive the termination of this Agreement indefinitely or until the latest date permitted by applicable law.

ARTICLE 8  
MISCELLANEOUS

Section 8.01. Notices. All notices, requests and other communications to any Party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to ACH, to:

Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

Ford Motor Company  
Office of the General Counsel  
One American Road  
Room 626 World Headquarters  
Dearborn, Michigan 48126  
Facsimile No.: (313) 322-0248  
E-mail: bgoricha@ford.com

if to Visteon, to:

Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: John Donofrio, General Counsel  
Facsimile No.: (734) 710-7132  
E-mail: jdonofri@visteon.com

with a copy to:

Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, NY 10153  
Attention: Michael E. Lubowitz, Esq.  
Facsimile No.: (212) 310-8007  
E-mail: Michael.lubowitz@weil.com

or such other address, facsimile number or e-mail as such Party may hereafter specify for the purpose by notice to the other Parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding business day in the place of receipt.

Section 8.02. Amendments and Waivers. Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective.

No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 8.03. Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

Section 8.04. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto. Upon any such permitted assignment, the references in this Agreement to ACH shall also apply to any such assignee unless the context otherwise requires.

Section 8.05. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Michigan, without regard to the conflicts of law rules of such state.

Section 8.06. Dispute Resolution. If a dispute arises between the Parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof and for seeking relief, including but not limited to damages, injunctive relief and specific performance:

(a) The Parties promptly shall hold a meeting of senior executives with decision-making authority to attempt in good faith to negotiate a mutually satisfactory resolution of the dispute; provided that no Party shall be under any obligation whatsoever to reach, accept or agree to any such resolution; provided further, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the Parties or be deemed a waiver by a Party hereto of any remedies to which such Party would otherwise be entitled.

(b) If the Parties are unable to negotiate a mutually satisfactory resolution as provided above, then upon request by either Party, the matter shall be submitted to binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration. Within five business days after the selection of the arbitrator, each Party shall submit its requested relief to the other Party and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed. Upon the conclusion of discovery, each Party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one Party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one Party's requested relief as to certain claims or counterclaims and the other Party's requested relief as to other claims or counterclaims. Rather, the arbitrator must only select one or the other Party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator will enter a final ruling that adopts in whole such requested relief. The arbitrator will limit his/her final ruling to selecting the entire requested relief he/she considers the most appropriate from those submitted by the Parties.

(c) Arbitration shall take place in the City of Dearborn, Michigan unless the Parties agree otherwise or the arbitrator selected by the Parties orders otherwise. Punitive or exemplary damages shall not be awarded. This Section 8.06 is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., or comparable legislation in non-U.S. jurisdictions and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction.

Section 8.07. Jurisdiction. Subject to Section 8.06, the Parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in any federal court sitting in Michigan or any Michigan State court sitting in the Wayne County or Oakland County, Michigan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Michigan. Each of the Parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court.

Section 8.08. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 8.09. Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by all of the other Parties hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties hereto and their respective successors and permitted assigns under Section 8.04.

Section 8.10. Entire Agreement. This Agreement, the Employee Transition Agreement and the other documents executed in connection with this transaction constitute the entire agreement between the Parties with respect to the subject matter of this Agreement and supersede all prior agreements and understandings, both oral and written, between the Parties with respect to the subject matter of this Agreement, and the other transaction documents.

Section 8.11. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent

of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 8.12. Specific Performance. The Parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts specified in Section 8.07.

[signatures appear on following page]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

VISTEON CORPORATION

AUTOMOTIVE COMPONENTS HOLDINGS, LLC

By: /s/ James F. Palmer

By: /s/ James F. Palmer

-----  
Name: James F. Palmer  
Title: Executive Vice President and  
Chief Financial Officer

-----  
Name: James F. Palmer  
Title: President

\*\*\* TEXT OMITTED AND FILED SEPARATELY  
CONFIDENTIAL TREATMENT REQUESTED  
UNDER 17 C.F.R. 200.80(b)(4) AND 240.24b-2

Exhibit 10.4

PURCHASE AND SUPPLY AGREEMENT

REGARDING SALES OF COMPONENTS FROM VISTEON CORPORATION TO AUTOMOTIVE  
COMPONENTS HOLDINGS, LLC

BETWEEN

AUTOMOTIVE COMPONENTS HOLDINGS, LLC (F/K/A VFH HOLDINGS, LLC)

AND

VISTEON CORPORATION

SELLER: VISTEON  
BUYER: AUTOMOTIVE COMPONENTS HOLDINGS, LLC

September 30, 2005



PURCHASE AND SUPPLY AGREEMENT REGARDING SALES OF COMPONENTS FROM VISTEON CORPORATION TO AUTOMOTIVE COMPONENTS HOLDINGS, LLC

This Purchase and Supply Agreement Regarding Sales of Components from Visteon Corporation to Automotive Components Holdings, LLC ("AGREEMENT") dated as of September 30, 2005 is entered into by and between Visteon Corporation, a Delaware corporation ("VISTEON"), and Automotive Components Holdings, LLC (f/k/a VFH Holdings, LLC) ("NEWCO"), a Delaware limited liability company. Each of Newco and Visteon is herein referred to as a "PARTY" and collectively, the "PARTIES."

RECITALS

A. Newco owns and operates manufacturing and assembly facilities in North America that were formerly owned and operated by Visteon or its wholly-owned subsidiaries ("NEWCO FACILITIES"). Visteon or its wholly-owned subsidiaries supply motor-vehicle-related parts, components and systems from their manufacturing and assembly facilities in North America ("VISTEON FACILITIES") to Newco Facilities.

B. Except as described in Recital C, the purpose of this Agreement is to describe supply obligations, pricing, and related matters for certain motor-vehicle-related parts, components and systems that are manufactured by a Visteon Facility and supplied by such Visteon Facility to a Newco Facility. It does not cover the sale of motor-vehicle-related parts, components and systems by Newco to Visteon (which is addressed in the Purchase and Supply Agreement Regarding Sales of Components from Automotive Components Holdings, LLC to Visteon Corporation between Newco and Visteon dated as of the date of this Agreement). References in this Agreement to motor-vehicle-related parts, components or systems that are "manufactured by a Visteon Facility and supplied by such Visteon Facility to a Newco Facility" mean that such parts, components or systems are manufactured by such Visteon Facility and supplied by such Visteon Facility directly, or through a warehouse or shipping facility, to a Newco Facility. Except as provided for in Exhibit 4, parts, components, or systems that are merely supplied by a Visteon Facility to a Newco Facility, but which are not manufactured by such Visteon Facility, are not covered under this Agreement.

C. This Agreement does not cover motor-vehicle-related parts, components or systems: (i) supplied by a Visteon facility that is not a facility of Visteon Corporation or any of its wholly-owned subsidiaries in North America to a Newco Facility; or (ii) which are Service Parts (as defined in Exhibit 5); in each case except to the extent expressly set forth in EXHIBIT 4 or 5, as applicable (or in Section 15.13 below, which shall apply to Service Parts). EXHIBIT 6 to this Agreement lists (i) Visteon's Affiliates, including its wholly-owned subsidiaries in North America, its Affiliates in North America which are not wholly-owned subsidiaries, and its Affiliates outside of North America, and (ii) Visteon Related Companies.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and intending to be legally bound, Visteon and Newco agree:

1. DEFINED TERMS

1.1 All terms with initial capitalization used herein shall have the following definitions unless specifically stated otherwise. In this Agreement, except as otherwise expressly provided or the context otherwise clearly requires, words in the singular include the plural, and vice versa. The Recitals above are an integral part of this Agreement.

"2003 PSA" means the Purchase and Supply Agreement Between Visteon Corporation and Ford Motor Company dated December 19, 2003.

"AFFILIATE" means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such first Person; provided, that neither Ford, nor any of its Affiliates, shall be deemed to be an Affiliate (or subsidiary) of Newco for the purposes of this Agreement. For the purpose of this

definition, the term "Control" (including, with correlative meanings, the terms "Controlling," "Controlled by" and "under common Control with"), as used with respect to any Person, means having the right to elect a majority of the board of directors or other comparable body responsible for management and direction of such Person, or otherwise having, directly or indirectly, the power to direct or cause the direction of the management and policies of such Person, by contract or by virtue of share ownership.

"BUSINESS DAY" means a day, other than Saturday, Sunday or other day on which commercial banks in Detroit, Michigan are authorized or required by law to close.

"COMPONENTS" means motor-vehicle-related parts, components or systems manufactured by a Visteon Facility and supplied by such Visteon Facility (or, in regard to Existing Business - Future Model, to be manufactured by a Visteon Facility and supplied by such Visten Facility) to a Newco Facility. Notwithstanding anything to the contrary in the foregoing sentence, parts, components and systems that are supplied to Newco by Visteon Affiliates (other than wholly-owned subsidiaries of Visteon in North America), parts, components and systems supplied by Visteon Related Companies, and Service Parts, are not considered "Components".

"CONFIDENTIAL INFORMATION" has the meaning specified in Section 11.1.

"CONTRIBUTION AGREEMENT" means the Contribution Agreement between Visteon and Automotive Components Holdings, Inc. (f/k/a VFH Holdings, Inc.) dated September 12, 2005.

"DAMAGES" means any and all obligations, liabilities, damages, penalties, deficiencies, losses, judgments, costs and expenses (including, but not limited to, costs and expenses incurred in connection with performing obligations, interest, bonding and appellate costs and reasonable attorneys', accountants', engineers' and investigators' fees and disbursements), in each case, after the application of any and all amounts recovered under insurance contracts or similar arrangements and from third parties by the person claiming indemnity.

"DEFAULTING PARTY" has the meaning specified in Section 9.1.

"DESIGN CHANGE" means any change to the physical Component, its performance, or its interface with other parts or systems that results in a change to the part number.

"DIRECTED TIER 2 SOURCING" means the situation where Newco directs a supplier (as the tier 1 supplier to Newco) to purchase a specific Component from a specific supplier (the tier 2 supplier to Newco) for incorporation into a Component to be supplied by such tier 1 supplier to Newco.

"EVENT OF DEFAULT" has the meaning specified in Section 9.1.

"EXISTING AGREEMENTS" means the Purchase Orders, and Long Term Supply Agreements (if any), covering Existing Business, as described in Section 2.3 or 2.4.

"EXISTING BUSINESS" means the Components that are Existing Business in Production or Existing Business - Future Model.

In the event that the vehicle or power-train program of Ford (or of another OEM Customer of Newco or its customer), in regard to which Newco is purchasing (or intends to purchase) Components which are Existing Business, is or will be subject to a major refreshing or will be replaced by, or will become, a new program, as determined by Ford as described below, or as determined by such other OEM Customer in accordance with its then-current processes and policies, respectively, such Components ("AFFECTED COMPONENTS") will no longer be considered to be Existing Business for the purposes of this Agreement as of the date that Newco begins purchasing the motor-vehicle-related parts, components, or systems for the refreshed or new program which

replace the Affected Components; provided, however, that:

(i) the motor-vehicle-related parts, components, or systems for the refreshed or new program ("REPLACEMENT END-ITEM") which replace the parts, components, or systems supplied by Newco to Ford (or to the applicable other OEM Customer of Newco) into which such Affected Components purchased by Newco from Visteon are incorporated are (or were prior to the date of this Agreement) put up for award by Ford or such other OEM Customer of Newco; and,

(ii) the motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components are (or were prior to the date of this Agreement) put up for award by Newco. For components put up for award prior to this agreement, the status of such components will be evaluated during reconciliation of Exhibit 2.

For the purposes of this definition: "put up for award" means the issuance of a Request for Quote by Ford or Newco for the Replacement End-Item or such motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components, respectively; and, "Request for Quote" means a request issued by Ford or Newco to one or more suppliers to provide a quotation for the supply of the Replacement End-Item or such motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components, respectively. "Put up for award" does not mean quoting design changes to a carryover component for a new program or following the change control process.

Nothing in this Agreement or in any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement prohibits Newco from sourcing such motor-vehicle-related parts, components, or systems which replace the Affected Components to a supplier of its choice, or from purchasing the same from such supplier.

For the purposes of the prior paragraph, a "major refreshing" or "new program" means, in regard to a Ford vehicle or power-train program, a change to a vehicle or power-train program with a "S3" or higher designation, for a vehicle program, or a "P3" or higher designation, for a power-train program, under the Ford Product Development System (FPDS), or the equivalent designation in Ford's Global Product Development System (GPDS) or any future product development system of Ford replacing FPDS or GPDS (as applicable).

"EXISTING BUSINESS IN PRODUCTION" has the meaning specified in Section 2.1(a).

"EXISTING BUSINESS - FUTURE MODEL" has the meaning specified in Section 2.1(b).

"FORD" means Ford Motor Company, a Delaware corporation.

"FORD MASTER AGREEMENT WORKERS" means the Ford hourly employees who are represented by the UAW under the Master Agreement and who have been assigned to work at Ford or Newco plants.

"FORD VEHICLE" means a Ford, Lincoln, or Mercury-brand vehicle manufactured in North America by Ford or one of its Affiliates.

"FORD-VEHICLE COMPONENTS" mean Components which are, or which are supplied for incorporation into another part, component, or system, for ultimate use in a Ford Vehicle.

"FORD - VISTEON DIRECTED COMPONENTS" means Components which were, prior to the date of this Agreement, direct-sourced by Ford to a Visteon Facility (as the Tier 2 supplier) for supply to a Newco Facility (as the Tier 1 supplier) (which was, prior to the date of this Agreement, a Visteon Facility) for which Ford negotiated the price directly with the Visteon Facility supplying the Component (such Components include, without limitation, EATCs, instrument clusters, and audio parts and components supplied by Visteon Facilities to Newco Facilities).

For the purposes of this definition, "direct-sourced" means that Ford directed the Tier 1 supplier (i.e., the applicable Visteon Facility) to purchase the specific Component from the Tier 2 supplier (i.e., the supplying Visteon Facility) for supply by, or for incorporation into another Component to be supplied by, Visteon to Ford for use in a Ford Vehicle.

"FORD - VISTEON DIRECTED AUDIO COMPONENTS" means audio parts and components which are Ford-Visteon Directed Components.

"GLOBAL TERMS" means, subject to Section 14, Visteon's Global Terms for Production and Non-Production Goods and Services (VGT Rev. 04/03), which will be used by Newco, instead of Visteon (i.e., with Newco as the "Buyer" and Visteon as the "Seller").

"GOOD CAUSE" means:

- (i) A significant quality or delivery issue for a given Component; or
- (ii) An unilateral upward re-pricing on the applicable Component (including, without limitation, uncompetitive pricing by Visteon for Design Changes to the Component), excluding mutually agreed price increases; or
- (iii) A material default by Visteon under the terms of a Purchase Order or Long Term Supply Agreement with respect to a given Component.

"LONG TERM SUPPLY AGREEMENT" means a multiple-year contract with a supplier committing Newco to procure and the supplier to supply goods or services for a specified time period on specified terms.

"MASTER AGREEMENT" means the collective bargaining agreement and all supplements thereto between Ford and the UAW dated September 15, 2003, as well as any successor agreement (and supplements thereto) to such collective bargaining agreement entered into prior to the expiration of this Agreement.

"MASTER AGREEMENT PLANT" means a facility where some or all of the hourly employees working there are represented by the UAW under the Master Agreement.

"NON-DEFAULTING PARTY" has the meaning specified in Section 9.1.

"NON-FORD COMPONENTS" mean Components which are, or which are supplied for incorporation into another part, component or system, for ultimate use in a vehicle other than a Ford Vehicle.

"NORTH AMERICA" means Canada, Mexico and the United States.

"NORTH AMERICAN SOURCING COUNCIL" means a Ford process to ensure that Ford honors commitments to Ford Master Agreement Workers at Ford or Newco facilities in the United States with respect to sourcing actions; to provide a framework for avoiding labor disturbances and lost production; and to ensure that Ford senior management concurs with sourcing decisions.

For the purposes of this Agreement, in determining whether the North American Sourcing Council process was or is required to be followed, or its approval was or is required, in regard to a particular action:

- (i) taken prior to the date of this Agreement, the North American Sourcing Council process and requirements in effect at the time the applicable action was taken (including, without limitation, any applicable requirements under the 2003 PSA) apply; and,
- (ii) for actions taken on or after the date of this Agreement, the North American Sourcing Council process will be required to be followed, and its approval obtained, if one or more Ford Master

Agreement Workers' jobs would be impacted by such action.

"OEM CUSTOMER" means a Person in the business of manufacturing motor vehicles.

"PARTY" or "PARTIES" has the meaning specified in the opening paragraph of this Agreement.

"PERSON" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof.

"PURCHASE ORDER" means, in regard to particular Components, the Purchase Order or Long Term Supply Agreement between Visteon and Newco covering such Components (as described in Section 2.3 or 2.4, in regard to Existing Business).

"SERVICE PARTS" is as defined in Exhibit 5.

"SUBCOMPONENTS" means Components incorporated into, or that are a part of, another Component.

"VISTEON RELATED COMPANY" is as defined in Exhibit 4.

1.2 Subject to Section 15.3, except in regard to the identification of the Parties to this Agreement above or where the context clearly requires otherwise, a reference in this Agreement to "Newco" includes Newco and its applicable Affiliates, and to "Visteon" includes Visteon and its wholly-owned subsidiaries in North America.

## 2. PURCHASE AND SUPPLY COMMITMENTS

2.1 General. Subject to the terms and conditions of this Agreement, but notwithstanding any term or condition of any Existing Agreement, Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement, Visteon shall supply to Newco, and Newco shall purchase from Visteon, each of the following Components during the term of this Agreement:

(a) "EXISTING BUSINESS IN PRODUCTION," which means all Components which, as of May 1, 2005, were manufactured by a Visteon Facility and supplied by such Visteon Facility to a Newco Facility. Such Components are set forth in EXHIBIT 1 to this Agreement.

(b) "EXISTING BUSINESS - FUTURE MODEL," which means Components which, as of May 1, 2005, were planned by Visteon to be manufactured by a Visteon Facility and supplied by such Visteon Facility to a Newco Facility (i) pursuant to a reasonably developed and documented plan, and (ii) for supply to, or for inclusion in another part, component, or system to be supplied to, Ford or another customer of Visteon that was sourced to Visteon pursuant to a signed Sourcing Agreement with Pricing, Target Agreement, or purchase order (in the case of Ford) or a written sourcing commitment with pricing established or purchase order (in the case of another customer of Visteon), in each case issued prior to May 1, 2005, but which were not being manufactured and supplied as of May 1, 2005. Such Components are set forth in EXHIBIT 2 to this Agreement.

Subject to Sections 2.1(c) and (d) below, Components which do not meet the requirements set forth in Section 2.1(a) or (b) are not Existing Business, except as Newco and Visteon specifically agree otherwise in writing. References in this Section 2.1 to a "Newco Facility" refer, for the avoidance of doubt, to facilities which were manufacturing or assembly facilities of Visteon or its Affiliates in North America as of May 1, 2005, but were transferred to Newco. Visteon warrants and represents to Newco that, to the best of its knowledge as of the date of this Agreement, Exhibits 1 and 2 are accurate and complete.

(c) Without limiting any rights or remedies of either Party, and subject to, and without limiting, Section 2.1(d) below:

(i) In the event that Components which should have been included in Exhibit 1 (as determined in accordance with Section 2.1(a)) are excluded from such Exhibit, and such Components are discovered to have been excluded:

(A) on or before 6 months after the date of this Agreement, such Components will be added to Exhibit 1, unless the Parties otherwise agree in writing; or,

(B) after 6 months after the date of this Agreement, the Parties will discuss in good faith as to whether such Components will be added to Exhibit 1, and such Components will be added if the Parties agree in writing.

(ii) In the event that Components which should have been included in Exhibit 2 (as determined in accordance with Section 2.1(b)) are excluded from such Exhibit, and such Components are discovered to have been excluded:

(A) on or before three months after the date of this Agreement, and such Components are to go into production prior to or on such date, such Components will be added to Exhibit 2; or,

(B) after three months after the date of this Agreement (or prior to such date, but which are not covered under Section 2.1(c)(ii)(A) above), the Parties will discuss in good faith as to whether such Components will be added to Exhibit 2, and such Components will be added if the Parties agree in writing.

(d) Without limiting any rights or remedies of Newco, if a part, component, or system is listed on Exhibit 2 ("LISTED COMPONENT"), which Listed Component replaces a part, component, or system manufactured, as of May 1, 2005, at a Newco Facility, and North American Sourcing Council approval was not obtained to have such Listed Component manufactured at a facility other than a Master Agreement Plant, such Listed Component will, upon Newco's written request to Visteon, be removed from Exhibit 2 and may be added to Exhibit 2 to the Purchase and Supply Agreement Regarding Sales of Components from Automotive Components Holdings, LLC to Visteon Corporation between Newco and Visteon dated as of the date of this Agreement.

2.2 Expiration of Term or Cessation of Existing Business Designation. Upon the termination or expiration of this Agreement, or when any Components that are Existing Business cease to be designated as Existing Business as provided for under this Agreement, Newco's rights to cease purchasing such Components from Visteon, and Visteon's rights to cease supply of such Components to Newco, shall be as specified under the applicable Purchase Order or Long Term Supply Agreement, including the Global Terms, for such Components (without regard to any amendment or supplement to the same provided for under this Agreement, but subject to Sections 13 and 14 below).

2.3 Contract Covering Sale and Purchase of Components Which Are Existing Business In Production.

(a) Purchase Order or Long Term Supply Agreement Issued. When a Purchase Order or Long Term Supply Agreement (as applicable) is issued after the date of this Agreement by Newco to Visteon for Components which are Existing Business In Production, the terms and conditions of the same (including the Global Terms) will apply in regard to the sale and purchase of such Components, except to the extent that such Purchase Order, Long Term Supply Agreement, or Global Terms are modified or supplemented under, or conflict with, this Agreement in regard to such Components. Visteon agrees to accept any such Purchase Order or Long Term Supply Agreement (as applicable) issued by Newco to Visteon for such Components, provided that the terms and conditions of the same are consistent with

this Agreement in regard to such Components. Newco agrees to issue such Purchase Orders and Long Term Supply Agreements as soon as reasonably practicable after the date of this Agreement. Any such Purchase Order or Long Term Supply Agreement issued will be an Existing Agreement for the purposes of this Agreement.

(b) Prior to Issuance of Purchase Order or Long Term Supply Agreement. Until such time as a Purchase Order or Long Term Supply Agreement (as applicable) is issued after the date of this Agreement by Newco to Visteon for Components which are Existing Business In Production, a Purchase Order, on Visteon's standard form (as of May 1, 2005) attached hereto as Exhibit 3 (including the Global Terms) (as if issued by Newco, not Visteon) will be deemed to apply in regard to the sale by Visteon and purchase by Newco of such Components, except to the extent that such Purchase Order, Long Term Supply Agreement, or Global Terms are modified or supplemented under, or conflict with, this Agreement in regard to such Components. Any such Purchase Order deemed to apply will be an Existing Agreement for the purposes of this Agreement.

2.4 Contract Covering Sale and Purchase of Existing Business - Future Model. Components which are Existing Business - Future Model supplied by Visteon to Newco will be supplied under the Purchase Order or Long Term Supply Agreement (as applicable) (including the Global Terms) issued after the date of this Agreement by Newco to Visteon for the same, except to the extent that such Purchase Order, Long Term Supply Agreement, or Global Terms are modified or supplemented under, or conflict with, this Agreement in regard to such Components. Visteon agrees to accept any such Purchase Order or Long Term Supply Agreement (as applicable) issued by Newco to Visteon for such Components, provided that the terms and conditions of the same are consistent with this Agreement in regard to such Components. Newco agrees to issue such Purchase Orders and Long Term Supply Agreements as soon as reasonably practicable after the date of this Agreement. Any such Purchase Order or Long Term Supply Agreement issued will be an Existing Agreement for the purposes of this Agreement.

2.5 Volumes. No specific volume commitments by Newco for Existing Business will exist. However, without limiting the foregoing sentence, Newco will continue to purchase at least the same percentage of its requirements (at a Component-level) for Existing Business from Visteon as Newco Facilities were purchasing or receiving (at normal, non-exceptional, operational levels) from Visteon Facilities on and prior to May 1, 2005 (when such Newco Facilities were Visteon Facilities), and Visteon will supply such percentage, in each case except to the extent that Newco Facilities are sold, transferred, exited, or closed (in regard to the applicable Components purchased by the same), Newco's purchase obligations relating to such Components are terminated, expire, or are assigned in accordance with this Agreement, or as otherwise agreed upon by the Parties in writing. For example, if Newco Facilities were purchasing or receiving 70% of their requirements for a specific Component from Visteon Facilities on and prior to May 1, 2005 at normal operational levels, Newco will continue to purchase at least 70% of its requirements for such specific Component from Visteon during the term of this Agreement (subject to the specific exceptions referred to in the prior sentence). The foregoing will not, however, permit Visteon to cease supplying at such percentage to the assignee of any Existing Agreement upon assignment of such Existing Agreement by Newco to such assignee.

2.6 No Obligation to Issue Long Term Supply Agreement; Conflict with this Agreement. Newco shall have no obligation under this Agreement to issue a Long Term Supply Agreement (as opposed to a Purchase Order) to Visteon for any Existing Business or other Components. In the event of a conflict between the terms of any Purchase Order, Long Term Supply Agreement, or Global Terms and this Agreement in regard to specific Components, the terms of this Agreement shall control in regard to such Components.

2.7 Use of Standard-Form Visteon Purchasing Documents. It is anticipated that Newco will need to utilize standard-form Visteon purchasing documents (e.g., Purchase Orders, Long Term Supply Agreements, Sourcing Agreements, Target Agreements, etc.) as its own purchasing documents for some period of time after the date of this Agreement in regard to Newco's procurement of Components from Visteon. As such, for the purposes of

applying any such documents, the following terms used in such documents shall have the following meanings: "Buyer" will mean Newco; "Seller" will mean Visteon; and, "Supplies" will mean the applicable Components. In addition, in any such Visteon documents a reference to Visteon's Global Terms For Production Parts and Non-Production Goods and Services (VGT REV 4/03) will be deemed to refer to the Global Terms.

2.8 Affect on Other Agreements. Any agreements between a Newco Facility (which, at the time, would have been a Visteon Facility) and a Visteon Facility in effect as of the date of this Agreement relating to the supply of Components from such Visteon Facility to such Newco Facility covered under this Agreement are superseded (except for use in establishing pricing as described in Section 3.1(a) or (b)) by the applicable terms and conditions of this Agreement, and by any Purchase Order or Long Term Supply Agreement issued pursuant to this Agreement, relating to such Components.

### 3. PRICING

#### 3.1 Pricing.

(a) Existing Business in Production. Subject to Sections 3.1(c) - (e), for Existing Business in Production, the prices of such Components will be the documented and substantiated prices in effect for the same, as of May 1, 2005, between the Visteon Facility manufacturing and supplying such Components and the Newco Facility to which such Components were supplied as of May 1, 2005 (which Newco Facility was, at the time, a Visteon Facility), as set forth in Exhibit 1, adjusted for productivity price reductions taken after May 1, 2005 but prior to the date of this Agreement, as set forth in Exhibit 1. In regard to any Components listed in Exhibit 1 for which no prices are specified, Visteon and Newco will negotiate in good faith and agree upon such prices.

(b) Existing Business - Future Model. Subject to Sections 3.1(c) - (e), for Existing Business - Future Model, the prices of such Components will be the documented and substantiated prices (as determined in accordance with the reasonably developed and documented plan described in Section 2.1(b)), in effect as of May 1, 2005, (if available) for the same between the Visteon Facility planned to manufacture and supply such Components and the Newco Facility to which such Components were planned to be supplied as of May 1, 2005 (which Newco Facility was, at the time, a Visteon Facility), as set forth in Exhibit 2. In regard to any Components listed in Exhibit 2 for which no prices are specified, Visteon and Newco will negotiate in good faith and agree upon such prices.

(c) Design or Other Changes. The prices of Components described in Sections 3.1(a) and (b) will be adjusted for any Design Change or productivity price reduction agreed upon by Visteon and Ford in writing prior to the date of this Agreement, or agreed upon by Visteon and Newco in writing after the date of this Agreement (including, without limitation, the productivity reductions specified in Section 3.2 below), or for any price change resulting from Directed Tier 2 Sourcing (as described in Section 8.2). No other changes to the prices of such Components will occur unless agreed upon by the Parties in writing.

(d) Prices for Ford - Visteon Directed Components. Notwithstanding Section 3.1(a) or (b), the price to Newco for a Ford - Visteon Directed Component will be the price for the same agreed upon by Visteon and Ford, and such price will be adjusted for any Design Change or productivity price reduction agreed upon by Visteon and Ford in writing (including, without limitation, the productivity reductions specified in Section 3.2 below).

(e) Prices for Non-Ford Components. In the event that Newco's customer for parts, components, or systems supplied by Newco incorporating Non-Ford Components supplied by Visteon requests a price reduction for such parts, components, or systems supplied by Newco, or for such Non-Ford Components supplied by Visteon, Visteon will, to the extent requested by Newco, negotiate in good faith with Newco regarding the price reduction.



3.2 Productivity Price Reductions. (a) Visteon shall reduce the prices for all Ford-Vehicle Components (including, without limitation, any Ford - Visteon Directed Components, but excluding Ford - Visteon Directed Audio Components after December 31, 2006) supplied to Newco and included in the calculation of Newco Carryover Frozen Turnover (as described below) beginning on the date of this Agreement through December 8, 2008 by the following percentages (such reductions will be made effective as of January 1 of the applicable calendar year as described in Subsection 3.3 below):

Calendar Year	2005	2006	2007	2008
Percentage Reduction	***	***	***	***

For a given calendar year, the aggregate productivity price reduction for all Components included in the calculation of Newco Carryover Frozen Turnover will be calculated by applying the applicable Percentage Reduction for such calendar year against the "Newco Carryover Frozen Turnover." The "Newco Carryover Frozen Turnover" shall be equal to the Total Frozen Turnover, less the Target Agreement Turnover, less the Newco Buy Turnover, less any Components excluded from the calculation of the Newco Carryover Frozen Turnover as described in Section 3.2(b) below, less Ford - Visteon Directed Audio Components after December 31, 2006. The following definitions shall apply to this calculation:

"Total Frozen Turnover" shall be equal to the total projected sales of Components by Visteon to Newco using Newco's budgeted volume, mix and rates assumptions for the applicable calendar year.

"Target Agreement Turnover" means that portion of the Total Frozen Turnover for Components that will be launched during the applicable calendar year where Newco and Visteon have entered into signed Target Agreements (or the sourcing document of Newco that is the equivalent of a Ford Target Agreement).

"Newco Buy Turnover" means that portion of the Total Frozen Turnover for which Newco has negotiated the price on behalf of Visteon pursuant to Section 8.2.

The productivity price reductions for 2005 described above will not be duplicative of or in addition to any productivity price reduction to the price of a Component implemented by Visteon prior to the date of this Agreement as a result of the productivity reductions required of Visteon for 2005 under the 2003 PSA. The productivity price reductions for Components above are not duplicative of or in addition to those that apply to the same Components under the Purchase and Supply Agreement Regarding Sales of Components by Visteon to Ford between Visteon and Ford dated as of October 1, 2005.

(b) Where Newco and Visteon agree (or have agreed) in writing on different productivity price reductions than those specified above, such separate agreements shall supersede the provisions of Subsection 3.2(a) if such different price reductions replace (and are not incremental to) the price reductions required under Subsection 3.2(a). In these cases, the Components to which such different price reductions apply will be excluded from the calculation of Newco Carryover Frozen Turnover. If such different price reductions are incremental to (and do not replace) the price reductions required under Subsection 3.2(a), the Components to which such incremental price reductions apply will be included in the calculation of Newco Carryover Frozen Turnover and the incremental price reductions will apply in addition to those required under Subsection 3.2(a).

3.3 All productivity price reductions will be retroactive to January 1 of the applicable year. If the productivity price reductions are not processed prior to the end of any calendar quarter during the applicable year, Visteon shall pay to Newco a lump sum equal to seventy five percent (75%) of a reasonable estimate of the effect of the productivity price reductions based on Visteon's shipments of Components to Newco during such calendar quarter. Such amount shall be paid on or before the last day of such calendar quarter. The Parties acknowledge that once the actual productivity price reductions are determined, they will be entered into a system that will result in productivity price reductions retroactive to January 1 of the applicable year; therefore, if Visteon has made a lump sum payment for any calendar quarter and Newco later receives a retroactive price adjustment, Newco will reimburse Visteon any amounts that are charged twice to Visteon. For the avoidance of doubt, Visteon's lump-sum payment of 75% of such estimated amount will not affect Newco's right to receive 100% of the productivity price reduction due for the applicable calendar year.

3.4 Notwithstanding Section 3.2 or 3.3, in regard to Non-Ford Components supplied by a Visteon Facility to Newco, in the event Visteon entered into an agreement with its customer (other than Ford), prior to or on the date of this Agreement, pursuant to which Newco is obligated to provide such customer with productivity price reductions on parts, components, or systems supplied by Newco to such customer which are, or which incorporate, Components supplied by Visteon to Newco, Visteon shall provide the equivalent productivity price reductions to Newco on such Components supplied by Visteon.

3.5 In the event that a customer of Newco requests productivity price reductions on parts, components or systems supplied by Newco to such customer which are, or which incorporate, Components supplied by Visteon to Newco, Newco and Visteon shall discuss in good faith potential mechanisms for achieving equivalent productivity prices reductions to Newco on such Components supplied by Visteon.

#### 4. DESIGN CHANGES & PAYMENT TERMS

4.1 Except for any Design Change negotiated by Ford directly with Visteon, and notwithstanding any term or condition of any Purchase Order, Long Term Supply Agreement, or the Global Terms, the Parties will negotiate equitable increases or decreases in the prices of Components supplied by Visteon to Newco for Newco-requested Design Changes in good faith.

4.2 For any Components manufactured by a Visteon Facility and supplied by such Visteon Facility to a Newco Facility, and for any tooling received at Visteon Facilities (or a Visteon Facility's supplier's facilities) in the United States, Visteon will be paid in accordance with the following terms during the term of this Agreement: \*\*\*. In the event that systems issues prevent the Parties from implementing such payment terms immediately after the date of this Agreement, the Parties will work together in good faith to promptly address the problem and, in the interim, promptly implement a mechanism which results, in effect, in payment terms as close as possible to such payment terms.

As used in this Section 4.2, the term "tooling" refers only to tooling owned by Newco or its customer and funded by Newco in an up-front payment (rather than in the piece price) that is used for the production of Components manufactured by a Visteon Facility and supplied by such Visteon Facility to a Newco Facility and which is located in Visteon Facilities (or a Visteon Facility's supplier's facilities) in the United States.

#### 5. RIGHT TO TERMINATE OR NOT RENEW

5.1 (a) Notwithstanding any term or condition of this Agreement or of any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement, or any other termination rights Newco may have, but

subject to Section 6(b), Newco may, upon advance written notice to Visteon, terminate or not renew, in whole or in part, its purchase of a Component which is Existing Business, the applicable Existing Agreement or this Agreement as it relates to such Component:

- (1) for a Change of Control in accordance with Section 9.3(b) and (c) below;
- (2) in accordance with Section 22 (Excusable Delay) of the Global Terms in regard to such Component;
- (3) as a result of the: (i) cancellation by Ford or another OEM Customer of Newco of the program for which such Component is supplied; or, (ii) the failure of Newco to require such Component any longer because the end-item part, component or system into which such Component supplied by Visteon is incorporated by Newco is changed, by the applicable program team of Ford (in regard to a Ford-Vehicle Component) or by another customer of Newco (in regard to a Non-Ford Component), such that neither such Component supplied by Visteon, nor a similar part, component or system, is required in such end-item part, component or system any longer, provided Newco has acted in good faith toward Visteon in regard to such change;
- (4) as a result of an assignment by Visteon in breach of Section 21 of the Global Terms in regard to such Component;
- (5) for Good Cause with respect to such Component;
- (6) for a default by Visteon in the performance of any obligation or in the observance of any restriction described in Section 9.1(a) below in regard to such Component that is not fully cured within 90 days after written notice thereof has been given by Visteon;
- (7) as a result of the termination of this Agreement under Section 9;
- (8) in regard to a Non-Ford Component supplied by Visteon, upon the termination or expiration (for any reason) of the purchase order or other agreement between Newco and its customer for such Non-Ford Component or for the part, component, or system supplied by Newco into which such Non-Ford Component is incorporated;
- (9) upon the sale, exit, closure, or transfer (for any reason) of the Newco Facility purchasing such Component from Visteon; or
- (10) for Ford - Visteon Directed Components, if Visteon fails to comply with the Competitive Gap Closure Plan relating to the same under the Purchase and Supply Agreement Regarding Sales of Components by Visteon to Ford between Visteon and Ford dated as of October 1, 2005; or
- (11) for Ford - Visteon Directed Audio Components, any time after December 31, 2006; or
- (12) in regard to Existing Agreement(s) for Fuel Delivery Modules (FDMs) supplied by Visteon's Bedford facility to Newco, in the event that the FDM business is transferred to a Master Agreement Plant as described in Section 10 of the Purchase and Supply Agreement Regarding Sales of Components by Visteon to Ford between Visteon and Ford dated as of October 1, 2005.

Nothing in this Agreement shall in any way mitigate or affect any of Newco's rights to terminate or not renew any Purchase Order, Long Term Supply Agreement, or other agreement other than an Existing Agreement (i.e., a Purchase Order, Long Term Supply Agreement, or other agreement relating to Components other than Existing Business).

(b) In regard to any termination or non-renewal described in Section 5.1, the terms of the applicable Existing Agreement will govern the right to notification, remediation and compensation, if any; provided, however, that a termination by Newco under Sections 5.1(a)(1), (2), (8), or (10) above shall be without liability to Newco, under Sections 5.1(a)(4) through (7) above will be treated as a termination for breach under Section 24(f) of the Global Terms, and under Sections 5.1(a)(3), (9), and (11) will be without liability to Newco, except in regard to any cancellation claim paid by Newco pursuant to Section 5.1(c) below. In no event will termination or non-renewal by Newco made in accordance with this Agreement (including, without limitation, under this Section 5.1 or Section 9) be considered a default or breach by Newco under any Existing Agreement or other agreement (including, without limitation, any Purchase Order or Long Term Supply Agreement) between Newco and Visteon.

(c) In the event of a termination by Newco under Section 5.1(a)(3) or (9) above, Visteon shall have a right to submit a cancellation claim to Newco in the same manner, and to the same extent, as provided for under Sec. 29.02 of Ford Motor Company's Production Purchasing Global Terms and Conditions (PPGTC Jan. 1, 2004) (as if Newco were the "Buyer" and Visteon were the "Supplier" under such Global Terms and Conditions).

5.2 Notwithstanding any term or condition of this Agreement or of any Purchase Order or Long Term Supply Agreement, or any other termination rights of Visteon, Visteon may not terminate or not renew an Existing Agreement or its supply to Newco of Components which are Existing Business without Newco's prior written consent, except if Newco fails to pay Visteon any sums due and payable under such Existing Agreement, which failure is a material default by Newco under the applicable Purchase Order or Long Term Supply Agreement covering such Component, and Newco has failed to materially cure such default within 60 days after written notice of such default is provided by Visteon to Newco. Notwithstanding the foregoing in this Section 5.2, if Visteon notifies Newco, in writing, that it desires to terminate or not renew an Existing Agreement or Visteon's supply to Newco of Components which are Existing Business, Newco shall discuss and evaluate Visteon's request in good faith with Visteon.

## 6. NEWCO EXITING OF BUSINESSES AND ASSIGNMENT

(a) It is specifically intended by the Parties that Newco be able to freely sell, exit, close, or transfer any or all of its facilities or business operations. In this regard, notwithstanding any term or condition of this Agreement or of any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement, Newco may (but is not obligated to) sell, exit, close, or transfer any Newco Facilities at any time.

(b) In addition, Newco may (but is not obligated to) freely assign (without Visteon's consent), in whole or in part, any or all of the following: (i) any Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement between Newco and Visteon for Components (whether Existing Business or otherwise) (A) supplied (or to be supplied) to a Newco Facility to be closed, sold, or transferred, or (B) which are (or will be) purchased by Newco for inclusion in a part, component, or material sold by Newco to its customer which will be, or for which manufacturing or supply responsibility will be, transferred or assigned to another supplier or facility as part of a restructuring of the applicable Newco Facility; or, (ii) any rights or obligations of Newco under this Agreement relating to such Components. Without limiting the foregoing, for the avoidance of doubt, Newco may assign, in whole or in part, its rights and obligations under this Agreement relating to such a Component, but retain (or assign, in whole or in part, to another party) its rights and obligations under this Agreement relating to another such Component.

(c) Each of the following shall apply in regard to any assignment by Newco under Section 7(b):

(i) In the event that Newco assigns any right to any productivity price reductions for any Components provided for in Section 3.2 above, it must also assign the corresponding obligation of Newco to purchase such Components under this Agreement for the time period for which the assigned productivity price reductions apply. For example, if Newco assigns the productivity price reductions for a Component for 2006 and 2007, it must also assign the corresponding obligation of Newco to purchase such Components under this Agreement for 2006 and 2007.

(ii) If Newco assigns only an Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement as described in Section 6(b)(i) above, and does not also assign any of its rights or obligations under this Agreement relating to the Component supplied by Visteon under such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement as described in Section 6(b)(ii) above, this PSA shall cease to apply to such Component (and to such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement) as of the date of such assignment, provided such assignment is for a duration equal to or in excess of one year, is otherwise to a bona-fide purchaser, acquirer, or transferee of

a Newco Facility or of the part, component, or material (or of manufacturing or supply responsibility for the part, component, or material) sold by Newco to its customer referred to in Section 6(b)(i)(B) above, or relates to the exit or closure of a Newco Facility.

(iii) If Newco assigns its rights under an Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement as described in Section 6(b)(i) above, and also assigns any of its rights or obligations under this Agreement relating to the Component supplied by Visteon under such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement as described in Section 6(b)(ii) above, this PSA shall cease to apply to such Component (or such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement) as of the date of such assignment, except in regard to the specific rights and obligations (and only such specific rights and obligations) assigned, provided such assignment is for a duration equal to or in excess of one year, is otherwise to a bona-fide purchaser, acquirer, or transferee of a Newco Facility or of the part, component, or material (or of manufacturing or supply responsibility for the part, component, or material) sold by Newco to its customer referred to in Section 6(b)(i)(B) above, or relates to the exit or closure of a Newco Facility.

For example, if Newco assigns its right to productivity price reductions for a Component for 2006 and 2007 under this Agreement (in addition to assigning the applicable Purchase Order or Long Term Supply Agreement), but it has an obligation under this Agreement to purchase such Component for 2008 as well, upon such assignment this PSA will cease to apply to such Component (as well as to the applicable Purchase Order or Long Term Supply Agreement), except in regard to the right to productivity price reductions assigned (and the corresponding purchase obligation assigned pursuant to Section 6(c)(i)) only. As such, upon such assignment Newco will have no further purchase obligation for such Component for 2008.

(d) In regard to any assignment under Section 6(b), upon Newco's request, Visteon will provide to Newco, in a form reasonably satisfactory to Newco, a release of Newco of, and covenant not to sue the same for, all claims Visteon has or may have against Newco relating to the agreement or rights or obligations assigned, to the extent that Newco has assigned responsibility for any such claims to the assignee of such agreement or rights or obligations assigned and such assignee has assumed such claims and obligations. In this regard, as a condition of supplying such release, Visteon shall have the right to request that Newco certify, in writing, that, to Newco's knowledge, the extent to which Newco has assigned responsibility for any such claims to the assignee, and the release and covenant not to sue granted by Visteon will not include any claims Visteon may have against Newco that were not assigned. Such release and covenant not to sue will not apply to any assignment by Newco to any Affiliate of Newco, or any subsidiary or affiliate of Ford, that does not have the financial capability to satisfy the claims and obligations assumed.

(e) Visteon will cooperate diligently and in good faith with Newco, in regard to any sale, exit, closure, transfer, or assignment described in this Section 6.

(f) If Newco assigns, in whole or in part, any Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement between Newco and Visteon for Components supplied (or to be supplied) to a Newco Facility to be closed, transferred, or sold as described in Section 6(b)(i) above, the terms and conditions of such whole or part of such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement assigned shall be as specified in the same, without regard to any amendment or supplement to the same provided for under this Agreement (subject to Sec. 14). If Newco assigns any rights or obligations of Newco under this Agreement relating to such Components as described in Section 6(b)(ii) above, such rights and obligations shall be additional and supplemental to the Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement between Newco and Visteon for such Components assigned as described in the prior sentence.

## 7. VISTEON EXITING OF BUSINESSES AND ASSIGNMENT

Notwithstanding any term or condition of this Agreement or of any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement, Visteon may not, without Newco's prior written consent, assign, in whole or in part, any: (i) Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement between Newco and Visteon for Components supplied (or to be supplied) by Visteon to a Newco Facility; or, (ii) rights or obligations of Visteon under this Agreement. Notwithstanding the foregoing in this Section 7, if Visteon notifies Newco, in writing, that it desires to make any such assignment, Newco shall discuss and evaluate Visteon's request in good faith with Visteon.

## 8. PARTICIPATION IN FORD RAW MATERIALS PROGRAMS AND DIRECTED SOURCING

8.1 To the extent consistent with all applicable laws and regulations and consistent with the terms of all Existing Agreements, Visteon will, to the extent requested by Newco, participate in Ford's raw materials supply system or directed buy programs for raw materials as amended from time to time, in the same manner as other Ford Tier 1 Suppliers. In the event that such participation by Visteon would or may conflict with existing contractual obligations of Visteon, Newco and Visteon will discuss in good faith how to address the matter.

8.2 Visteon will participate in Directed Tier 2 Sourcing for Existing Business if and as requested by Newco after the date of this Agreement. Any price reductions or increases approved by Newco for parts, components, or materials of Components subject to such new Directed Tier 2 Sourcing will be flowed through, unaltered, to Newco and reflected in a corresponding adjustment to the price payable by Newco for such Components. If any such new Directed Tier 2 Sourcing affects Visteon's cost or timing (aside from the cost of the directed parts, components, or materials), Sec. 2(b) of the Global Terms will apply and, if Visteon's claim is adequately substantiated, Newco will make an equitable adjustment to the price or delivery schedules, and the adjustment will be negotiated in good faith with Visteon, provided Visteon's claim is provided to Newco within the time period required under Section 2(b).

## 9. DEFAULT

9.1. A Party (a "NON-DEFAULTING PARTY") may give notice to the other Party (the "DEFAULTING PARTY"), upon occurrence of any of the following events, any one of which will be considered to be an "EVENT OF DEFAULT":

(a) Default by a Party. Any default by the Defaulting Party in the performance of any obligation or in the observance of any restriction in this Agreement, which default may not be cured or is not effectively cured after a period of 30 days after written notice thereof has been given by the Non-Defaulting Party; provided that if such default cannot be cured within 30 days, then the Defaulting Party shall have a reasonable period to cure the default (not to exceed 90 days), during which period the Defaulting Party shall at all times diligently pursue a cure;

(b) Termination of Existence Initiated by a Party. The Defaulting Party commences any Proceeding to wind up, dissolve, or otherwise terminate its legal existence;

(c) Termination of Existence Initiated by Another Person. Any proceeding is commenced against the Defaulting Party that seeks or requires the winding up, dissolution, or other termination of its legal existence, unless the proceeding is defended or contested in good faith by the Defaulting Party within 30 days of the commencement of the proceeding in a manner that stays it and such defense or contest is pursued diligently thereafter;

(d) Bankruptcy. Either (a) the Defaulting Party seeks relief by any proceedings of any nature under any applicable laws for the relief of debtors; or (b) the institution against the Defaulting Party of

a proceeding under any applicable bankruptcy or similar law of any jurisdiction in which the Defaulting Party carries on its business, unless the proceeding is defended or contested in good faith by the Defaulting Party within 15 days of the commencement of the proceeding in a manner that stays the proceedings and then only so long as such defense or contest is pursued diligently thereafter;

(e) Appointment of a Receiver. The appointment of a receiver, receiver-manager, trustee, custodian or like officer for all or a substantial part of the business or assets of the Defaulting Party, unless the appointment is defended or contested in good faith by the Defaulting Party within 30 days of the commencement of the appointment in a manner that stays the appointment and then only so long as such defense or contest is pursued diligently thereafter; or

(f) Assignment for Benefit of Creditors. The Defaulting Party makes an assignment of a substantial part of its assets for the benefit of its creditors.

9.2. Upon the occurrence of an Event of Default, the Non-Defaulting Party may elect one or more of the following remedies:

(a) Subject to Section 9.4 below, termination of this Agreement, in whole or in part, and any such termination shall not be deemed a waiver or release of, or otherwise prejudice or affect, any rights, remedies or claims, whether for Damages or otherwise, which the Non-Defaulting Party may then possess under this Agreement or which arise as a result of such termination; provided, however, that the Non-Defaulting Party may only elect to terminate this Agreement (in whole or in part) for an Event of Default under Section 9.1(a) above (Default by a Party) if the default by the Defaulting Party under Section 9.1(a) is a material default under this Agreement; and

(b) Set off and recoupment against sums owed by the Non-Defaulting Party or one of its Affiliates to the Defaulting Party or one of its Affiliates any amounts for which the Non-Defaulting Party determines in good faith that the Defaulting Party or one of its Affiliates is liable to the Non-Defaulting Party or one of its Affiliates under this Agreement or any Purchase Order; and

(c) Recovery of Damages arising from the Default.

9.3 (a) In addition to any termination rights Newco may have under this Agreement or applicable law, Newco may terminate this Agreement in the following events: (i) a Change of Control of Visteon occurs; (ii) all of the Existing Agreements become subject to termination or cancellation for Good Cause; or (iii) all of the Existing Agreements are terminated or not renewed in accordance with this Agreement.

(b) As used in this Section 9.3, the term "CHANGE OF CONTROL" means (i) a liquidation or dissolution of Visteon; (ii) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the assets of Visteon and its subsidiaries, taken as a whole; (iii) a merger, consolidation, share exchange, business combination or similar extraordinary transaction as a result of which the persons possessing, immediately prior to the consummation of such transaction, beneficial ownership of the voting securities of Visteon entitled to vote generally in elections of directors of Visteon, cease to possess, immediately after consummation of such transaction, beneficial ownership of voting securities entitling them to exercise at least 50% of the total voting power of all outstanding securities entitled to vote generally in elections of directors of Visteon (or, if not Visteon, the surviving entity resulting from such transaction); or (iv) a transaction or series of transactions (including by way of merger, consolidation, sale of stock or otherwise) the result of which is that any Person or "group" (as defined in Section 13 of the Securities Exchange Act of 1934) becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 promulgated under the Securities Exchange Act of 1934), directly or indirectly, of more than 50% of the voting power of the outstanding voting stock of Visteon.

(c) Notwithstanding Section 5.1(a)(1) or 9.3(a) above, in the event of an occurrence described in Section 9.3(b)(ii), (iii), or (iv) above, Newco may not terminate an Existing Agreement relating to a Component during the term of this Agreement, or terminate this Agreement, as a result of a Change of Control of Visteon unless and until it has made a good faith effort to discuss (if Visteon requests, in writing, that Newco have such discussion) the potential continuation of the applicable Existing Agreement, in regard to Section 5.1(a)(1), or of this Agreement, with: (1) the transferee of all, or substantially all, of the assets of Visteon and its Subsidiaries described in Section 9.3(b)(ii); (2) the Person Controlling Visteon (if any) as a result of the merger, consolidation, share exchange, business combination or similar extraordinary transaction described in Section 9.3(b)(iii) (for this purpose, "Control" will be as defined in the definition of the term "Affiliate" in Section 1.1 above); or, (3) the Person or "group" that will become the "beneficial owner" of more than 50% of the voting power of the outstanding voting stock of Visteon described in Section 9.3(b)(iii).

9.4 A Non-Defaulting Party intending to terminate this Agreement pursuant to this Article 9 as a result of an Event of Default occurring under Subsections 9.1(a) or (b) shall first notify the Defaulting Party of the grounds for the intended termination. If the Defaulting Party fails to remedy such grounds for termination within sixty (60) days of such notice (or any longer period of time as mutually agreed by the Parties), then the Non-Defaulting Party may terminate this Agreement effective upon notice to the Defaulting Party without the need for any judicial action.

9.5 The provisions of this Article 9 are without prejudice to any other rights or remedies either Party may have by reason of the Event of Default of the other Party; provided, however, that the Parties' rights to terminate this Agreement shall in all cases be as described in this Article 9.

#### 10. TERM

The term of this Agreement shall commence on the date of this Agreement and continue through December 31, 2008, unless terminated earlier in accordance with the terms and conditions of this Agreement.

#### 11. CONFIDENTIALITY

11.1 "Confidential Information" is defined as information that is disclosed in connection with this Agreement and which is furnished in the following forms:

(a) Any information whether or not it is provided in writing or orally, including drawings, documents, financial statements and projections, demonstrations, product and product cycle plans and any other information or machine readable data, of a Party furnished to another Party that is marked "Confidential" or contains a proprietary notice clause or, if disclosed orally, was identified as confidential at the time of oral disclosure;

(b) Confidential Information includes also any item of hardware, including samples, devices and any other physical embodiments, if such hardware is delivered to the receiving Party.

(c) In the event that Confidential Information shall be incorporated into or reflected in other documents, whether separately or jointly generated by the Parties, such other documents shall be deemed Confidential Information subject to the terms of this Agreement.

11.2 Notwithstanding Section 11.1, "Confidential Information" does not include information provided pursuant to a Purchase Order, Target Agreement, Long Term Supply Agreement or Sourcing Agreement issued by Newco for Components supplied (or to be supplied) by Visteon to Newco, and the confidentiality of such information shall be governed by the terms and conditions of the applicable Purchase Order, Target Agreement, Long Term Supply Agreement or Sourcing Agreement.



11.3 The receiving Party shall, for a period beginning with the first date of receipt of each respective disclosure and continuing for three years thereafter, use the same standard of care it uses to protect its own information of similar kind and importance, but not less than reasonable care, to maintain the confidentiality of Confidential Information and to limit its disclosure to such of its directors, employees, agents, advisors or Affiliates as have a need to know such Confidential Information in order that the objectives of this Agreement can be achieved. In addition, if Newco is the receiving party, Newco shall limit disclosure of Confidential Information of Visteon to only those directors, employees, agents, advisors or Affiliates of Ford who have a need to know such Confidential Information and are receiving such Confidential Information in connection with a legitimate business interest of Newco. The receiving Party shall be responsible for the compliance by such directors, employees, agents, advisors or Affiliates (including, with respect to Newco, Ford) with the provisions of this Agreement. Notwithstanding the foregoing, Newco shall be permitted to provide to potential or actual acquirers of all or any part of Newco, its business, or any Newco Facilities, such Confidential Information (as well as any confidential information of Visteon under any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement for any Components) as Newco deems necessary to conduct discussions with such potential acquirers, or to sell, transfer, exit, or close all or any part of Newco, its business, or any Newco Facilities, provided that such potential acquirers, or such purchasers or transferees, enter into a confidentiality agreement with Newco substantially comparable to the terms and conditions of this Article 11.

11.4 The confidentiality obligations of this Agreement shall not apply to confidential information received pursuant to this Agreement which:

- (a) is or becomes publicly known other than through a breach of this Agreement by the receiving Party; or
- (b) is already known to the receiving Party at the time of disclosure as evidenced by the receiving Party's written documentation; or
- (c) is lawfully received by the receiving Party from a third party without breach of this Agreement or breach of any other agreement between the disclosing Party and such third party; or
- (d) is independently developed by employees of the receiving Party who have not had access to or received any Confidential Information under this Agreement; or
- (e) is furnished to a third party by the disclosing Party without restriction on the third party's rights to disclose; or
- (f) is authorized in writing by the disclosing Party to be released from the confidentiality obligations herein.

Specific information shall not be deemed to be within such exceptions merely because it is included within general information, which is within such exceptions, nor shall a combination of features be deemed to be within such exceptions merely because the individual features of the combination are separately within such exceptions.

11.5 Confidential Information shall remain the exclusive property of the disclosing Party. The receiving Party agrees that Confidential Information disclosed hereunder is being received subject to the disclosing Party's ownership rights in such Confidential Information and, further, subject to all relevant intellectual and/or proprietary property rights of the disclosing Party, including the relevant laws governing patents, trademarks, copyrights, semiconductor chip protection, trade secrets and unfair competition.

11.6 Upon the termination of this Agreement, the receiving Party shall, at its own expense, promptly return to the disclosing Party all originals and copies of the writings and hardware in its possession which contain

Confidential Information. If any writing or hardware has been destroyed, an adequate response to a return request therefor by the disclosing Party will be written notice, executed by the receiving Party, that such writing or hardware has been destroyed.

11.7 If the receiving Party becomes legally compelled (by oral questions, interrogatories, request for information or documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, the receiving Party will provide the disclosing parties with prompt written notice so that the disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or the disclosing Party waives compliance with the provisions of this Agreement, the receiving Party will furnish only that Confidential Information which is legally required and will exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded the Confidential Information so disclosed.

## 12. QUALITY IMPROVEMENT INITIATIVES

Without limiting or expanding any of the terms and conditions of the Global Terms, to insure a robust quality improvement process, Visteon will participate in Newco's and Ford's quality improvement programs and Newco can require Visteon to achieve reasonable increased quality standards, consistent with the requirements for other Ford Tier 1 Suppliers, as they may exist from time to time. Without limiting the foregoing (including the Global Terms), all Visteon facilities that produce Components for Newco shall achieve and retain Q1 status and shall also maintain ISO9000 compliance during the terms of any applicable Purchase Order.

## 13. CONFLICT WITH OTHER AGREEMENTS

Nothing in this Agreement, any Existing Agreement, or in any Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement for Components or the Global Terms affects, limits or supersedes in any way any Master Transaction Agreement or any rights, obligations, or limitations of liability of either of Newco or Visteon under any Master Transaction Agreement, including, without limitation, any limitations of liability of Newco or Visteon relating to any Components (or parts, components, or materials thereof) contained in any Master Transaction Agreement, or any rights relating to intellectual property, or responsibility for infringement of intellectual property rights, contained in any Master Transaction Agreement. In the event of any conflict between the provisions of this Agreement and any Master Transaction Agreement, the Master Transaction Agreement shall prevail. This Section 13 will survive the termination or expiration of this Agreement. Without limiting the generality of the foregoing, the Parties agree that nothing in this Agreement, or in any any Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or the Global Terms, shall in any respect limit or restrict Visteon's obligations with respect to the liabilities retained by Visteon under Section 2.04(iii) of the Contribution Agreement, and Newco shall have no liability to Visteon under this Agreement or under any Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or the Global Terms with respect to such liabilities retained.

For the purposes of this Section 13, "Master Transaction Agreements" means the following, collectively: All of the agreements referenced in Section 8 of the Master Agreement by and between Ford and Visteon dated as of September 12, 2005.

## 14. CHANGES TO GLOBAL TERMS

The Parties acknowledge that the Global Terms allow Newco to amend the Global Terms from time to time. In this regard, Newco may amend the Global Terms that apply to Existing Agreements, but only as and to the extent that such amendments are intended to apply to its suppliers generally. Given Newco's situation, it is anticipated that Newco may need to do so, primarily in regard to its operational practices (i.e., areas relating to delivery, shipment, taxes, releases, title transfer, packing, marking, or shipping). The Parties will discuss in good faith any such amendments.

15. GENERAL PROVISIONS

15.1 No Agency. This Agreement does not constitute either Party the agent or legal representative of the other Party. Neither Party is authorized to create any obligation on behalf of the other Party.

15.2 Notices. All notices, requests and other communications to any Party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to Newco, to:

Automotive Components Holdings, LLC  
c/o Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126

Attention: Peter J. Sherry, Jr.  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

Automotive Components Holdings, LLC  
One American Road  
320 World Headquarters  
Dearborn, Michigan 48126

Attention: Marcia J. Nunn, General Counsel  
Facsimile No.: (313) 337-3209  
E-mail: mnunn@ford.com

if to Visteon, to:

Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111

Attention: John Donofrio, General Counsel  
Facsimile No.: (734) 710-7132  
E-mail: jdonofri@visteon.com

or such other address, facsimile number or e-mail address as such Party may hereafter specify for the purpose by notice to the other Parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

15.3 Subsidiaries and Affiliates. Subject to the scope of this Agreement described in Recitals A and B, subsidiaries and other Affiliates of Newco and Visteon are bound by the provisions herein to the extent that such subsidiaries or Affiliates produce Components supplied to Newco or its Affiliates (in regard to Visteon and its Affiliates) or purchase Components supplied by Visteon or its Affiliates (in regard to Newco and its

Affiliates). Each Party warrants and represents to the other Party that it has the authority to bind its Affiliates to this Agreement as described in this Section 15.3.

#### 15.4 Amendments and Waivers.

(a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective.

(b) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

15.5 Entire Agreement. This Agreement contains all Exhibits hereto. Subject to Section 13, this Agreement supersedes any prior agreements between the Parties concerning the subject matter herein.

15.6 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that neither Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto, except as expressly provided for otherwise in this Agreement.

15.7 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

15.8 Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Michigan, without regard to the conflicts of law rules of such state. The Parties exclude the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods, if otherwise applicable.

15.9 Disputes. If a dispute arises between the Parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof; provided, however, that a Party may seek injunctive relief from a court where appropriate for the purpose of maintaining the status quo while this procedure is being followed:

(i) The Parties promptly shall hold a meeting of senior executives with decision-making authority to attempt in good faith to negotiate a mutually satisfactory resolution of the dispute; provided that no Party shall be under any obligation whatsoever to reach, accept or agree to any such resolution; provided further, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the parties or be deemed a waiver by a Party hereto of any remedies to which such Party would otherwise be entitled.

(ii) If the parties are unable to negotiate a mutually satisfactory resolution as provided above, then upon request by either Party, the matter shall be submitted to binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration. Within five Business Days after the selection of the arbitrator, each Party shall submit its requested relief to the other Party and to the arbitrator with a view toward settling the

matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed. Upon the conclusion of discovery, each Party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one Party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one Party's requested relief as to certain claims or counterclaims and the other Party's requested relief as to other claims or counterclaims. Rather, the arbitrator must only select one or the other Party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator shall enter a final ruling that adopts in whole such requested relief. The arbitrator shall limit his/her final ruling to selecting the entire requested relief he/she considers the most appropriate from the requests submitted by the Parties.

(iii) Arbitration shall take place in the City of Dearborn, Michigan unless the parties agree otherwise or the arbitrator selected by the Parties orders otherwise. Punitive or exemplary damages shall not be awarded. This Section 15.9 is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., or comparable legislation in non-U.S. jurisdictions, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction.

15.10 Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective as of the date first set forth above when each Party hereto shall have received a counterpart hereof signed by the other Party hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Except as specifically provided for herein, no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties hereto and their respective successors and permitted assigns under Section 6 or Section 15.6.

#### 15.11 Right to Audit.

(a) If requested by Newco, Visteon will permit Newco (which, for purposes of this Section 15.11, includes its authorized representatives of Newco) to:

- (i) Examine all non-privileged pertinent documents, data and other information relating to Visteon's obligations under this Agreement, any payment made to Visteon or any claim by Visteon;
- (ii) View any facility or process relating to the Components or this Agreement, including those relating to production quality; and
- (iii) Audit any facility or process to determine compliance with the requirements of this Agreement.

Any examination under this Section 15.11 will be conducted during normal business hours and upon advance written notice to Visteon.

(b) If requested by Newco, Visteon will use its best efforts to permit Newco to obtain from the subcontractors of, and vendors to, Visteon the information and permission to conduct the reviews specified in Section 15.11, regardless of any other right Newco may have to that information or facilities.

(c) Visteon will keep all relevant documents, data and other written information for at least two years following the termination of this Agreement.

15.12 Agreement or Consent of Newco. In regard to any agreement or consent of Newco referenced or required under this Agreement, such agreement or consent shall mean the agreement or consent of Newco given after the date of this Agreement only (and not prior to the date of this Agreement).

15.13 Visteon Acknowledgement Regarding Ford Global Terms. Visteon acknowledges that Newco will be subject to Ford's Production Purchasing Global Terms and Conditions (PPGTCs Jan. 1, 2004) ("Ford GTCs") in regard to parts, components, or systems supplied by Newco to Ford which are, or which include, Components supplied by Visteon to Newco under this Agreement. As such, pursuant to, and without limiting, Section 25 of the Global Terms (Customer Requirements), Visteon agrees to comply with Ford's Vehicle Parts Branding Directive (as described in Section 15.02 of the Ford GTCs), as well as with Section 33 of the Ford GTCs (except as expressly provided for in Exhibit 5), in regard to such Components supplied by Visteon.

[signatures appear on following page]

IN WITNESS WHEREOF, Newco and Visteon have caused this Agreement to be executed in multiple counterparts by their duly authorized representatives.

VISTEON CORPORATION

AUTOMOTIVE COMPONENTS HOLDINGS, LLC

By: /s/ James F. Palmer

By: /s/ James F. Palmer

-----  
Title: Executive Vice President and  
Chief Financial Officer

-----  
Title: President

Date: September 30, 2005

Date: September 30, 2005

\*\*\* TEXT OMITTED AND FILED SEPARATELY  
CONFIDENTIAL TREATMENT REQUESTED  
UNDER 17 C.F.R. 200.80(b)(4) AND 240.24b-2

PURCHASE AND SUPPLY AGREEMENT

REGARDING SALES OF COMPONENTS FROM AUTOMOTIVE COMPONENTS HOLDINGS, LLC TO  
VISTEON CORPORATION

BETWEEN

AUTOMOTIVE COMPONENTS HOLDINGS, LLC (F/K/A VFH HOLDINGS, LLC)

AND

VISTEON CORPORATION

SELLER: AUTOMOTIVE COMPONENTS HOLDINGS, LLC  
BUYER: VISTEON

September 30, 2005



PURCHASE AND SUPPLY AGREEMENT REGARDING SALES OF COMPONENTS FROM AUTOMOTIVE  
COMPONENTS HOLDINGS, LLC TO VISTEON CORPORATION

This Purchase and Supply Agreement Regarding Sales of Components from Automotive Components Holdings, LLC to Visteon Corporation ("AGREEMENT") dated as of September 30, 2005 is entered into by and between Visteon Corporation, a Delaware corporation ("VISTEON"), and Automotive Components Holdings, LLC (f/k/a VFH Holdings, LLC) ("NEWCO"), a Delaware limited liability company. Each of Newco and Visteon is herein referred to as a "PARTY" and collectively, the "PARTIES."

RECITALS

A. Newco owns and operates manufacturing and assembly facilities in North America that were formerly owned and operated by Visteon or its wholly-owned subsidiaries ("NEWCO FACILITIES"). Newco Facilities supply motor-vehicle-related parts, components and systems to Visteon's or its wholly-owned subsidiaries' manufacturing and assembly facilities in North America ("VISTEON FACILITIES").

B. Except as described in Recital C, the purpose of this Agreement is to describe supply obligations, pricing, and related matters for certain motor-vehicle-related parts, components and systems that are manufactured by a Newco Facility and supplied by such Newco Facility to a Visteon Facility. It does not cover the sale of motor-vehicle-related parts, components and systems by Visteon to Newco (which is addressed in the Purchase and Supply Agreement Regarding Sales of Components from Visteon Corporation to Automotive Components Holdings, LLC between Newco and Visteon dated as of the date of this Agreement). References in this Agreement to motor-vehicle-related parts, components or systems that are "manufactured by a Newco Facility and supplied by such Newco Facility to a Visteon Facility" mean that such parts, components or systems are manufactured by such Newco Facility and supplied by such Newco Facility directly, or through a warehouse or shipping facility, to a Visteon Facility.

C. This Agreement does not cover motor-vehicle-related parts, components or systems: (i) supplied by Newco to a Visteon facility that is not a facility of Visteon Corporation or any of its wholly-owned subsidiaries in North America; or (ii) which are Service Parts (as defined in Exhibit 5); in each case except to the extent expressly set forth in EXHIBIT 4 or 5, as applicable. EXHIBIT 6 to this Agreement lists (i) Visteon's Affiliates, including its wholly-owned subsidiaries in North America, its Affiliates in North America which are not wholly-owned subsidiaries, and its Affiliates outside of North America, and (ii) Visteon Related Companies.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and intending to be legally bound, Visteon and Newco agree:

1. DEFINED TERMS

1.1 All terms with initial capitalization used herein shall have the following definitions unless specifically stated otherwise. In this Agreement, except as otherwise expressly provided or the context otherwise clearly requires, words in the singular include the plural, and vice versa. The Recitals above are an integral part of this Agreement.

"2003 PSA" means the Purchase and Supply Agreement between Visteon Corporation and Ford Motor Company dated December 19, 2003.

"AFFILIATE" means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such first Person; provided, that neither Ford, nor any of its Affiliates, shall be deemed to be an Affiliate (or subsidiary) of Newco for the purposes of this Agreement or any Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement between Newco and Visteon for the supply of Components from Newco to Visteon. For the purpose

of this definition, the term "Control" (including, with correlative meanings, the terms "Controlling," "Controlled by" and "under common Control with"), as used with respect to any Person, means having the right to elect a majority of the board of directors or other comparable body responsible for management and direction of such Person, or otherwise having, directly or indirectly, the power to direct or cause the direction of the management and policies of such Person, by contract or by virtue of share ownership.

"BUSINESS DAY" means a day, other than Saturday, Sunday or other day on which commercial banks in Detroit, Michigan are authorized or required by law to close.

"COMPONENTS" means motor-vehicle-related parts, components or systems manufactured by a Newco Facility and supplied by such Newco Facility (or, in regard to Existing Business - Future Model, to be manufactured by a Newco Facility and supplied by such Newco Facility) to a Visteon Facility. Notwithstanding anything to the contrary in the foregoing sentence, parts, components and systems that are supplied by Newco to Visteon Affiliates (other than wholly-owned subsidiaries of Visteon in North America), parts, components and systems supplied by Visteon Related Companies, and Service Parts are not considered "Components".

"CONTRIBUTION AGREEMENT" means Contribution Agreement between Visteon and Automotive Components Holdings, Inc. (f/k/a VFH Holdings, Inc.) dated September 12, 2005.

"CONFIDENTIAL INFORMATION" has the meaning specified in Section 11.1.

"DAMAGES" means any and all obligations, liabilities, damages, penalties, deficiencies, losses, judgments, costs and expenses (including, but not limited to, costs and expenses incurred in connection with performing obligations, interest, bonding and appellate costs and reasonable attorneys', accountants', engineers' and investigators' fees and disbursements), in each case, after the application of any and all amounts recovered under insurance contracts or similar arrangements and from third parties by the person claiming indemnity.

"DEFAULTING PARTY" has the meaning specified in Section 9.1.

"DESIGN CHANGE" means any change to the physical Component, its performance, or its interface with other parts or systems that results in a change to the part number.

"EVENT OF DEFAULT" has the meaning specified in Section 9.1.

"EXISTING AGREEMENTS" means the Purchase Orders, and Long Term Supply Agreements (if any), covering Existing Business, as described in Section 2.3 or 2.4.

"EXISTING BUSINESS" means the Components that are Existing Business in Production or Existing Business - Future Model.

In the event that the vehicle or power-train program of Ford (or of another OEM Customer of Visteon or its customer), in regard to which Visteon is purchasing (or intends to purchase) Components which are Existing Business, is or will be subject to a major refreshing or will be replaced by, or will become, a new program, as determined by Ford as described below, or as determined by such other OEM Customer in accordance with its then-current processes and policies, respectively, such Components ("AFFECTED COMPONENTS") will no longer be considered to be Existing Business for the purposes of this Agreement as of the date that Visteon begins purchasing the motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components; provided, however, that:

(i) the motor-vehicle-related parts, components, or systems for the refreshed or new program ("REPLACEMENT END-ITEM") which replace the parts, components, or systems supplied by Visteon to Ford (or to the applicable other OEM Customer of Visteon) into which such Affected Components purchased by

Visteon from Newco are incorporated are (or were prior to the date of this Agreement) put up for award by Ford or such other OEM Customer of Visteon; and,

(ii) the motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components are put up for award by Visteon. For components put up for award prior to this agreement, the status of such components will be evaluated during reconciliation of Exhibit 2.

For the purposes of this definition: "put up for award" means the issuance of a Request for Quote by Ford or Visteon for the Replacement End-Item or such motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components, respectively; and, "Request for Quote" means a request issued by Ford or Visteon to one or more suppliers to provide a quotation for the supply of the Replacement End-Item or such motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components, respectively. "Put up for award" does not mean quoting design changes to a carryover component for a new program or following the change control process.

Nothing in this Agreement or in any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement prohibits Visteon from sourcing such motor-vehicle-related parts, components, or systems which replace the Affected Components to a supplier of its choice, or from purchasing the same from such supplier; provided that Visteon follows the proper approval procedures and policies of Ford or such other OEM Customer (as applicable) for the replacement part, component, or system, and North American Sourcing Council approval is obtained (if applicable).

For the purposes of the prior paragraph, a "major refreshing" or "new program" means, in regard to a Ford vehicle or power-train program, a change to a vehicle or power-train program with a "S3" or higher designation, for a vehicle program, or a "P3" or higher designation, for a power-train program, under the Ford Product Development System (FPDS), or the equivalent designation in Ford's Global Product Development System (GPDS) or any future product development system of Ford replacing FPDS or GPDS (as applicable).

"EXISTING BUSINESS IN PRODUCTION" has the meaning specified in Section 2.1(a).

"EXISTING BUSINESS - FUTURE MODEL" has the meaning specified in Section 2.1(b).

"FORD" means Ford Motor Company, a Delaware corporation.

"FORD MASTER AGREEMENT WORKERS" means the Ford hourly employees who are represented by the UAW under the Master Agreement and who have been assigned to work at Ford or Newco plants.

"FORD VEHICLE" means a Ford, Lincoln, or Mercury-brand vehicle manufactured in North America by Ford or one of its Affiliates.

"FORD-VEHICLE COMPONENTS" mean Components which are, or which are supplied for incorporation into another part, component or system, for ultimate use in a Ford Vehicle.

"GLOBAL TERMS" means Visteon's Global Terms For Production Parts and Non-Production Goods and Services (VGT REV 4/03).

"LONG TERM SUPPLY AGREEMENT" means a multiple-year contract with a supplier committing Visteon to procure and the supplier to supply goods or services for a specified time period on specified terms.

"MASTER AGREEMENT" means the collective bargaining agreement and all supplements thereto between Ford and the UAW dated September 15, 2003, as well as any successor agreement (and supplements thereto) to such collective bargaining agreement entered into prior to the expiration of this Agreement.

"MASTER AGREEMENT PLANT" means a facility where some or all of the hourly employees working there are represented by the UAW under the Master Agreement.

"NON-DEFAULTING PARTY" has the meaning specified in Section 9.1.

"NON-FORD COMPONENTS" mean Components which are, or which are supplied for incorporation into another part, component or system, for ultimate use in a vehicle other than a Ford Vehicle.

"NORTH AMERICA" means Canada, Mexico and the United States.

"NORTH AMERICAN SOURCING COUNCIL" means a Ford process to ensure that Ford honors commitments to Ford Master Agreement Workers at Ford or Newco facilities in the United States with respect to sourcing actions; to provide a framework for avoiding labor disturbances and lost production; and to ensure that Ford senior management concurs with sourcing decisions.

For the purposes of this Agreement, in determining whether the North American Sourcing Council process was or is required to be followed, or its approval was or is required, in regard to a particular action:

- (i) taken prior to the date of this Agreement, the North American Sourcing Council process and requirements in effect at the time the applicable action was taken (including, without limitation, any applicable requirements under the 2003 PSA) apply; and,
- (ii) for actions taken on or after the date of this Agreement, the North American Sourcing Council process will be required to be followed, and its approval obtained, if one or more Ford Master Agreement Workers' jobs would be impacted by such action.

"OEM CUSTOMER" means a Person in the business of manufacturing motor vehicles.

"PARTY" or "PARTIES" has the meaning specified in the opening paragraph of this Agreement.

"PERSON" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof.

"PURCHASE ORDER" means, in regard to particular Components, the Purchase Order or Long Term Supply Agreement between Visteon and Newco covering the Components (as described in Section 2.3 or 2.4, in regard to Existing Business).

"SERVICE PARTS" is as defined in Exhibit 5.

"VISTEON - FORD PSA" means the Purchase and Supply Agreement Regarding Supply of Components by Visteon Corporation to Ford Motor Company between Visteon and Ford dated as of October 1, 2005.

"VISTEON RELATED COMPANY" is as defined in Exhibit 4.

1.2 Subject to Section 13.3, except in regard to the identification of the Parties to this Agreement above or where the context clearly requires otherwise, a reference in this Agreement to "Newco" includes Newco and its applicable Affiliates, and to "Visteon" includes Visteon and its wholly-owned subsidiaries in North America.

## 2. PURCHASE AND SUPPLY COMMITMENTS

2.1 General. Subject to the terms and conditions of this Agreement, but notwithstanding any term or condition of any Existing Agreement, Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement, Newco shall supply to Visteon, and Visteon shall purchase from Newco, each of the following Components during the term of this Agreement:

(a) "EXISTING BUSINESS IN PRODUCTION," which means all Components which, as of May 1, 2005, were manufactured by a Newco Facility and supplied by such Newco Facility to a Visteon Facility. Such Components are set forth in EXHIBIT 1 to this Agreement.

(b) "EXISTING BUSINESS - FUTURE MODEL," which means all Components which, as of May 1, 2005, were planned by Visteon to be manufactured by a Newco Facility and supplied by such Newco Facility to a Visteon Facility (i) pursuant to a reasonably developed and documented plan, and (ii) for supply to, or for inclusion in another part, component or system to be supplied to, Ford or another customer of Visteon that was sourced to Visteon pursuant to a signed Sourcing Agreement with Pricing, Target Agreement, or purchase order (in the case of Ford) or a written sourcing commitment with pricing established or purchase order (in the case of another customer of Visteon), in each case issued prior to May 1, 2005, but which were not being manufactured and supplied as of May 1, 2005. Such Components are set forth in EXHIBIT 2 to this Agreement.

Subject to Sections 2.1(c) and (d) below, Components which do not meet the requirements set forth in Section 2.1(a) or (b) are not Existing Business, except as Newco and Visteon specifically agree otherwise in writing. References in this Section 2.1 to a "Newco Facility" refer, for the avoidance of doubt, to facilities which were manufacturing or assembly facilities of Visteon or its Affiliates in North America as of May 1, 2005, but were transferred to Newco. Visteon warrants and represents to Newco that, to the best of its knowledge as of the date of this Agreement, Exhibits 1 and 2 are accurate and complete.

(c) Without limiting any rights or remedies of either Party, and subject to, and without limiting, Section 2.1(d) below:

(i) In the event that Components which should have been included in Exhibit 1 (as determined in accordance with Section 2.1(a)) are excluded from such Exhibit, and such Components are discovered to have been excluded:

(A) on or before 6 months after the date of this Agreement, such Components will be added to Exhibit 1, unless the Parties otherwise agree in writing; or,

(B) after 6 months after the date of this Agreement, the Parties will discuss in good faith as to whether such Components will be added to Exhibit 1, and such Components will be added if the Parties agree in writing.

(ii) In the event that Components which should have been included in Exhibit 2 (as determined in accordance with Section 2.1(b)) are excluded from such Exhibit, and such Components are discovered to have been excluded:

(A) on or before three months after the date of this Agreement, and such Components are to go into production prior to or on such date, such Components will be added to Exhibit 2; or,

(B) after three months after the date of this Agreement (or prior to such date, but which are not covered under Section 2.1(c)(ii)(A) above), the Parties will discuss in good faith as to whether such Components will be added to Exhibit 2, and such Components will be added if the Parties agree in writing.

(d) Without limiting any rights or remedies of Newco, if a part, component or system is not listed on Exhibit 2 ("EXCLUDED COMPONENT"), which Excluded Component replaces a part, component or system manufactured, as of May 1, 2005, at a Newco Facility, and North American Sourcing Council approval was not obtained to have such Excluded Component manufactured at a facility other than a Master Agreement Plant, such Excluded Component will, upon Newco's written request to Visteon, be added to Exhibit 2.

2.2 Expiration of Term or Cessation of Existing Business Designation. Upon the termination or expiration of this Agreement, or when any Components that are Existing Business cease to be designated as Existing Business as provided for under this Agreement, Newco's rights to cease supplying Components which are Existing Business to Visteon, and Visteon's rights to cease the purchase of such Components from Newco, shall be as specified under the applicable Purchase Order or Long Term Supply Agreement, including the Global Terms, for such Components (without regard to any amendment or supplement to the same provided for under this Agreement, but subject to Sections 12, 6.2(b), 7(h), and 14).

2.3 Contract Covering Sale and Purchase of Components Which Are Existing Business In Production.

(a) Purchase Order or Long Term Supply Agreement Issued. When a Purchase Order or Long Term Supply Agreement (as applicable) is issued after the date of this Agreement by Visteon to Newco for Components which are Existing Business in Production, the terms and conditions of the same (including the Global Terms) will apply in regard to the sale and purchase of such Components, except to the extent that such Purchase Order, Long Term Supply Agreement, or Global Terms are modified or supplemented under, or conflict with, this Agreement in regard to such Components. Newco agrees to accept any such Purchase Order or Long Term Supply Agreement (as applicable) issued by Visteon to Newco for such Components, provided that the terms and conditions of the same are consistent with this Agreement in regard to such Components. Visteon agrees to issue such Purchase Orders and Long Term Supply Agreements as soon as reasonably practicable after the date of this Agreement. Any such Purchase Order or Long Term Supply Agreement issued will be an Existing Agreement for the purposes of this Agreement.

(b) Prior to Issuance of Purchase Order or Long Term Supply Agreement. Until such time as a Purchase Order or Long Term Supply Agreement (as applicable) is issued after the date of this Agreement by Visteon to Newco for Components which are Existing Business in Production, a Purchase Order, on Visteon's standard form (as of May 1, 2005) attached hereto as Exhibit 3 (including the Global Terms) will be deemed to apply in regard to the sale by Newco and purchase by Visteon of such Components, except to the extent that such Purchase Order, Long Term Supply Agreement, or Global Terms are modified or supplemented under, or conflict with, this Agreement in regard to such Components. Any such Purchase Order deemed to apply will be an Existing Agreement for the purposes of this Agreement.

2.4 Contract Covering Sale and Purchase of Existing Business - Future Model. Components which are Existing Business - Future Model supplied by Newco to Visteon will be supplied under the Purchase Order or Long Term Supply Agreement (as applicable) (including the Global Terms) issued after the date of this Agreement by Visteon to Newco for the same, except to the extent that such Purchase Order, Long Term Supply Agreement, or Global Terms are modified or supplemented under, or conflict with, this Agreement in regard to such Components. Newco agrees to accept any such Purchase Order or Long Term Supply Agreement (as applicable) issued by Visteon to Newco for such Components, provided that the terms and conditions of the same are consistent with this Agreement in regard to such Components. Visteon agrees to issue such Purchase Orders and Long Term Supply Agreements as soon as reasonably practicable after the date of this Agreement. Any such Purchase Order or Long Term Supply Agreement issued will be an Existing Agreement for the purposes of this Agreement.

2.5 Volumes. No specific volume commitments by Visteon for Existing Business will exist. However, without limiting the foregoing sentence, Visteon will continue to purchase at least the same percentage of its

requirements (at a Component-level) for Existing Business from Newco as Visteon Facilities were purchasing or receiving (at normal, non-exceptional, operational levels) from Newco Facilities on and prior to May 1, 2005 (when such Newco Facilities were Visteon Facilities), and Newco will supply such percentage, in each case except to the extent that such requirements or supply pattern is to be altered pursuant to a plan or action approved by the North American Sourcing Council (if required), that Newco Facilities are sold, transferred, exited, or closed (in regard to the applicable Components supplied by the same), Newco's supply obligations relating to such Components are terminated, expire, or are assigned in accordance with this Agreement, or as otherwise agreed upon by the Parties in writing. For example, if Visteon Facilities were purchasing or receiving 70% of their requirements for a specific Component from Newco Facilities on and prior to May 1, 2005 at normal operational levels, Visteon will continue to purchase at least 70% of its requirements for such specific Component from Newco during the term of this Agreement (subject to the specific exceptions referred to in the prior sentence). The foregoing will not, however, permit Visteon to cease purchasing at such percentage from the assignee of any Existing Agreement upon assignment of such Existing Agreement by Newco to such assignee.

2.6 No Obligation to Issue Long Term Supply Agreement; Conflict with this Agreement. Visteon shall have no obligation under this Agreement to issue a Long Term Supply Agreement (as opposed to a Purchase Order) to Newco for any Existing Business or other Components. In the event of a conflict between the terms of any Purchase Order, Long Term Supply Agreement, or Global Terms and this Agreement in regard to specific Components, the terms of this Agreement shall control in regard to such Components.

2.7 Affect on Other Agreements. Any agreements between a Newco Facility (which, at the time, would have been a Visteon Facility) and a Visteon Facility in effect as of the date of this Agreement relating to the supply of Components from such Newco Facility to such Visteon Facility covered under this Agreement are superseded (except for use in establishing pricing as described in Section 3.1(a) or (b)) by the applicable terms and conditions of this Agreement, and by any Purchase Order or Long Term Supply Agreement issued pursuant to this Agreement, relating to such Components.

### 3. PRICING

#### 3.1 Pricing.

(a) Existing Business in Production. Subject to Sections 3.1(c) and (d), for Existing Business in Production, the prices of such Components will be the documented and substantiated prices in effect for the same, as of May 1, 2005, between the Newco Facility manufacturing and supplying such Components and the Visteon Facility to which such Components were supplied as of May 1, 2005 (which Newco Facility was, at the time, a Visteon Facility), as set forth in Exhibit 1, adjusted for productivity price reductions taken after May 1, 2005 but prior to the date of this Agreement, as set forth in Exhibit 1. In regard to any Components listed in Exhibit 1 for which no prices are specified, Visteon and Newco will negotiate in good faith and agree upon such prices.

(b) Existing Business - Future Model. Subject to Sections 3.1(c) and (d), for Existing Business - Future Model, the prices of such Components will be the documented and substantiated prices (as determined in accordance with the reasonably developed and documented plan described in Section 2.1(b)), in effect as of May 1, 2005, (if available) for the same between the Newco Facility planned to manufacture and supply such Components and the Visteon Facility to which such Components were planned to be supplied as of May 1, 2005 (which Newco Facility was, at the time, a Visteon Facility), as set forth in Exhibit 2. In regard to any Components listed in Exhibit 2 for which no prices are specified, Visteon and Newco will negotiate in good faith and agree upon such prices.

(c) Design or Other Changes. The prices of Components described in Section 3.1(a) and (b) will be adjusted for any Design Change or productivity price reduction agreed upon by Visteon and Ford in writing prior to the date of this Agreement, or agreed upon by Visteon and Newco in writing after the date

of this Agreement (including, without limitation, the productivity reductions specified in Section 3.2 below). No other changes to the prices of such Components will occur unless agreed upon by the Parties in writing.

(d) Prices for Existing Business on Assignment to Buyer of Newco Facility. In the event that:

(1) Newco assigns a Purchase Order or Long Term Supply Agreement for a Component that is Existing Business ("ASSIGNED COMPONENT") to a buyer or transferee of the Newco Facility from which such Assigned Component is supplied ("TRANSFERRED FACILITY") (as described in Section 7 below); and

(2) such Transferred Facility supplies, as of the date of the assignment, such Assigned Component, or a similar part, component or system, directly to Ford (in addition to supplying such Assigned Component to Visteon), and such supply to both Ford and Visteon will continue after the date of assignment; then

Newco will amend such Purchase Order or Long Term Supply agreement prior to assignment to provide that the price payable by Visteon for such Assigned Component under such Purchase Order or Long Term Supply Agreement to be assigned will, during the time period beginning on the date of such assignment and ending on 12/31/08, be the price payable by Ford to such buyer or transferee for such Assigned Component that will be supplied directly by such Transferred Facility to Ford (or the price of such similar part, component or system, if such Assigned Component will not be supplied directly to Ford by the Transferred Facility). (Such price payable by Visteon which matches such price payable by Ford is referred to as the "Matched Ford Price" in the Visteon - Ford PSA.)

3.2 Productivity Price Reductions.

(a) Newco shall reduce the prices for all Ford-Vehicle Components supplied to Visteon included in the calculation of Visteon Carryover Frozen Turnover (as described below) beginning on the date of this Agreement through December 31, 2008 by the following percentages (such reductions will be made effective as of January 1 of the applicable calendar year as described in Subsection 3.3 below):

Calendar Year	2005	2006	2007	2008
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Percentage Reduction	***	***	***	***

For a given calendar year, the aggregate productivity price reduction for all Components included in the calculation of Visteon Carryover Frozen Turnover will be calculated by applying the applicable Percentage Reduction for such calendar year against the "Visteon Carryover Frozen Turnover." The "Visteon Carryover Frozen Turnover" shall be equal to the Total Frozen Turnover, less the Target Agreement Turnover, less any Components excluded from the calculation of the Visteon Carryover Frozen Turnover as described in Section 3.2(b) below. The following definitions shall apply to this calculation:

"Total Frozen Turnover" shall be equal to the total projected sales of Components by Newco to Visteon using Visteon's budgeted volume, mix and rates assumptions for the applicable calendar year.



"Target Agreement Turnover" means that portion of the Total Frozen Turnover for Components to be supplied by Newco to Visteon that will be launched during the applicable calendar year where Newco and Visteon have entered into signed Target Agreements (or the sourcing document of Visteon that is the equivalent of a Ford Target Agreement).

(b) Where Newco and Visteon agree in writing on different productivity price reductions than those specified above, such separate agreements shall supersede the provisions of Subsection 3.2(a) if such different price reductions replace (and are not incremental to) the price reductions required under Subsection 3.2(a). In these cases, the Components to which such different price reductions apply will be excluded from the calculation of Visteon Carryover Frozen Turnover. If such different price reductions are incremental to (and do not replace) the price reductions required under Subsection 3.2(a), the Components to which such incremental price reductions apply will be included in the calculation of Visteon Carryover Frozen Turnover and the incremental price reductions will apply in addition to those required under Subsection 3.2(a).

3.3 All productivity price reductions will be retroactive to January 1 of the applicable year. If the productivity price reductions are not processed prior to the end of any calendar quarter during the applicable year, Newco shall pay to Visteon a lump sum equal to seventy five percent (75%) of a reasonable estimate of the effect of the productivity price reductions based on Newco's shipments of Components to Visteon during such calendar quarter. Such amount shall be paid on or before the last day of such calendar quarter. The Parties acknowledge that once the actual productivity price reductions are determined, they will be entered into a system that will result in productivity price reductions retroactive to January 1 of the applicable year; therefore, if Newco has made a lump sum payment for any calendar quarter and Visteon later receives a retroactive price adjustment, Visteon will reimburse Newco any amounts that are charged twice to Newco. For the avoidance of doubt, Newco's lump-sum payment of 75% of such estimated amount will not affect Visteon's right to receive 100% of the productivity price reduction due for the applicable calendar year.

3.4 Notwithstanding Section 3.2 or 3.3, in regard to Non-Ford Components supplied by a Newco Facility to Visteon, in the event Visteon entered into an agreement with its customer (other than Ford), prior to or on the date of this Agreement, pursuant to which Visteon is obligated to provide such customer with productivity price reductions on parts, components, or systems supplied by Visteon to such customer which are, or which incorporate, Components supplied by Newco to Visteon, Newco shall provide productivity price reductions to Visteon on such Components supplied by Newco only to the extent such agreement is expressly identified on Schedule 3.07 (a) of the Contribution Agreement or as otherwise agreed upon by Ford in writing in regard to such Components prior to the date of this Agreement.

3.5 In the event that a customer of Visteon requests productivity price reductions on parts, components or systems supplied by Visteon to such customer which are, or which incorporate, Components supplied by Newco to Visteon, Newco and Visteon shall discuss in good faith potential mechanisms for achieving equivalent productivity prices reductions to Visteon on such Components supplied by Newco.

#### 4. DESIGN CHANGES

Except for any Design Change negotiated by Ford directly with Newco, and notwithstanding any term or condition of any Purchase Order, Long Term Supply Agreement, or the Global Terms, the Parties will negotiate equitable increases or decreases in the prices of Components supplied by Newco to Visteon for Visteon-requested Design Changes in good faith. The price of any Design Change requested by Ford and negotiated directly with Newco will be flowed through, unaltered, to Ford (as required under the Visteon - Ford PSA).

#### 5. PAYMENT TERMS

For any Components manufactured by a Newco Facility and supplied by such Newco Facility to a Visteon Facility, and for any tooling received at Newco Facilities (or a Newco Facility's supplier's facilities) in the United States, Newco will be paid in accordance with the following terms during the term of this Agreement: \*\*\*. In the event that systems issues prevent the Parties from implementing such payment terms immediately after the date of this Agreement, the Parties will work together in good faith to promptly address the problem and, in the interim, promptly implement a mechanism which results, in effect, in payment terms as close as possible to such payment terms.

As used in this Section 5, the term "tooling" refers only to tooling owned by Visteon or its customer and funded by Visteon in an up-front payment (rather than in the piece price) that is used for the production of Components manufactured by a Newco Facility and supplied by such Newco Facility to a Visteon Facility and which is located in Newco Facilities (or a Newco Facility's supplier's facilities) in the United States.

## 6. RIGHT TO TERMINATE OR NOT RENEW

### 6.1 Termination or Nonrenewal by Visteon.

(a) Subject to Section 6.1(b), but notwithstanding any other term or condition of this Agreement or of any Purchase Order or Long Term Supply Agreement, or of any other termination rights Visteon may have, Visteon may not terminate or not renew an Existing Agreement or its purchase from Newco of Components which are Existing Business without Newco's prior written consent, and approval of the North American Sourcing Council (where applicable). Notwithstanding the foregoing in this Section 6.1, if Visteon notifies Newco, in writing, that it desires to terminate or not renew an Existing Agreement or Newco's supply to Visteon of Components which are Existing Business Newco shall, discuss and evaluate Visteon's request in good faith with Visteon.

(b) Notwithstanding any term or condition of this Agreement, Visteon may, upon advance written notice to Newco, terminate or not renew, in whole or in part, its purchase of a Component which is Existing Business only:

(1) if the Component is a Non-Ford Component, in accordance with Section 22 (Excusable Delay) of the Global Terms for a failure to perform by Newco as a result of an excusable delay, provided that the excusable delay has resulted in a failure to perform by Newco lasting more than three consecutive months after the date of Newco's notice to Visteon of the excusable delay (as required under Section 22 of the Global Terms);

(2) as a result of the: (i) cancellation by Ford or another OEM Customer of Visteon of the program for which such Component is supplied; or, (ii) the failure of Visteon to require such Component any longer because the end-item part, component or system into which such Component supplied by Newco is incorporated by Visteon is changed, by the applicable program team of Ford (in regard to a Ford-Vehicle Component) or by another customer of Visteon (in regard to a Non-Ford Component), such that neither such Component supplied by Newco, nor a similar part, component or system, is required in such end-item part, component or system any longer, provided Visteon has acted in good faith toward Newco in regard to such change;

(3) as a result of the termination of this Agreement under Section 9;

(4) in regard to a Non-Ford Component supplied by Newco, upon the termination or expiration (for any reason) of the purchase order or other agreement between Visteon and its customer for such Non-Ford Component or for the part, component, or system supplied by Visteon into which such Non-Ford Component is incorporated.

Subject to Section 15, nothing in this Agreement shall in any way mitigate or effect any of Visteon's rights to terminate or not renew any Purchase Order, Long Term Supply Agreement, or other agreement other than an Existing Agreement (i.e., a Purchase Order, Long Term Supply Agreement, or other agreement relating to Components other than Existing Business).

In the event of a termination under Section 6.1(b)(2) above, Newco shall have a right to submit a cancellation claim to Visteon in the same manner, and to the same extent, as provided for under Sec. 29.02 of Ford Motor Company's Production Purchasing Global Terms and Conditions (PPGTC Jan. 1, 2004) (as if Visteon were the "Buyer" and Newco were the "Supplier" under such Global Terms and Conditions).

#### 6.2 Termination or Nonrenewal by Newco.

(a) Notwithstanding any term or condition of this Agreement or of any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement (but subject to section 7(c) below), Newco may, at any time, terminate or not renew, in whole or in part, any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement for any Components supplied by Newco (whether Existing Business or otherwise), or any of its obligations under this Agreement relating to such Components, upon prior written notice to Visteon if: (i) Ford notifies Visteon in writing to cease purchasing the Components from Newco, and prior approval of the termination or non-renewal by the North American Sourcing Council is obtained (where applicable) (such notification will not be required in regard to Non-Ford Components supplied by Newco, in which case only notification by Newco to Visteon will be required); or, (ii) upon the sale, exit, closure, or transfer (for any reason) of the Newco Facility supplying such Components to Visteon. Newco will provide reasonable advance written notice to Visteon of any such termination or non-renewal and, in regard to a termination or non-renewal for Non-Ford Components supplied by Newco, will reasonably cooperate with Visteon to prevent any disruption or interruption of supply to Visteon's customer(s) of such Non-Ford Components.

(b) Newco's rights under this Section 6.2 shall survive termination or expiration of this Agreement and will apply in regard to any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement for Components supplied by Newco to Visteon unless the Parties specifically agree otherwise in writing; however, this right will apply only to Newco and not to any third-party buyer or transferee of a Newco Facility.

6.3 In no event will termination or non-renewal by Newco made in accordance with this Agreement (including, without limitation, under this Article 6 or Section 9) be considered a default or breach by Newco under any Existing Agreement or other agreement (including, without limitation, any Purchase Order or Long Term Supply Agreement) between Newco and Visteon.

#### 7. NEWCO EXITING OF BUSINESSES AND ASSIGNMENT

(a) It is specifically intended by the Parties that Newco be able to freely sell, exit, close, or transfer any or all of its facilities or business operations. In this regard, notwithstanding any term or condition of this Agreement or of any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement, Newco may (but is not obligated to) sell, exit, close, or transfer any Newco Facilities at any time.

(b) In addition, Newco may (but is not obligated to) freely assign (without Visteon's consent), in whole or in part, any or all of the following: (i) any Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement between Newco and Visteon for Components (whether Existing Business or otherwise) (A) supplied (or to be supplied) by a Newco Facility to be closed, sold, or transferred, or (B) for which manufacturing and supply responsibility will be transferred or assigned to another supplier or facility by Newco as part of a restructuring of the applicable Newco Facility; or, (ii) any rights or obligations of Newco under this Agreement relating to such Components. Without limiting the foregoing, for

the avoidance of doubt, Newco may assign, in whole or in part, its rights and obligations under this Agreement relating to such a Component, but retain (or assign, in whole or in part, to another party) its rights and obligations under this Agreement relating to another such Component.

(c) Each of the following shall apply in regard to any assignment by Newco under Section 7(b):

(i) If Newco assigns any of its rights to supply such Components under this Agreement (as opposed to under any Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement only), Newco must also assign its corresponding obligation to provide productivity price reductions for such Components as provided for in Section 3.2 above for the time period for which the assigned right to supply applies. For example, if Newco assigns the right to supply certain Components for 2006 and 2007, it must also assign the corresponding obligation of Newco to pay Visteon productivity for such Components under this Agreement for 2006 and 2007.

(ii) If Newco assigns only an Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement as described in Section 7(b)(i) above, and does not also assign any of its rights or obligations under this Agreement relating to the Component supplied by Newco under such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement as described in Section 7(b)(ii) above, this PSA shall cease to apply to such Component (and to such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement) as of the date of such assignment, provided such assignment is for a duration equal to or in excess of one year, is otherwise to a bona-fide purchaser, acquirer, or transferee of a Newco Facility or of the Component for which manufacturing and supply responsibility is transferred or assigned as described in Section 7(b)(i)(B) above, or relates to the exit or closure of a Newco Facility.

(iii) If Newco assigns its rights under an Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement as described in Section 7(b)(i) above, and also assigns any of its rights or obligations under this Agreement relating to the Component supplied by Newco under such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement as described in Section 7(b)(ii) above, this PSA shall cease to apply to such Component (or such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement) as of the date of such assignment, except in regard to the specific rights and obligations (and only such specific rights and obligations) assigned, provided such assignment is for a duration equal to or in excess of one year, is otherwise to a bona-fide purchaser, acquirer, or transferee of a Newco Facility or of the Component for which manufacturing and supply responsibility is transferred or assigned as described in Section 7(b)(i)(B) above, or relates to the exit or closure of a Newco Facility.

For example, if Newco assigns its right to supply a Component for 2006 and 2007 under this Agreement (in addition to assigning the applicable Purchase Order or Long Term Supply Agreement), but it has an obligation under this Agreement to supply such Component for 2008 as well, upon such assignment this PSA will cease to apply to such Component (as well as to the applicable Purchase Order or Long Term Supply Agreement), except in regard to the right to supply assigned (and the corresponding productivity price reduction obligation assigned pursuant to Section 7(c)(i)) only. As such, upon such assignment Newco will have no further obligation to supply such Component for 2008.

(d) In regard to any assignment under Section 7(b), upon Newco's request, Visteon will provide to Newco, in a form reasonably satisfactory to Newco, a release of Newco of, and covenant not to sue the same for, all claims Visteon has or may have against Newco relating to the agreement or rights or obligations assigned, to the extent that Newco has assigned responsibility for any such claims to the assignee of such agreement or rights or obligations assigned and such assignee has assumed such claims and obligations. In this regard, as a condition of supplying such release, Visteon shall have the right to request that Newco certify, in writing, that, to Newco's

knowledge, the extent to which Newco has assigned responsibility for any such claims to the assignee, and the release and covenant not to sue granted by Visteon will not include any claims Visteon may have against Newco that were not assigned. Such release and covenant not to sue will not apply to any assignment by Newco to any Affiliate of Newco, or any subsidiary or affiliate of Ford, that does not have the financial capability to satisfy the claims and obligations assumed.

(e) Visteon will cooperate diligently and in good faith with Newco, in regard to any sale, exit, closure, transfer, or assignment described in this Section 7.

(f) If Newco assigns, in whole or in part, any Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement between Newco and Visteon for Components supplied (or to be supplied) by a Newco Facility to be closed, transferred, or sold as described in Section 7(b)(i) above, the terms and conditions of such whole or part of such Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement assigned shall be as specified in the same, without regard to any amendment or supplement to the same provided for under this Agreement (subject to Section 14). If Newco assigns any rights or obligations of Newco under this Agreement relating to such Components as described in Section 7(b)(ii) above, such rights and obligations shall be additional and supplemental to the Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement between Newco and Visteon for such Components assigned as described in the prior sentence.

(g) Upon prior written notice to Visteon, prior to any assignment of a Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement, Newco may (but is not obligated to) amend the same to provide for a one-year renewable term for the same with non-renewal rights of the parties thereunder substantially similar to those of the "Buyer" and "Supplier" under Ford's Production Purchasing Global Terms and Conditions (PPGTC Jan. 1, 2004) (in regard to any such Target Agreement or Sourcing Agreement assigned, such amendment would apply to any Purchase Order or Long Term Supply Agreement issued pursuant thereto).

(h) Newco's rights under this Section 7 shall survive termination or expiration of this Agreement and will apply in regard to any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement for Components supplied by Newco to Visteon unless the Parties specifically agree otherwise in writing; however, this right will apply only to Newco and not to any third-party buyer or transferee of a Newco Facility.

## 8. VISTEON EXITING OF BUSINESSES AND ASSIGNMENT

Notwithstanding any term or condition of this Agreement or of any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement, Visteon may not, without Newco's prior written consent, assign, in whole or in part, any: (i) Existing Agreement, Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or other agreement between Newco and Visteon for Components supplied (or to be supplied) by Newco to Visteon; or, (ii) rights or obligations of Visteon under this Agreement relating to such Components. Notwithstanding the foregoing in this Section 8, if Visteon notifies Newco, in writing, that it desires to make any such assignment, Newco shall discuss and evaluate Visteon's request in good faith with Visteon.

## 9. DEFAULT

9.1. A Party (a "NON-DEFAULTING PARTY") may give notice to the other Party (the "DEFAULTING PARTY"), upon occurrence of any of the following events, any one of which will be considered to be an "EVENT OF DEFAULT":

- (a) Material Default by a Party. Any default by the Defaulting Party in the performance of any obligation or in the observance of any restriction in this Agreement, which default may not be cured or is not effectively cured after a period of 30 days after written notice thereof has been

given by the Non-Defaulting Party; provided that if such default cannot be cured within 30 days, then the Defaulting Party shall have a reasonable period to cure the default (not to exceed 90 days), during which period the Defaulting Party shall at all times diligently pursue a cure;

- (b) Termination of Existence Initiated by a Party. The Defaulting Party commences any Proceeding to wind up, dissolve, or otherwise terminate its legal existence;
- (c) Termination of Existence Initiated by Another Person. Any proceeding is commenced against the Defaulting Party that seeks or requires the winding up, dissolution, or other termination of its legal existence, unless the proceeding is defended or contested in good faith by the Defaulting Party within 30 days of the commencement of the proceeding in a manner that stays it and such defense or contest is pursued diligently thereafter;
- (d) Bankruptcy. Either (a) the Defaulting Party seeks relief by any proceedings of any nature under any applicable laws for the relief of debtors; or (b) the institution against the Defaulting Party of a proceeding under any applicable bankruptcy or similar law of any jurisdiction in which the Defaulting Party carries on its business, unless the proceeding is defended or contested in good faith by the Defaulting Party within 15 days of the commencement of the proceeding in a manner that stays the proceedings and then only so long as such defense or contest is pursued diligently thereafter;
- (e) Appointment of a Receiver. The appointment of a receiver, receiver-manager, trustee, custodian or like officer for all or a substantial part of the business or assets of the Defaulting Party, unless the appointment is defended or contested in good faith by the Defaulting Party within 30 days of the commencement of the appointment in a manner that stays the appointment and then only so long as such defense or contest is pursued diligently thereafter; or
- (f) Assignment for Benefit of Creditors. The Defaulting Party makes an assignment of a substantial part of its assets for the benefit of its creditors.

9.2. Upon the occurrence of an Event of Default, the Non-Defaulting Party may elect one or more of the following remedies:

- (a) Subject to Section 9.4 below, termination of this Agreement, in whole or in part, and any such termination shall not be deemed a waiver or release of, or otherwise prejudice or affect, any rights, remedies or claims, whether for Damages or otherwise, which the Non-Defaulting Party may then possess under this Agreement or which arise as a result of such termination; provided, however, that the Non-Defaulting Party may only elect to terminate this Agreement (in whole or in part) for an Event of Default under Section 9.1(a) above (Default by a Party) if the default by the Defaulting Party under Section 9.1(a) is a material default under this Agreement; and
- (b) Set off and recoupment against sums owed by the Non-Defaulting Party or one of its Affiliates to the Defaulting Party or one of its Affiliates any amounts for which the Non-Defaulting Party determines in good faith that the Defaulting Party or one of its Affiliates is liable to the Non-Defaulting Party or one of its Affiliates under this Agreement or any Purchase Order; and
- (c) Recovery of Damages arising from the Default.

9.3 (a) In addition to any termination rights Newco may have under this Agreement or applicable law, Newco may terminate this Agreement in the following events: (i) a Change of Control of Visteon occurs; or (ii) all of the Existing Agreements are terminated or not renewed in accordance with this Agreement.

(b) As used in this Section 9.3, the term "CHANGE OF CONTROL" means (i) a liquidation or dissolution of Visteon; (ii) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the assets of Visteon and its subsidiaries, taken as a whole; (iii) a merger, consolidation, share exchange, business combination or similar extraordinary transaction as a result of which the persons possessing, immediately prior to the consummation of such transaction, beneficial ownership of the voting securities of Visteon entitled to vote generally in elections of directors of Visteon, cease to possess, immediately after consummation of such transaction, beneficial ownership of voting securities entitling them to exercise at least 50% of the total voting power of all outstanding securities entitled to vote generally in elections of directors of Visteon (or, if not Visteon, the surviving entity resulting from such transaction); or (iv) a transaction or series of transactions (including by way of merger, consolidation, sale of stock or otherwise) the result of which is that any Person or "group" (as defined in Section 13 of the Securities Exchange Act of 1934) becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 promulgated under the Securities Exchange Act of 1934), directly or indirectly, of more than 50% of the voting power of the outstanding voting stock of Visteon.

(c) Notwithstanding Section 9.3(a) above, in the event of an occurrence described in Section 9.3(b)(ii), (iii), or (iv) above, Newco may not terminate an Existing Agreement relating to a Component during the term of this Agreement, or terminate this Agreement, as a result of a Change of Control of Visteon unless and until it has made a good faith effort to discuss (if Visteon requests, in writing, that Newco have such discussion) the potential continuation of the applicable Existing Agreement or of this Agreement, with: (1) the transferee of all, or substantially all, of the assets of Visteon and its Subsidiaries described in Section 9.3(b)(ii); (2) the Person Controlling Visteon (if any) as a result of the merger, consolidation, share exchange, business combination or similar extraordinary transaction described in Section 9.3(b)(iii) (for this purpose, "Control" will be as defined in the definition of the term "Affiliate" in Section 1.1 above); or, (3) the Person or "group" that will become the "beneficial owner" of more than 50% of the voting power of the outstanding voting stock of Visteon described in Section 9.3(b)(iii).

9.4 A Non-Defaulting Party intending to terminate this Agreement pursuant to this Article 9 as a result of an Event of Default occurring under Subsections 9.1(a) or (b) shall first notify the Defaulting Party of the grounds for the intended termination. If the Defaulting Party fails to remedy such grounds for termination within sixty (60) days of such notice (or any longer period of time as mutually agreed by the Parties), then the Non-Defaulting Party may terminate this Agreement effective upon notice to the Defaulting Party without the need for any judicial action.

9.5 The provisions of this Article 9 are without prejudice to any other rights or remedies either Party may have by reason of the Event of Default of the other Party; provided, however, that the Parties' rights to terminate this Agreement shall in all cases be as described in this Article 9.

## 10. TERM

The term of this Agreement shall commence on the date of this Agreement and continue through December 31, 2008, unless terminated earlier in accordance with the terms and conditions of this Agreement.

## 11. CONFIDENTIALITY

11.1 "Confidential Information" is defined as information that is disclosed in connection with this Agreement and which is furnished in the following forms:

- (a) Any information whether or not it is provided in writing or orally, including drawings, documents, financial statements and projections, demonstrations, product and product cycle plans and any other information or machine readable data, of a Party furnished to another Party that is marked "Confidential" or contains a proprietary notice clause or, if disclosed orally, was identified as confidential at the time of oral disclosure;

- (b) Confidential Information includes also any item of hardware, including samples, devices and any other physical embodiments, if such hardware is delivered to the receiving Party.
- (c) In the event that Confidential Information shall be incorporated into or reflected in other documents, whether separately or jointly generated by the Parties, such other documents shall be deemed Confidential Information subject to the terms of this Agreement.

11.2 The receiving Party shall, for a period beginning with the first date of receipt of each respective disclosure and continuing for three years thereafter, use the same standard of care it uses to protect its own information of similar kind and importance, but not less than reasonable care, to maintain the confidentiality of Confidential Information and to limit its disclosure to such of its directors, employees, agents, advisors or Affiliates as have a need to know such Confidential Information in order that the objectives of this Agreement can be achieved. In addition, if Newco is the receiving party, Newco shall limit disclosure of Confidential Information of Visteon to only those directors, employees, agents, advisors or Affiliates of Ford who have a need to know such Confidential Information and are receiving such Confidential Information in connection with a legitimate business interest of Newco. The receiving Party shall be responsible for the compliance by such directors, employees, agents, advisors or Affiliates (including, with respect to Newco, Ford) with the provisions of this Agreement. Notwithstanding the foregoing, Newco shall be permitted to provide to potential or actual acquirers of all or any part of Newco, its business, or any Newco Facilities, such Confidential Information (as well as any confidential information of Visteon under any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement for any Components) as Newco deems necessary to conduct discussions with such potential acquirers or to sell, transfer, exit, or close all or any part of Newco, its business, or any Newco Facilities, provided that such potential acquirers, or any such purchasers or transferees, enter into a confidentiality agreement with Newco substantially comparable to the terms and conditions of this Article 11.

11.3 The confidentiality obligations of this Agreement shall not apply to confidential information received pursuant to this Agreement which:

- (a) is or becomes publicly known other than through a breach of this Agreement by the receiving Party; or
- (b) is already known to the receiving Party at the time of disclosure as evidenced by the receiving Party's written documentation; or
- (c) is lawfully received by the receiving Party from a third party without breach of this Agreement or breach of any other agreement between the disclosing Party and such third party; or
- (d) is independently developed by employees of the receiving Party who have not had access to or received any Confidential Information under this Agreement; or
- (e) is furnished to a third party by the disclosing Party without restriction on the third party's rights to disclose; or
- (f) is authorized in writing by the disclosing Party to be released from the confidentiality obligations herein.

Specific information shall not be deemed to be within such exceptions merely because it is included within general information, which is within such exceptions, nor shall a combination of features be deemed to be within such exceptions merely because the individual features of the combination are separately within such exceptions.



11.4 Confidential Information shall remain the exclusive property of the disclosing Party. The receiving Party agrees that Confidential Information disclosed hereunder is being received subject to the disclosing Party's ownership rights in such Confidential Information and, further, subject to all relevant intellectual and/or proprietary property rights of the disclosing Party, including the relevant laws governing patents, trademarks, copyrights, semiconductor chip protection, trade secrets and unfair competition.

11.5 Upon the termination of this Agreement, the receiving Party shall, at its own expense, promptly return to the disclosing Party all originals and copies of the writings and hardware in its possession which contain Confidential Information. If any writing or hardware has been destroyed, an adequate response to a return request therefor by the disclosing Party will be written notice, executed by the receiving Party, that such writing or hardware has been destroyed.

11.6 If the receiving Party becomes legally compelled (by oral questions, interrogatories, request for information or documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, the receiving Party will provide the disclosing parties with prompt written notice so that the disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or the disclosing Party waives compliance with the provisions of this Agreement, the receiving Party will furnish only that Confidential Information which is legally required and will exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded the Confidential Information so disclosed.

## 12. CONFLICT WITH OTHER AGREEMENTS

Nothing in this Agreement, any Existing Agreement, or in any Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement for Components or the Global Terms affects, limits, or supersedes in any way any Master Transaction Agreement or any rights, obligations, or limitations of liability of either of Newco or Visteon under any Master Transaction Agreement, including, without limitation, any limitations of liability of Newco or Visteon relating to any Components (or parts, components, or materials thereof) contained in any Master Transaction Agreement, or any rights relating to intellectual property, or responsibility for infringement of intellectual property rights, contained in any Master Transaction Agreement. In the event of any conflict between the provisions of this Agreement and any Master Transaction Agreement, the Master Transaction Agreement shall prevail. This Section 12 will survive the termination or expiration of this Agreement. Without limiting the generality of the foregoing, the Parties agree that nothing in this Agreement, or in any any Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or the Global Terms, shall in any respect limit or restrict Visteon's obligations with respect to liabilities retained by Visteon under Section 2.04(iii) of the Contribution Agreement and Newco shall have no liability to Visteon under this Agreement or under any Purchase Order, Long Term Supply Agreement, Target Agreement, Sourcing Agreement, or the Global Terms with respect to such liabilities retained.

For the purposes of this Section 12, "Master Transaction Agreements" means the following, collectively: All of the agreements referenced in section 8 of the Master Agreement by and between Ford and Visteon dated as of September 12, 2005.

## 13. GENERAL PROVISIONS

13.1 No Agency. This Agreement does not constitute either Party the agent or legal representative of the other Party. Neither Party is authorized to create any obligation on behalf of the other Party.

13.2 Notices. All notices, requests and other communications to any Party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to Newco, to:

Automotive Components Holdings, LLC

c/o Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126

Attention: Peter J. Sherry, Jr.  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

Automotive Components Holdings, LLC  
One American Road  
320 World Headquarters  
Dearborn, Michigan 48126

Attention: Marcia J. Nunn, General Counsel  
Facsimile No.: (313) 337-3209  
E-mail: mnunn@ford.com

if to Visteon, to:

Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111

Attention: John Donofrio, General Counsel  
Facsimile No.: (734) 710-7132  
E-mail: jdonofri@visteon.com

or such other address, facsimile number or e-mail address as such Party may hereafter specify for the purpose by notice to the other Parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

13.3 Subsidiaries and Affiliates. Subject to the scope of this Agreement described in Recitals A and B, subsidiaries and Affiliates of Newco and Visteon are bound by the provisions herein to the extent that such subsidiaries or Affiliates produce Components supplied by Newco or its Affiliates (in regard to Visteon and its Affiliates) or purchase Components supplied by Newco or its Affiliates (in regard to Newco and its Affiliates). Each Party warrants and represents to the other Party that it has the authority to bind its Affiliates to this Agreement as described in this Section 13.3.

13.4 Amendments and Waivers.

- (a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective.

- (b) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

13.5 Entire Agreement. This Agreement contains all Exhibits hereto. Subject to Section 12, this Agreement supersedes any prior agreements between the Parties concerning the subject matter herein.

13.6 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that neither Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto, except as expressly provided for otherwise in this Agreement.

13.7 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

13.8 Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Michigan, without regard to the conflicts of law rules of such state. The Parties exclude the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods, if otherwise applicable.

13.9 Disputes. If a dispute arises between the Parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof; provided, however, that a Party may seek injunctive relief from a court where appropriate for the purpose of maintaining the status quo while this procedure is being followed:

- (i) The Parties promptly shall hold a meeting of senior executives with decision-making authority to attempt in good faith to negotiate a mutually satisfactory resolution of the dispute; provided that no Party shall be under any obligation whatsoever to reach, accept or agree to any such resolution; provided further, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the parties or be deemed a waiver by a Party hereto of any remedies to which such Party would otherwise be entitled.
- (ii) If the parties are unable to negotiate a mutually satisfactory resolution as provided above, then upon request by either Party, the matter shall be submitted to binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration. Within five Business Days after the selection of the arbitrator, each Party shall submit its requested relief to the other Party and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed. Upon the conclusion of discovery, each Party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one Party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one Party's requested relief as to certain claims or counterclaims and the other Party's requested relief as to other claims or counterclaims. Rather, the arbitrator must only select one or the other Party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator shall enter a final ruling that adopts in whole such requested relief. The arbitrator shall limit his/her final ruling to selecting the entire

requested relief he/she considers the most appropriate from the requests submitted by the Parties.

- (iii) Arbitration shall take place in the City of Dearborn, Michigan unless the parties agree otherwise or the arbitrator selected by the Parties orders otherwise. Punitive or exemplary damages shall not be awarded. This Section 13.9 is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., or comparable legislation in non-U.S. jurisdictions, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction.

13.10 Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective as of the date first set forth above when each Party hereto shall have received a counterpart hereof signed by the other Party hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Except as specifically provided for herein, no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties hereto and their respective successors and permitted assigns under Section 13.6 or Section 7.

#### 13.11 Right to Audit.

(a) If requested by Visteon, Newco will permit Visteon (which, for purposes of this Section 13.11, includes its authorized representatives) to:

(i) Examine all non-privileged pertinent documents, data and other information relating to Newco's obligations under this Agreement, any payment made to Newco or any claim by Newco;

(ii) View any facility or process relating to the Components or this Agreement, including those relating to production quality; and

(iii) Audit any facility or process to determine compliance with the requirements of this Agreement.

Any examination under this Section 13.11 will be conducted during normal business hours and upon advance written notice to Newco.

(b) If requested by Visteon, Newco will use its best efforts to permit Visteon to obtain from the subcontractors of, and vendors to, Newco the information and permission to conduct the reviews specified in Section 13.11, regardless of any other right Visteon may have to that information or facilities.

(c) Newco will keep all relevant documents, data and other written information for at least two years following the termination of this Agreement.

13.12 Agreement or Consent of Newco. In regard to any agreement or consent of Newco referenced or required under this Agreement, such agreement or consent shall mean the agreement or consent of Newco given after the date of this Agreement only (and not prior to the date of this Agreement).

#### 14. CHANGES TO GLOBAL TERMS

The Parties acknowledge that the Global Terms allow Visteon to amend the Global Terms from time to time. In this regard, Visteon may amend the Global Terms that apply to Existing Agreements, but only as and to

the extent that such amendments are intended to apply to its suppliers generally. The Parties will discuss in good faith any such amendments.

15. NORTH AMERICAN SOURCING COUNCIL APPROVAL.

Visteon will, during the term of this Agreement, obtain North American Sourcing Council approval for any sourcing (including, without limitation, any re-sourcing or de-sourcing) action taken by it if one or more Ford Master Agreement Workers' jobs would be impacted by such action, except to the extent: (i) Newco notifies Visteon otherwise in writing in regard to a particular action; or, (ii) expressly provided for otherwise in Section 6.1 (in regard to Visteon's termination rights relating to Existing Business).

IN WITNESS WHEREOF, Newco and Visteon have caused this Agreement to be executed in multiple counterparts by their duly authorized representatives.

VISTEON CORPORATION

AUTOMOTIVE COMPONENTS HOLDINGS, LLC

By: /s/ James F. Palmer

By: /s/ James F. Palmer

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Title: Executive Vice President and  
Chief Financial Officer

-----  
Title: President

Date: September 30, 2005

Date: September 30, 2005  
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## INTELLECTUAL PROPERTY CONTRIBUTION AGREEMENT

This AGREEMENT ("IP AGREEMENT") dated as of September 30, 2005 is between Visteon Corporation, a Delaware corporation ("VISTEON"), Visteon Global Technologies, Inc., a Michigan Corporation ("VGTI"), Automotive Components Holdings, Inc. f/k/a VFH Holdings, Inc., a Delaware corporation, and Automotive Components Holdings, LLC f/k/a VFH Holdings, LLC, a Delaware limited liability company (the "COMPANY"), a wholly-owned subsidiary of Automotive Components Holding, Inc.

## WITNESSETH:

WHEREAS, Ford Motor Company, a Delaware corporation ("FORD") and Visteon are parties to a Master Agreement (the "MASTER AGREEMENT") dated as of September 12, 2005 pursuant to which, among other things, Visteon has agreed to enter into a Contribution Agreement (the "CONTRIBUTION AGREEMENT") with Automotive Components Holdings, Inc., whereby, among other things, and subject to the terms and conditions set forth therein, Visteon has agreed to contribute (or cause to be contributed) to the Company (or one or more Subsidiaries of the Company) certain intellectual property assets related to the Business as defined therein; and

WHEREAS, Visteon, VGTI, Automotive Components Holdings, Inc. and the Company have agreed to enter into this IP Agreement setting forth the intellectual property assets to be contributed to the Company and associated rights and limitations thereof.

NOW THEREFORE, in consideration of the above premises and the mutual covenants herein contained, and for other good and valuable consideration given by each party hereto to the other, the sufficiency and receipt of which are hereby acknowledged, the parties hereto, for themselves, their successors and permitted assigns, intending to be legally bound, agree as follows:

ARTICLE 1  
DEFINITIONS

Section 1.01. Definitions. (a) Capitalized terms used but otherwise not defined herein shall have the meanings as assigned to them in the Contribution Agreement.

(b) The following terms, as used herein, have the following meanings:

"Company Only Products and Technologies" means the following products and technologies manufactured only by the Company as of the Closing Date, for manufacture and sale to any customer, including any improvements or developments for currently produced products or those in the current cycle plan for Plants which have passed the Visteon CDP Gate 2 (or equivalent) approval, except that any such improvements or developments 1) that are subject to pre-existing contractual obligations that prevent transfer to Company are not to be included or 2) that are subject to a joint development

agreement with non-Ford OEM's, or other suppliers, subject to mutual agreement of inclusion, or exclusion, between the parties: Driveshafts, Catalytic Converters, Body Stampings, Stabilizer Bars, Steering Columns, RV Steering Gears, Steering Pumps, Seat Foam, Wiper Motors, Glass.

"Copyrights" mean (i) any copyright in any original works of authorship in technology fixed in any tangible medium of expression as set forth in 17 U.S.C. Section 101 et. seq., whether registered or unregistered, including any applications for registration thereof, (ii) any corresponding foreign copyrights under the laws of any jurisdiction, in each case, whether registered or unregistered, and any applications for registration thereof, and (iii) Common Law or moral rights under the laws of any jurisdiction.

"Core Shared Products and Technologies" means Shared Products and Technologies for any of the following products or technologies: HVAC Air Handling Systems, HVAC Manual Controls, Heater Cores, Radiators, Cooling Modules (FEM), Headlamps, Rear Lamps, Cockpit Modules, Instrument Panels, Consoles, Door Panels/Trim, Glove Box, Sys/Finish Panel/Defroster Grilles, Air Induction Systems.

"Derivative Work" means a work of authorship based on one or more preexisting works, including, without limitation, a translation, condensation, transformation, expansion or adaptation, which, if prepared without authorization of the owner of the copyright of such preexisting work, would constitute a copyright infringement. The term "Derivative Work" does not include the preexisting work upon which the Derivative Work is based.

"Engineering Design Tools" means product specific tools or data (software or hardcopy) specifically designed or utilized to design, model, simulate, or visualize the product or process used to make the product including all supporting documentation for such tools. Examples may include: CAD, CAE, CAM, Knowledge Based Engineering applications and Engineering Design Manuals or Check Lists. Specifically excluded from this definition are standard computer design tools and software which are covered under the Software License and Contribution Agreement. All of the Engineering Design Tools listed in any Attachment to an Appendix are subject to the terms of any preexisting contracts. Such Engineering Design Tools are provided on an "as-is" basis, without any commitments by either party that maintenance or any other support will be provided in the future.

"Invention Disclosure" means a disclosure of an invention which (i) is written for the purpose of recording the conception or reduction to practice of an invention, and (ii) is maintained with a control number in the owning party's records.

"Joint Venture Company" means a company in which Visteon or one or more of its Subsidiaries or Affiliates owns or controls, directly or indirectly, more than 33% of the voting shares or other equity interest.

"Mask Work Rights" means (i) any rights in mask works as defined in 17 U.S.C. Section 901, whether registered or unregistered, including applications for registration thereof, and (ii) any foreign rights in semiconductor topologies under the laws of any jurisdiction, whether registered or unregistered, including applications for registration thereof.

"Non-Core Shared Products and Technologies" means Shared Products and Technologies for any of the following products or technologies: Axles, Power Take-off Unit (PTU), Manual Steering Gears, HPAS Steering Gears, Ignition Systems, Air Charging Assemblies, Throttle Bodies, Fuel Charge Assemblies, Fuel Injectors, Air/Fuel Charging Assemblies, Integrated Air/Fuel Modules, Fuel Pumps.

"Non-Patented Product Design IP and Manufacturing IP" means all (1) research, product designs, technological models, algorithms, manufacturing processes, design processes, behavioral models, logic diagrams, schematics, test vectors, know-how, computer and electronic data processing and other apparatus programs and software (object code and source code), optical, hydraulic and fluidic apparatus and processes, chemical processing, databases and documentation thereof, technical information, data, specifications, drawings, records, documentation, mask works, Invention Disclosures, works of authorship or other creative works, or websites, all of which exist at the Closing Date, and (2) Trade Secrets, Mask Work Rights, and Copyrights, related to those items described in (1) above and which exist at the Closing Date, for which Visteon has the right to assign or to grant licenses, including those stated in the Appendices hereof. Such Non-Patented Intellectual Property is provided on an "as-is" basis, without any commitments by either party that maintenance or any other support will be provided in the future.

"Patents" means those worldwide patents (including patents of importation, patents of confirmation, patents of improvement, patents and certificates of addition and utility model patents, as well as divisions, reissues, continuations, continuations-in-part, reexamination certificates, renewals and extensions of any of the foregoing), pending patent applications, Invention Disclosures submitted prior to the Closing Date and patent applications based thereon and patents which may issue from such applications after the Closing Date for which Visteon has the right to assign or to grant licenses and which are identified in the Appendices hereof.

"Region" means any one country of a group in North America, South America, Europe, Africa and Asia Pacific (including but not limited to China, Korea, Japan, Viet Nam, Australia and India).

"Shared Products and Technologies" means products made at both Visteon and Plants as of the Closing Date, for manufacture and sale to any customer, including any improvements or developments for currently produced products or those in the current cycle plan for Plants which have passed the Visteon CDP Gate 2 (or equivalent) approval, except that any such improvements or developments 1) that are subject to pre-existing contractual obligations that prevent transfer to Company or one of its Affiliates



or Subsidiaries are not to be included or 2) that are subject to a joint development agreement with non-Ford OEM's, or other suppliers, subject to mutual agreement of inclusion, or exclusion, between the parties.

"Trademarks" means trademarks, service marks and trade names.

"Trade Secrets" means business and technical methods, processes, information, compilations and know-how that are not publicly known and which give the owner a competitive advantage in its business. Such Trade Secrets are provided on an "as-is" basis, without any commitments by either party that maintenance or any other support will be provided in the future.

## ARTICLE 2 CONTRIBUTION

Section 2.01. Contribution. Visteon and VGTI hereby transfer and deliver, or cause to be transferred and delivered, to the Company (or one or more Subsidiaries of the Company formed pursuant to the Contribution Agreement as the Company may designate prior to the Closing) at the Closing the Licensed Intellectual Property Rights and Owned Intellectual Property Rights as set forth in the Appendices attached hereto, subject to the rights and limitations set forth therein, as a capital contribution, free and clear of all Liens, other than Permitted Liens.

Section 2.02. Visteon and VGTI hereby transfer and contribute to the capital of the Company their entire right, title, and interest in and to any and all causes of action and rights of recovery for past infringement of the Licensed Intellectual Property Rights and Owned Intellectual Property Rights assigned to the Company in Section 2.01 above.

Section 2.03. The transfers provided in this Article 2 are subject to existing and contingent obligations Visteon and VGTI may have under contracts with third parties. As soon as practicable after execution of the Contribution Agreement, Visteon, VGTI and the Company will review and take action using commercially reasonable efforts consistent with Section 2.05 of the Contribution Agreement to modify those contracts which are affected by the transfers provided in this Article 2, and take such actions as are necessary to reflect Company ownership, including transfer to the Company of the right to receive royalty payments where required.

Section 2.04. Upon request by the Company, all documents and papers shall be executed, and all commercially reasonable assistance shall be furnished by Visteon and VGTI to enable the Company to obtain and perfect any and all rights assigned to the Company in Section 2.01 above. Such assistance shall include, but not be limited to, assistance needed to: (1) establish in the Company title to Engineering Design Tools, Non-Patented Intellectual Property, Patents and Trademarks; (2) enable the Company to apply for United States and foreign patents; (3) enable the Company to apply for United States and foreign copyright registrations; (4) enable the Company to apply for United States and

foreign Trademark registrations; (5) enable the Company to prosecute, protect, and enforce any rights assigned herein; and (6) enable the Company to grant appropriate warranties of ownership when it licenses the subject matter transferred herein to third parties.

Section 2.05. It is acknowledged by the parties that Visteon acquires rights in intellectual property from third parties through its purchase orders and other contracts that may include sublicense rights that are extendable to others. In the event the Company is confronted with infringement claims by third parties that could be offset or settled by the grant of a sublicense or extension of other rights or protections from Visteon, Visteon agrees to grant such sublicenses, rights or protections under terms that are agreeable to the parties. To the extent allowable under such contracts and provided there is no adverse effect to Visteon, Visteon shall sublicense any such rights to the Company at a commercially reasonable rate established during good faith negotiations. This agreement to sublicense is non-transferable upon the sale of the business to a third party unless such third party is Ford Motor Company or its Affiliates (including Mazda).

Section 2.06. Notwithstanding the definitions used in Article 1 herein, each party and its Affiliates have the right to retain and use documents and things that describe or contain any Non-Patented Intellectual Property of the other party or Affiliate that it rightfully has in its possession after the Closing Date, provided that such copies and things shall be subject to the rights and limitations as specified in the Appendices attached hereto and the confidentiality obligations of Article 5 herein.

Section 2.07. Implied Licenses for Purchased Parts. Visteon and VGTI agree to not assert against the Company or a customer of the Company any intellectual property right owned by Visteon or VGTI for the manufacture, use or sale of products covered by such intellectual property right, provided that such products are used in systems or assemblies manufactured by or for the Company (pursuant to the rights and limitations of this IP Agreement) and are purchased from the then current Visteon suppliers used by Visteon to supply such products for such systems or assemblies. Visteon shall provide reasonable notice to the Company of any change in supplier of such products. The Company shall have a commercially reasonable period in which to change to the newly selected Visteon supplier.

### ARTICLE 3 CONSIDERATION

Section 3.01. Consideration. The contributions made herein to the Company are made by Visteon and VGTI pursuant to the obligations under the Contribution Agreement and in consideration set forth therein.

ARTICLE 4  
REPRESENTATION AND WARRANTIES

Section 4.01. Representations and Warranties. The parties agree that all representations and warranties relating to matters contemplated herein are set forth in the Contribution Agreement.

ARTICLE 5  
CONFIDENTIALITY

Section 5.01. Confidentiality. Visteon, VGTI and the Company each agree to hold in confidence, and to use only as permitted by the licenses granted by this Agreement, all Non-Patented Intellectual Property, Engineering Design Tools and other information designated by the disclosing party in writing or by appropriate stamp or legend as "CONFIDENTIAL" or some similar marking of like importance, or where the nature of the information is such that a reasonable person who deals with such information would believe that a party intends or is obligated to maintain it as confidential (hereinafter "Confidential Information"). The receiving party agrees to use the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use and disclosure of the Confidential Information to third parties, specifically including Ford Motor Company, as it uses to protect its own confidential information of like importance. Except as specified below, the obligations of this Section 5.01 shall terminate on December 31, 2009, after which the party having received the Confidential Information shall limit further disclosure in the same manner as that party protects its own confidential information of like importance.

Section 5.02. Notwithstanding any other provision of this Agreement, the obligations of restricted disclosure and use specified herein will not apply to Confidential Information which:

- (a) is available as of the Closing Date or later becomes available to the public without breach of this Agreement; or
- (b) is authorized for release in writing by the disclosing party prior to the applicable disclosure; or
- (c) is lawfully obtained from a third party or parties without a duty of confidentiality; or
- (d) is disclosed to a third party by the disclosing party without a similar duty of confidentiality; or
- (e) is at any time developed by the receiving party independently of any related disclosure(s) from the disclosing party.

Section 5.03. With regard to any Confidential Information disclosed pursuant to this Agreement, the receiving party shall not be liable for unauthorized disclosure of such Confidential Information pursuant to judicial action or governmental regulations or requirements, provided that the receiving party notifies the disclosing party of the need for such disclosure within a reasonable period of time before such disclosure is required.

Section 5.04. Notwithstanding any other provisions of this Article 5, and provided it is not otherwise restricted under this Agreement, disclosure of Confidential Information by a licensed party under this Agreement to a third party will be permitted only to the extent necessary to carry out the license grants herein, and only after such third party agrees to adhere to confidentiality provisions at least as restrictive as those adhered to by the receiving party under this Agreement and to use such Confidential Information only to provide products to, or purchase products from, the receiving party herein.

Section 5.05. With respect to Confidential Information that includes software of the type embedded in a product or associated tools, disclosure by a receiving party under this Agreement to a third party will be permitted only to the extent necessary to carry out the license grants herein, and further provided that such third party agrees to: protect such software for a period of at least five (5) years from date of disclosure; use such software only to provide products to, or design, test and manufacture products for, or purchase products from, the licensed party herein; and limit access to its employees having a need to use such software to provide products to, or design, test and manufacture products for, or purchase products from, the licensed party herein.

ARTICLE 6  
NOTICE

Section 6.01. Notice. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, by telecopy with answer back, by express or overnight mail delivered by a nationally recognized air courier (delivery charges prepaid), by registered or certified mail (postage prepaid, return receipt requested) or by e-mail with receipt confirmed by return e-mail to the respective parties as follows:

if to the Company:

Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

FORD Global Technologies, Inc.  
One Parklane Blvd. Suite 600 East  
Dearborn, Michigan 48126  
Attention: President and CEO  
Telecopy: (313) 322 7162  
E-mail: wcoughli@ford.com

if to Visteon or VGTI:

VISTEON Global Technologies, Inc.  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: Chief Intellectual Property Counsel  
Telecopy: (734) 736-5560  
E-mail: sconfer@visteon.com

or to such other address as the Party to whom notice is given may have previously furnished to the other in writing in the manner set forth above. Any notice or communication delivered in person shall be deemed effective on delivery. Any notice or communication sent by e-mail, telecopy or by air courier shall be deemed effective on the first Business Day following the day on which such notice or communication was sent (provided that a confirming copy is dispatched by regular mail on the same date as such e-mail or telecopy communication is sent). Any notice or communication sent by registered or certified mail shall be deemed effective on the fifth Business Day following the day on which such notice or communication was mailed. As used in this Section 6.01, "Business Day" means any day other than a Saturday, a Sunday, Nationally Observed holiday or a jointly observed Company/Visteon holiday.

ARTICLE 7  
MISCELLANEOUS

Section 7.01. Obligation to Disclose Technology. Visteon and VGTI each agree to put forth a good faith effort to deliver copies of documents and information requested by the Company as part of the Engineering Design Tools and Non-Patented Intellectual Property and to give full enabling effect to the licenses granted hereunder, provided that the Company agrees to pay for the reasonable administrative costs for copying and delivering the requested copies of documents and information. The foregoing obligation to copy and deliver the requested documents and information shall terminate for any requests communicated after April 1, 2006.

Section 7.02. Inadvertent Omissions: Visteon and VGTI have used good faith efforts to identify all Licensed Intellectual Property Rights and Owned Intellectual Property Rights to be transferred to the Company as required by the Contribution Agreement. To the extent any Licensed Intellectual Property Rights and Owned Intellectual Property Rights are discovered or identified at any time before or after the Closing Date which had they been discovered or identified prior to the date hereof would

have been transferred to Company at Closing pursuant to the Contribution Agreement but are still in Visteon's or any of Visteon's Affiliates' possession, Visteon shall immediately transfer and promptly deliver them (or cause them to be delivered) to the Company or the appropriate Subsidiary of the Company according to the appropriate grant in the Appendices attached hereto.

To Visteon's knowledge, the appendices and attachments hereto include all Licensed Intellectual Property Rights and Owned Intellectual Property Rights existing as of June 15, 2005 to be contributed to the Company. The parties agree that within 30 days after Closing, they will cooperate and identify all other Licensed Intellectual Property Rights and Owned Intellectual Property Rights to be contributed to the Company pursuant to this Agreement that are conceived, created, developed, or identified for contribution between June 15, 2005 and Closing. The parties agree that such Licensed Intellectual Property Rights and Owned Intellectual Property Rights will be added to the appropriate appendix herein. In the event that new circumstances exist at Closing that affect the original disposition of an asset pursuant to this Agreement, the parties will meet and mutually agree to the correct disposition of such asset.

Section 7.03. Defensive Protection Measures. For a period of five (5) years from the Closing Date, the parties shall cooperate reasonably and in good faith, to the extent consistent with each party's own business objectives and agreements with third parties, in the event that either party is involved in technology litigation or other controversies in which it would be helped in some way by the other party's relevant knowledge. Such cooperation may include, by way of example, cooperation with respect to knowledge of prior art. This agreement to cooperate is non-transferable upon the sale of the business to a third party unless such third party is Ford Motor Company or its Affiliates (including Mazda).

Section 7.04. Transferability. (A) To the extent permitted in this IP Agreement or in the Appendices attached hereto, the Company's obligations and limitations set forth therein may be transferred to third parties, provided however, that such third parties must agree to assume, in writing, all of the Company's obligations as stated therein.

(B) Either party may source a product produced at a facility under the licenses granted herein to additional facilities in accordance with the terms of this Agreement. The Licensed Intellectual Property Rights and Owned Intellectual Property Rights granted herein that are necessary for the manufacture and sale of such product shall be transferable, if allowed hereunder, to a purchaser of each such facility but only if each such facility to be transferred to a purchaser produces or is sourced to produce, through an executed, commercial sourcing agreement, at least 35% of the total volume per period of such product manufactured by the selling party at the time of the first sale of any such facility producing such product. In the event that such production or sourcing at such facility is less than 35% of the total volume of such product at the time of sale, then such Licensed Intellectual Property Rights and Owned Intellectual Property Rights are not transferable, except to Ford, without the consent of the other party. Considerations for consent include, but are not limited to, changes in industry volume, major technology

shifts affecting the particular products and other commercial considerations relevant at the time.

(C) Notwithstanding anything to the contrary in the Appendices attached hereto, any licenses granted herein by VGTI to Company shall be sublicensable by Company as follows: provided that Company does not itself manufacture products or perform services covered by a license grant but is wholly owned by an entity that 1) manufactures products or performs services covered by a license grant, then Company shall be entitled to grant a sublicense to such entity or its Subsidiary on identical terms as provided herein except that such sublicensee shall not have any right to grant a further sublicense under any conditions. In the event that Company does not itself manufacture products or perform services covered by a license grant but has another Subsidiary of which it controls a majority interest that does manufacture products or perform services covered by a license grant, Visteon agrees to negotiate in good faith the grant of a sublicense by the Company to such Subsidiary, except that such sublicensee shall not have any right to grant a further sublicense under any conditions.

Section 7.05. Assignability. Except to the extent expressly prohibited by this IP Agreement, either party may, directly or indirectly, in whole or in part, whether by operation of law or otherwise, assign or transfer this Agreement, without the other party's prior written consent. Without limiting the foregoing, this IP Agreement will be binding upon and inure to the benefit of the parties and their permitted successors and assigns.

Section 7.06. Other Terms. All other terms and conditions of the Contribution Agreement, to the extent they do not conflict with the terms and conditions of this IP Agreement, are incorporated into this IP Agreement. In the event of a conflict of terms, the terms of this IP Agreement shall control.

Section 7.07. Counterparts. This IP Agreement may be executed in two or more counterparts, all of which, taken together, shall be considered to be one and the same instrument.

ARTICLE 8  
TERM AND TERMINATION

Section 8.01. This Agreement will terminate upon the expiration date of the last-to-expire of the intellectual property rights that are the subject of Section 2.01 above.

Section 8.02. Either party may terminate this Agreement upon ninety (90) days written notice to the other for failure to fulfill any obligations hereunder; provided, however, if during the ninety (90) day period such obligations have been fulfilled, this Agreement shall continue in full force and effect as it would have done had such notice not been given.

WHEREFORE, the parties have signed this Intellectual Property Contribution Agreement.

VISTEON CORPORATION

VISTEON GLOBAL TECHNOLOGIES, INC.

By: /s/ James F. Palmer

By: /s/ James F. Palmer

Name: James F. Palmer

Name: James F. Palmer

Title: Executive Vice President and  
Chief Financial Officer

Title: Vice President

AUTOMOTIVE COMPONENTS HOLDINGS, LLC

AUTOMOTIVE COMPONENTS HOLDINGS, INC.

By: /s/ James F. Palmer

By: /s/ James F. Palmer

Name: James F. Palmer

Name: James F. Palmer

Title: President

Title: President



## SOFTWARE LICENSE AND CONTRIBUTION AGREEMENT

This SOFTWARE AGREEMENT ("Software Agreement") dated as of September 30, 2005 is made by and among VISTEON CORPORATION, a Delaware corporation ("Visteon"), VISTEON GLOBAL TECHNOLOGIES, INC., a Michigan Corporation ("VGTI"), and AUTOMOTIVE COMPONENTS HOLDINGS, INC., a Delaware corporation (the "Company"), and shall be effective as of the closing of the Contribution Agreement (as defined below) (such time, the "Effective Time"). Visteon and the Company are each individually referred to herein as a "Party," and collectively, as the "Parties."

## WITNESSETH:

WHEREAS, Visteon and the Company have entered into a Contribution Agreement dated as of September 12, 2005 (the "Contribution Agreement") pursuant to which, among other things, Visteon has transferred (or caused to be transferred) to Automotive Components Holdings, LLC, a Delaware limited liability company and wholly owned subsidiary of the Company ("ACH LLC"), certain intellectual property and software assets related to the Business (as defined in the Contribution Agreement);

WHEREAS, Visteon, VGTI, the Company and ACH LLC have entered into, concurrently with the execution and delivery of this Agreement, an Intellectual Property Contribution Agreement (the "IP Agreement") setting forth intellectual property assets to be contributed to ACH LLC and associated rights and limitations thereof;

WHEREAS, Visteon and ACH LLC have entered into, concurrently with the execution and delivery of this Agreement, a Master Services Agreement (the "Master Services Agreement"), whereby certain Services (as defined in the Master Services Agreement) will be provided by Visteon to ACH LLC, its Affiliates, Ford Motor Company and certain ACH Buyers (as defined herein); and

WHEREAS, it is a condition of the Contribution Agreement that Visteon, VGTI and the Company enter into this Software Agreement, which sets forth the terms and conditions under which certain software will be contributed or licensed by Visteon and VGTI to the Company, its Affiliates and certain ACH Buyers as of the Effective Time.

NOW THEREFORE, in consideration of the above premises and the mutual covenants herein contained, and for other good and valuable consideration given by each party hereto to the other, the sufficiency and receipt of which are hereby acknowledged, the parties hereto, for themselves, their successors and permitted assigns, intending to be legally bound, agree as follows:

ARTICLE 1.  
DEFINITIONS

Section 1.01 Definitions.

Capitalized terms set forth in this Agreement (including any plurals) shall have the meanings set forth in this Article 1 when such terms are used in this Agreement. Capitalized terms used herein or not otherwise defined shall have the meanings ascribed to them in the Contribution Agreement.

"Confidential Information" has the meaning set forth in Section 5.01.

"Consent Expenses" means any costs and expenses incurred by Visteon, other than Transfer Fees, associated with obtaining any necessary consents, permissions and waivers required for Visteon to make the contribution and grant of licenses granted to any of the Company, ACH LLC and Ford under and during the term of this Software Agreement.

"Contributed Software" means Contributed Visteon Owned Software and Contributed Third Party Software.

"Contributed Software Infringement Claims" has the meaning set forth in Section 2.03.

"Contributed Third Party Software" has the meaning set forth in Section 2.02.

"Contributed Visteon Owned Software" has the meaning set forth in Section 2.01.

"Derivative Work" means a work of authorship based on one or more preexisting works, including, without limitation, a translation, condensation, transformation, expansion or adaptation, which, if prepared without authorization of the owner of the copyright of such preexisting work, would constitute a copyright infringement. The term "Derivative Work" does not include the preexisting work upon which the Derivative Work is based.

"Licensed Services Software" has the meaning set forth in Section 3.03.

"Licensed Software" means Licensed Visteon Owned Software, Licensed Visteon Third Party Software and Licensed Services Software.

"Licensed Visteon Owned Software" has the meaning set forth in Section 3.01.

"Licensed Visteon Third Party Software" has the meaning set forth in Section 3.02.

"Manuals and Documentation" means all design specifications, operating manuals, user manuals, operating instructions and other information, in written or electronic form, for operation of any Software.

"Services" shall have the meaning ascribed thereto in the Master Services Agreement.

"Software" means computer programs, whether represented in object code, source code, or any other format, as well as any customization of such programs and any modifications,

enhancements, updates, upgrades, Derivative Works or subsequent releases thereto, but excluding any such computer programs, whether represented in object code, source code, or any other format, as well as any customization of such programs and any modifications, enhancements, updates, upgrades or subsequent releases thereto included in Engineering Design Tools or Non-Patented Product Design IP and Manufacturing IP as set forth in the IP Agreement.

"Third Party Software" has the meaning set forth in Section 7.02.

"Transfer Fees" means any fees paid to a third-party software licensor that are necessary for Visteon to make the contributions made and grant the licenses to the Company granted under this Software Agreement.

"Visteon Licensed Software" shall have the meaning ascribed thereto in the Master Services Agreement.

"Visteon Owned Software" shall have the meaning ascribed thereto in the Master Services Agreement.

"ACH Buyer" shall have the meaning ascribed thereto in the Master Services Agreement.

## ARTICLE 2. CONTRIBUTION OF SOFTWARE USED SOLELY FOR THE BUSINESS

Section 2.01 Contribution of Visteon Owned Software Used Solely for the Business.

Except as otherwise provided in Section 2.02 of the Contribution Agreement, upon the terms and subject to the conditions of this Agreement (including Section 7.02 below), Visteon and VGTI agree to convey, transfer, assign and deliver, or cause to be conveyed, transferred, assigned and delivered, to ACH LLC (a direct, wholly-owned Subsidiary of the Company), or one or more other Subsidiaries of the Company as the Company may designate prior to the Closing, at (and not before) the Closing as a capital contribution, free and clear of all Liens, other than Permitted Liens, all of Visteon's and VGTI's right, title and interest in, and to the Software owned (and not licensed) by Visteon, together with all existing maintenance and support obligations for such Software, that is used solely (i) for the operation of, or (ii) to support, the Business (collectively the "Contributed Visteon Owned Software") as the same shall exist on the Closing Date. Contributed Visteon Owned Software shall not include Contributed Third Party Software, Licensed Visteon Third Party Software and Licensed Visteon Owned Software. Subject to Section 7.03 herein, all Contributed Visteon Owned Software is set forth in Schedule 1 hereof.

Section 2.02 Contribution of Certain Visteon Licensed Software Used Solely for the Business.

Except as otherwise provided in Section 2.02 of the Contribution Agreement, upon the terms and subject to the conditions of this Agreement (including Section 7.02 below), Visteon and VGTI agree to convey, transfer, assign and deliver, or cause to be conveyed, transferred, assigned and delivered, to ACH LLC (a direct, wholly-owned Subsidiary of the Company), or one or more other Subsidiaries of the Company as the Company may designate prior to the

Closing, at (and not before) the Closing as a capital contribution, free and clear of all Liens, other than Permitted Liens, all of Visteon's and its VGTI's right, title and interest in, to the Software licensed (as opposed to owned) by Visteon, together with all existing prepaid maintenance and support for such Software, (a) that is used solely (i) for the operation of, or (ii) to support of the Business, or (b) that is held under user, site or other forms of divisible licenses or ownership, as opposed to non-divisible or concurrent licenses held by Visteon, and the divisible portion thereof is used solely (i) for the operation of, or (ii) to support the Business (collectively "Contributed Third Party Software"), as the same shall exist on the Closing Date. Contributed Third Party Software shall not include Contributed Visteon Owned Software, Licensed Visteon Third Party Software and Licensed Visteon Owned Software. Subject to Section 7.03 herein, all Contributed Third Party Software is set forth in Schedule 2 hereof.

#### Section 2.03 Infringement Claims and Actions.

With respect to the Contributed Visteon Owned Software and Contributed Third Party Software only, and except as otherwise provided in Section 2.02 of the Contribution Agreement, upon the terms and subject to the conditions of this Agreement (including Section 7.02 below), Visteon and VGTI agree to convey, transfer, assign and deliver, or cause to be conveyed, transferred, assigned and delivered, to ACH LLC (a direct, wholly-owned Subsidiary of the Company), or one or more other Subsidiaries of the Company as the Company may designate prior to the Closing, at (and not before) the Closing as a capital contribution, free and clear of all Liens, other than Permitted Liens, all of Visteon's and VGTI's right, title and interest in (i) all intellectual property, and (ii) all causes of action and rights of recovery for past infringement of the intellectual property, to the extent such intellectual property, causes of action and right of recovery are owned by Visteon and VGTI and are associated solely with the Contributed Visteon Owned Software and Contributed Third Party Software (collectively "Contributed Software Infringement Claims") as the same shall exist on the Closing Date. For the avoidance of doubt, Contributed Software Infringement Claims shall not include any causes of action or rights of recovery of Visteon and VGTI with respect to Licensed Visteon Third Party Software and Licensed Visteon Software.

#### Section 2.04 Manuals and Documentation.

To the extent Visteon and VGTI possess Manuals and Documentation related to the Contributed Visteon Software and the Contributed Third Party Software, Visteon and VGTI shall provide such Manuals and Documentation to the Company.

#### Section 2.05 Transfer or Assignment of Contributed Software and Infringement Claims.

As soon as practicable after execution of this Software Agreement, and subject to the terms and conditions of this Agreement, Visteon, VGTI and the Company will (i) review and prepare proposed modifications to those contracts that are affected by the transfers provided in this Article 2. The Parties will then seek consent from any third party licensors affected by such proposed modifications, and, (ii) in accordance with any requirements of such third party licensors, shall take such actions as are necessary to establish and reflect the Company ownership, including transfer to the Company of the right to receive royalty payments where required.

## Section 2.06 Consideration.

The contributions made pursuant to this Article 2 and the grant of the licenses set forth in Article 3 below to the Company are made by Visteon and VGTI pursuant to the obligations under the Contribution Agreement and in consideration set forth therein.

### ARTICLE 3. SOFTWARE LICENSES

#### Section 3.01 Licensed Visteon Owned Software.

Subject to Article 5 and Section 7.02 below, Visteon and VGTI hereby grant to the Company and the Company hereby accepts, a nonexclusive, paid-up, perpetual, royalty-free, worldwide, license or sublicense, severable and separately assignable only as permitted under the Section 3.04 herein, including the rights and license to use, perform, display, copy, obtain services and to prepare Derivative Works, to all Visteon Owned Software (other than Contributed Visteon Owned Software) that is used by Visteon (i) for the operation of, or (ii) to support the Business, as the same shall exist on the Closing Date ("Licensed Visteon Owned Software"). Such license shall include the right of the Company to grant a sublicense to the Company's Subsidiaries and to Ford Motor Company for so long as the Company remains a subsidiary of Visteon or is controlled by Ford or an Affiliate thereof ("Ford"). Licensed Visteon Owned Software shall not include Contributed Visteon Owned Software, Contributed Third Party Software, and Licensed Visteon Third Party Software. Subject to Section 7.03, all Licensed Visteon Owned Software is set forth in Schedule 3 hereof.

#### Section 3.02 Licensed Visteon Third Party Software.

Subject to Section 3.04, Section 3.07(b), Article 5 and Section 7.02 below, Visteon and VGTI hereby grant to the Company (which such license shall include the right to grant sublicenses to the Company's Subsidiaries and to Ford for so long as the Company remains a subsidiary of Visteon or is controlled by Ford), and the Company hereby accepts, a non-exclusive, paid-up, royalty free license or sub-license, as applicable, severable and separately assignable, to access, use, perform, display prepare Derivative Works and/or reproduce, for the Company's internal business purposes the Visteon Licensed Software, together with all existing prepaid maintenance and support for such Visteon Licensed Software, (a) that is used by Visteon (i) for the operation of, or (ii) to support of the Business, and (b) that is held by Visteon under non-divisible or concurrent licenses and used by Visteon (i) for the operation of, or (ii) to support the Business, as the same shall exist on the Closing Date, other than included in Contributed Visteon Owned Software, Contributed Third Party Software, and Licensed Visteon Owned Software ("Licensed Visteon Third Party Software"). Subject to Section 7.03, all Licensed Visteon Third Party Software is set forth in Schedule 4 hereof. All prepaid fees for software maintenance and licensing agreements relating to Licensed Visteon Third Party Software existing as of the date hereof are set forth in reasonable detail on Schedule 5 hereof.

### Section 3.03 Licensed Services Software.

Subject to Section 3.04, Section 3.07(b), Article 5 and Section 7.02 below, and solely to the extent necessary to permit the Company to receive the Services under the Master Services Agreement, Visteon hereby grants to the Company (which such license shall include the right to grant sublicenses to the Company's Subsidiaries and to Ford for so long as the Company remains a subsidiary of Visteon or is controlled by Ford), and the Company hereby accepts, a non-exclusive, paid-up, royalty free license or sub-license, as applicable, severable and separately assignable only as permitted under Section 3.04 herein, to access, use and/or reproduce, for the Company's internal business purposes, the Visteon Licensed Software and Visteon Owned Software that is used by Visteon to provide the Services, other than included in Contributed Visteon Owned Software, Contributed Third Party Software, Licensed Visteon Owned Software and Licensed Visteon Third Party Software ("Licensed Services Software"). The term of the license granted in this Section 3.03 is set forth in Section 3.10.

### Section 3.04 Sublicenses to ACH Buyers and Ford.

(a) Subject to Section 3.07(b) and Article 5 below, the Company may grant to a ACH Buyer who satisfies Section 3.3 of the Master Services Agreement a nonexclusive, nontransferable license to the Licensed Software with rights equivalent to those set forth in Section 3.01, Section 3.02 and Section 3.03 hereof, as applicable, provided, however, that any such ACH Buyer (i) shall not have the right to further sublicense any such Licensed Software, and (ii) may use such Licensed Software solely for the internal business purposes of such ACH Buyer.

(b) During the term of the licenses granted under this Article 3, and only in connection with the transfer of any Plant(s) by the Company to Ford, the Company may sublicense or assign all or a portion of the Licensed Software to Ford. In the event of a sublicense or an assignment, the terms of such sublicense shall be granted to the same extent and under the same terms as provided to the Company hereunder, except that the restrictions set forth in Section 3.04(a)(i) and (ii) above shall apply.

(c) As part of any sublicense or assignment permitted under this Section 3.04, each such ACH Buyer or Ford, as appropriate, must agree to assume, as part of such sublicense or assignment, the Company's obligations arising after the effective date of such sublicense or assignment with respect to the Software that is the subject of such sublicense or assignment as set forth herein. In addition, Visteon shall either be expressly designated as a third party beneficiary of, or shall be a party to, any such assignment or sublicense agreement.

### Section 3.05 Manuals and Documentation.

To the extent Visteon and VGTI possess Manuals and Documentation related to the Contributed Software, Visteon and VGTI shall provide such Manuals and Documentation to the Company.

### Section 3.06 Ownership and Transfer or Assignment of Licensed Software.

Subject to the agreement herein to transfer Contributed Software, the Company agrees that it will not make any claim of ownership to any right, title or interest to the Licensed Software or copies thereof contrary to Visteon's or VGTI's claim of ownership or to Visteon's or VGTI's rights to grant licenses for the Licensed Software.

### Section 3.07 Copy and Use Restrictions.

(a) The Company may copy the Licensed Software as reasonably necessary for backup, archival or disaster recovery purposes. The Company and ACH Buyer(s) may reproduce printed Manuals and Documentation in their entirety for internal use only.

(b) The Company agrees that it will not use the Licensed Software except as authorized herein, and, except as expressly permitted under Section 3.02, Section 3.03 and Section 3.04 with respect to Ford or to ACH Buyer(s), that it will not make Licensed Software available for use by or for the direct benefit of any third person, corporation, customer or other entity, except to the extent necessary to use such Licensed Software for the Company's benefit. The Company acknowledges that the licenses granted to Licensed Visteon Third Party Software, Licensed Services Software and the Contributed Third Party Software are subject to existing restrictions and limitations on use as set forth in underlying agreements with third party licensors. Accordingly, the Company agrees (and shall cause all ACH Buyers and Ford to agree in connection with the transfer or sublicense of any such software) to use the software in accordance with the terms of such agreements to the extent the applicable terms as expressly set forth in such agreement are made available to the Company by Visteon.

(c) The Company, at its sole cost and expense, may obtain the services of a third party vendor to maintain the Licensed Visteon Owned Software and Licensed Visteon Third Party Software, provided (i) Visteon is notified of the identity of the third party vendor, and (ii) the third party vendor signs an agreement that is mutually agreeable to the Parties (including either expressly designating Visteon as a third party beneficiary of, or including Visteon as a party to, any such agreement) and sends a copy thereof to Visteon.

### Section 3.08 Delivery of Software.

Subject to Section 7.02 of this Software Agreement, Contributed Software will be delivered to the Company at Closing.

### Section 3.09 License to Visteon.

Subject to Article 5 below, the Company hereby grants to Visteon, solely to provide the Services to the Company, a worldwide, royalty-free, non-exclusive, paid-in-full, and non-transferable (except in the event of the assignment of all of Visteon's rights, duties and obligations under the Master Services Agreement to a wholly-owned subsidiary of Visteon as permitted thereunder) right and license to have access to, operate, use, modify, alter and create Derivative Works of the Software, Documentation and Manuals owned by the Company during the Term of the Master Services Agreement, all of which shall remain the sole and exclusive property of the Company or the applicable third party licensor, as appropriate.

Section 3.10 Term and Termination of License to Licensed Services Software.

The term and termination of the license granted in Section 3.03 above to the Licensed Services Software (including any subsequent assignment or sublicense of such Licensed Services Software to a ACH Buyer or Ford) shall be co-terminous with the term and termination of the Master Services Agreement or the term of a Participation Agreement, whichever term is longer. Upon termination of such licenses, all rights granted to the applicable licensee or sublicense hereunder shall terminate, and such licensee or sub-licensee shall (a) cease using the Licensed Services Software that is the subject of the license or sublicense (whether or not modified or merged into other materials), (b) certify in writing to Visteon that all copies (in any form or media) of such Licensed Services Software have been destroyed or returned to Visteon. The provisions of Articles 2, 3, 4, 5, 6 and 7 shall survive any termination hereof.

ARTICLE 4.  
REPRESENTATIONS AND WARRANTIES

Section 4.01 Representations and Warranties.

The Parties agree that all representations and warranties relating to matters contemplated herein are set forth in the Contribution Agreement.

ARTICLE 5.  
CONFIDENTIALITY

Section 5.01 Confidentiality.

(a) Each of Visteon and the Company agrees to hold in confidence, and to use only as permitted by this Agreement, all information that is disclosed under this Agreement and designated by the disclosing Party in writing or by appropriate stamp or legend as "CONFIDENTIAL" or some similar marking of like importance, or where the nature of the information is such that a reasonable person who deals with such information would believe that a party intends or is obligated to maintain it as confidential (hereinafter "Confidential Information"). For the avoidance of doubt, the Parties agree that Confidential Information shall include information of third party licensors that is designated as confidential under the terms of an agreement between Visteon and such third party licensor provided that such information is designated by the disclosing Party in writing or by appropriate stamp or legend as "CONFIDENTIAL" or some similar marking of like importance. The receiving Party agrees to use the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use and disclosure of the Confidential Information to third parties (including Ford) as it uses to protect its own confidential information of like importance.

(b) To the extent that any third-party licensor of any Licensed Visteon Third Party Software or Licensed Services Software to be disclosed or made available to the Company in connection with the licenses granted herein or the performance of the Services requires the Company to execute a non-disclosure agreement as a condition of its consent to use of the same for the benefit of the Company or to grant the Company access to such Software, the Company



agrees to use commercially reasonable efforts to negotiate and execute an acceptable non-disclosure agreement with such third-party.

(c) Except as specified below, the obligations of this Article 5 shall terminate on the expiration or termination of the Master Services Agreement, after which the party having received the Confidential Information shall limit further disclosure in the same manner as that party protects its own confidential information of like importance.

(d) Notwithstanding any other provision of this Agreement, the obligations of restricted disclosure and use specified herein will not apply to Confidential Information which: (i) is available as of the Effective Time or becomes available to the public without breach of this Agreement; (ii) is authorized for release in writing by the disclosing Party prior to the applicable disclosure; (iii) is lawfully obtained from a third party or parties without a duty of confidentiality; (iv) is disclosed to a third party by the disclosing Party without a similar duty of confidentiality; or (v) is at any time developed by the receiving Party independently of any related disclosure(s) from the disclosing Party.

(e) With regard to any Confidential Information disclosed pursuant to this Agreement, the receiving Party shall not be liable for unauthorized disclosure of such Confidential Information pursuant to judicial action or governmental regulations or requirements, provided that the receiving Party notifies the disclosing Party of the need for such disclosure within a reasonable period of time before such disclosure is required.

#### Section 5.02 Certain Disclosures to Third Parties.

(a) Notwithstanding any other provisions of this Article 5, and provided it is not otherwise restricted under this Agreement, disclosure of Confidential Information by a licensed party under this Agreement to a third party will be permitted only to the extent necessary to carry out the license grants herein, and only after such third party agrees to adhere to confidentiality provisions at least as restrictive as those adhered to by the licensee under this Agreement and to use such Confidential Information only to provide products to, or purchase products from, the licensee herein.

(b) With respect to Confidential Information that includes software of the type embedded in a product or associated tools, disclosure by a licensee under this Agreement to a third party will be permitted only to the extent necessary to carry out the license grants herein, and further provided that such third party agrees to: protect such software for a period of at least five (5) years from date of disclosure; use such Confidential Information only to provide products to, or design, test and manufacture products for, or purchase products from, the licensed party herein; and limit access to its employees having a need to use such Confidential Information to provide products to, or design, test and manufacture products for, or purchase products from, the licensed party herein.

(c) In no event shall a licensee disclose Confidential Information or other intellectual property owned or licensed by a third party to the extent such disclosure would violate any applicable license agreement or applicable trade secret or copyright or other Laws.

ARTICLE 6.  
NOTICE

Section 6.01 Notice.

All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail ("e-mail") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to the Company, to:

Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126  
Attention: Peter J. Sherry, Jr.  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

Ford Motor Company  
Office of the General Counsel  
One American Road  
320 World Headquarters  
Dearborn, Michigan 48126  
Attention: Marcia J. Nunn  
Facsimile No.: (313) 337-3209  
E-mail: mnunn@ford.com

if to Visteon or VGTI, to:

Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: John Donofrio, General Counsel  
Facsimile No.: (734) 710-7132  
E-mail: jdonofri@visteon.com

or such other address or, facsimile number or e-mail address as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt. As used in this Section

6.01, "Business Day" means any day other than a Saturday, a Sunday or a jointly observed Ford/Visteon holiday.

ARTICLE 7.  
MISCELLANEOUS

Section 7.01 Obligation to Disclose Technology.

Visteon and VGTI each agree to put forth a good faith effort to deliver copies of all documentation and information, in addition to Manuals and Documentation, requested by the Company as part of the Contributed Software as necessary to give full enabling effect to the licenses granted hereunder, provided that the Company agrees to pay for the reasonable administrative costs for copying and delivering the requested copies of documents and information and to comply with the confidentiality and non-disclosure requirements of third parties. The foregoing obligation to copy and deliver the requested documents and information shall terminate April 1, 2006.

Section 7.02 Transfer or Assignment of Software Licenses and Rights.

Notwithstanding anything in any Contribution Agreement Transaction Document to the contrary, this Software Agreement and this Article 7 shall apply to all transfers, assignments, licenses and sublicenses of Contributed Software and Licensed Software between the Parties and consents required therefor. This Agreement shall not constitute an agreement to convey, transfer, assign, license, or sublicense any Contributed Third Party Software, Licensed Visteon Third Party Software or Licensed Services Software (collectively "Third Party Software") or any claim or right or any benefit arising thereunder or resulting therefrom if such conveyance, transfer or assignment, without the consent of a third party thereto, would constitute a breach or other contravention of any license or other agreement between Visteon, VGTI any third party with respect to such Third Party Software (unless such consent is obtained prior to the Closing). Visteon and VGTI will use their best efforts, and the Company shall cooperate as necessary, to obtain the consent of the other parties with respect to any such Third Party Software or any claim or right or any benefit arising thereunder for the assignment thereof to the Company (or any Subsidiary of the Company); provided, that, except as set forth in Section 7.04 hereof, such efforts shall not require Visteon or the Company to incur any material expenses or Liabilities or provide any material financial accommodation or to provide a guarantee to obtain any such consent (provided that Visteon agrees to accept a consent notwithstanding that it does not include a release). Subject to Section 7.04, if such consent is not obtained, or if an attempted conveyance, transfer, assignment, license or sublicense thereof would be ineffective, would adversely affect the rights of Visteon thereunder so that the Company would not in fact receive all such rights, or would require a material payment by the Company or Visteon, until such consent is obtained (whereupon such Third Party Software shall be promptly transferred by Visteon to the Company or applicable Subsidiary of the Company pursuant to the applicable provisions of this Agreement), Visteon and the Company will cooperate in a mutually agreeable arrangement under which the Company would obtain benefits and assume obligations thereunder, including making any required payments thereunder, in accordance with this Agreement, including sub-contracting, sub-licensing, or sub-leasing to the Company, or under which Visteon would enforce or operate for the benefit of the Company the applicable Third

Party Software and any claim, right or benefit arising thereunder. Visteon will promptly pay to the Company when received all monies received by Visteon from any third party under any agreement between Visteon and a third party to the extent such monies are received with respect to any Contributed Visteon Owned Software or any claim, right or benefit arising thereunder, except to the extent the same represents an Excluded Asset.

#### Section 7.03 Inadvertent Omissions.

(a) Visteon and VGTI have used good faith efforts to identify all Software to be transferred and licensed to the Company as required by the Contribution Agreement. To the extent any Software or other rights are discovered or identified at any time before or after the Closing Date which, pursuant to Article 2 or Article 3 hereof should have been transferred or licensed to Company but are still in Visteon's or any of Visteon's Affiliates' possession or not listed in the Schedules herein, Visteon shall immediately transfer and promptly deliver them (or cause them to be delivered) to the Company or include them in the appropriate Schedules hereto.

(b) To Visteon's knowledge, the Schedules and attachments hereto include all Software existing as of June 15, 2005 to be contributed or licensed to the Company. The Parties agree that within ninety (90) days after Closing, they will cooperate and identify (i) any modifications or corrections necessary to the Schedules hereto, including, without limitation, changing the Schedule on which Software is listed, and (ii) all other Software to be contributed or licensed to the Company pursuant to this Agreement that is identified between June 15, 2005 and Closing. The Parties agree that such Software will be added to the appropriate Schedule herein. In the event that new circumstances exist at Closing that affect the contribution or license of Software pursuant to this Agreement, the Parties will meet and mutually agree to the appropriate treatment of such Software.

#### Section 7.04 Costs, Expenses and Fees.

Visteon shall be responsible, at its sole cost and expense, for all Consent Expenses and the Company and Visteon will share equally in all Transfer Fees. Visteon and the Company shall cooperate to minimize any such Transfer Fees.

#### Section 7.05 Consents.

Visteon shall use commercially reasonable efforts, and the Company shall cooperate as necessary, to ensure that any consent, permission or waiver required to be provided to the Company shall also provide, to the extent applicable, for the future transfer of such consent, permission or waiver to a ACH Buyer and Ford.

#### Section 7.06 Assignment.

Except as set forth in Section 3.04 above with respect to the assignment or sublicensing of the licenses granted to the Company in Section 3.01, Section 3.02 and Section 3.03 above, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that, except as provided herein, no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other Party hereto; provided, however, that Visteon may assign this

Agreement to any directly or indirectly wholly-owned subsidiary of Visteon without the consent of the Company.

Section 7.07 Other Terms.

All other terms and conditions of the Contribution Agreement, to the extent they do not conflict with the terms and conditions of this Software Agreement, are incorporated into this Software Agreement. In the event of a conflict of terms, the terms of the Contribution Agreement shall control.

Section 7.08 Counterparts.

This Software Agreement may be executed in two or more counterparts, all of which, taken together, shall be considered to be one and the same instrument.

[Remainder of Page Intentionally Left Blank]

WHEREFORE, the parties have signed this Software License and Contribution Agreement as of the day and year first above written.

VISTEON CORPORATION

VISTEON GLOBAL TECHNOLOGIES, INC

By: /s/ James F. Palmer

By: /s/ James F. Palmer

Name: James F. Palmer

Name: James F. Palmer

Title: Executive Vice President and  
Chief Financial Officer

Title: Vice President

AUTOMOTIVE COMPONENTS HOLDINGS, INC.

By: /s/ James F. Palmer

Name: James F. Palmer

Title: President

VISTEON SALARIED EMPLOYEE LEASE AGREEMENT  
RAWSONVILLE/STERLING

AGREEMENT (this "AGREEMENT") dated as of October 1, 2005 between Visteon Corporation, a Delaware corporation ("VISTEON"), and Ford Motor Company, a Delaware corporation, ("FORD"). Visteon and Ford are referred to herein individually as a "PARTY" and collectively as the "PARTIES".

## WITNESSETH:

WHEREAS, Visteon and Ford have agreed to restructure their business and commercial relationships, resulting, among other matters, in a Ford-controlled entity acquiring, through the purchase of Automotive Components Holdings, Inc. f/k/a/ VFH Holdings, Inc., a Delaware corporation, certain assets and liabilities related to Visteon's North America business, pursuant to a Visteon "B" Purchase Agreement dated as of September 12, 2005 which assets will be held by Automotive Components Holdings, LLC f/k/a/ VFH Holdings, LLC, a Delaware limited liability company ("ACH") and wholly-owned subsidiary of Automotive Components Holdings, Inc. f/k/a/ VFH Holdings, Inc.;

WHEREAS, Visteon is engaged in the business of manufacturing and assembling automotive parts and providing related services at its Rawsonville plant ("RAWSONVILLE PLANT"), Sterling I and II plants and Sterling Test Labs (collectively "STERLING PLANTS") (each of Rawsonville Plant and Sterling Plants a "PLANT" and collectively the "PLANTS"), located in Southeast Michigan (the "BUSINESS");

WHEREAS, pursuant to the Contribution Agreement between Visteon Corporation and Automotive Components Holdings, Inc. f/k/a/ VFH Holdings, Inc. dated as of September 12, 2005 (the "CONTRIBUTION AGREEMENT"), Visteon agreed to contribute the Plants to ACH;

WHEREAS, pursuant to the terms of a Memorandum of Agreement dated as of May 24, 2005 by and between the International Union, United Automobile Aerospace and Agricultural Implement Workers of America, UAW and its affiliated locals (collectively, "UAW" or the "UNION"), Ford and Visteon (the "MOA"), the parties thereto agreed that the Plants would be transferred to Ford provided that a local competitive operating agreement ("COA") for each Plant is approved by the UAW prior to the closing date of the restructuring actions. If COA's are not approved by such closing date, the Plants will remain ACH owned plants. If a COA is approved at the Sterling Plants but not the Rawsonville Plant, or vice versa, then only the Plant that approved the COA would be transferred to Ford;

WHEREAS, Visteon employs certain salaried employees who are either employed at the Plants or otherwise principally support the Business ("VISTEON SALARIED EMPLOYEES"); and

WHEREAS, Ford desires to obtain the services of the Visteon Salaried Employees to enable it to continue to conduct the Business and Visteon is willing to provide the services of certain Visteon Salaried Employees to Ford.

NOW THEREFORE, in consideration of the above premises and the mutual covenants herein contained, and for other good and valuable consideration given by each Party hereto to the other, the sufficiency and receipt of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE 1  
TERM

Section 1.01. Term. The term of this Agreement shall commence on October 1, 2005, such date being referred to hereafter as the "Effective Date" and shall terminate on the earlier of (i) the agreement of the Parties to terminate this Agreement or (ii) December 31, 2005 ("TERM").

ARTICLE 2  
ASSIGNMENT OF VISTEON SALARIED EMPLOYEES

Section 2.01. Employee Census. (a) A preliminary employee census is attached as Schedule 2.01 ("PRELIMINARY CENSUS"). The Preliminary Census sets forth a list of the Visteon Salaried Employees to be leased to Ford as of the Effective Date, together with their base salary, any other targeted or mandatory cash compensation, and including without limitation, applicable bonus level, job classification, and Global Identification Number. Within ten days of the date hereof, Visteon shall update the Preliminary Census with any applicable changes and deliver the Preliminary Census to Ford. Ford shall have an additional ten days to approve the revised Preliminary Census. After the revised Preliminary Census is approved by Ford, it shall be substituted for Schedule 2.01 and shall be known as the "EMPLOYEE CENSUS". Employees who are identified on the Employee Census shall be known as "LEASED EMPLOYEES". Visteon shall update the Employee Census at least monthly for any employee transaction (i.e., quits, deaths, transfers, etc.) in accordance with this Agreement and any employees added shall also be known as Leased Employees.

(b) The period during which Leased Employees are leased to Ford is referred to as the "LEASE PERIOD". During the Lease Period, Visteon shall make available to Ford the services of the Leased Employees as requested by Ford. For avoidance of doubt, no Inactive Visteon Salaried Employee (as hereafter defined)



shall be leased to Ford as of the Effective Date. An Inactive Visteon Salaried Employee shall be any Visteon Salaried Employee who is absent from work and who is entitled to reinstatement on return to employment, including those on leave of absence, workers' compensation leave or short- or long-term disability leave, but excluding those who are on paid absence for jury duty, bereavement, short-term military service, vacation or holiday. If a Leased Employee becomes an Inactive Visteon Salaried Employee and is removed from Visteon's active payroll at anytime during the Lease Period, such Leased Employee shall be removed from the Employee Census and Ford shall bear no further financial responsibility with respect to such employee.

Section 2.02. Replacement of Attrition. (a) If Ford requires a replacement for a Leased Employee who is no longer providing services to Ford, and Ford determines that Visteon should provide the replacement employee, Ford will inform Visteon of its requirements together with direction that the vacancy should be filled by a Visteon new hire, an existing Visteon employee or an agency employee, in its sole discretion, subject to Section 2.02(d) below. If Ford directs that the position be filled by a Visteon new hire, Visteon shall use commercially reasonable efforts to fill the position using Visteon's standard employment practice, policies and procedures. If Visteon has an existing Visteon employee who Visteon believes is qualified for the position, Ford shall consider such qualified employee. Candidates for the position shall be reviewed with the manager who initiated the employment request to determine if the candidate is qualified for the position and the employment decision shall be made in accordance with Visteon's applicable employment policies. If Visteon hires the candidate and assigns such candidate to Ford, or if an existing Visteon employee is approved by Ford for lease, Visteon shall modify the Employee Census to add any such employee to the Employee Census in which case the employee shall become a Leased Employee.

(b) If Ford determines that Visteon shall provide an agency employee to fill a position, Visteon shall supply such agency employee to Ford at cost without markup until the expiration of the Term.

(c) Ford may contract directly with employment agencies or technical service firms to supply required personnel, in its sole discretion. If Ford contracts directly with such agencies or firms, it will furnish Visteon a census similar in content and frequency to the Employee Census furnished to Ford by Visteon pursuant to Section 1.01. This provision shall not be subject to the Agency Threshold described below.

(d) Ford shall instruct Visteon to replace a Leased Employee with a Leased Employee and an agency employee with an agency employee; provided, however, that Ford may, in its sole discretion, instruct Visteon to replace an agency employee with a Leased Employee if the percentage of agency employees

assigned to the Business is not less than 5.7% of the number of Leased Employees assigned to the Business as of the month end immediately prior to the date of such replacement instruction (the "AGENCY THRESHOLD"). If the percentage of agency employees is below the Agency Threshold, the Parties shall mutually agree on whether a replacement shall be a Leased Employee or an agency employee.

Section 2.03. Removal of Leased Employee From Lease Without Cause. If Ford desires to discontinue the lease of any individual Leased Employee or group of Leased Employees under circumstances that would make the Leased Employee eligible for benefits under the Visteon Separation Plan ("VSP") and not for reasons related to "performance issues" or "cause" as described in Section 3.02, Ford shall use commercially reasonable efforts to give Visteon at least ten business days notice prior to the end of the calendar month. Upon receipt of notice, Visteon shall attempt to place the Leased Employee in a comparable position at Visteon. The Leased Employee will remain under lease until the earlier of (i) the date such employee is placed at Visteon or (ii) thirty (30) days following the date of the notice of termination to the employee, provided the termination shall occur no later than the end of the month following the month during which the notice of lease discontinuance occurs. Ford shall remain responsible for the lease fees for such time period. At Ford discretion, it may retain the services of the Leased Employee at Ford for such time period or may dismiss such Leased Employee. In any event, the Leased Employee shall not return to Visteon unless to report to work at a comparable Visteon position.

Section 2.04. Terminations. (a) If a Leased Employee's services are no longer required pursuant to Section 2.03 above, and Visteon terminates such employee because no comparable job is available at Visteon, Visteon shall terminate the Leased Employee under the terms of the VSP as applicable to Leased Employees and as in effect as of the date hereof. A Leased Employee who declines a comparable job at Visteon shall not be eligible for benefits under the VSP. Visteon and Ford shall mutually agree on the definition of "comparable job". During the Lease Period, Visteon shall make no change in the terms of the VSP that reduces the schedule of separation benefits, duration of welfare benefit continuation or continuation of outplacement assistance as applicable to Leased Employees as of the date hereof. Any waiver and release obtained from a Leased Employee in connection with the VSP shall include as released parties Ford and its affiliates, as well as present and former officers, directors, employees and agents of each of them. Visteon shall not terminate a Leased Employee under the terms of the VSP if such Leased Employee is being terminated "for cause" or for failure to achieve acceptable performance under the Visteon Performance Improvement Program ("PIP"), as described in Section 3.02 (b). Visteon shall be reimbursed for costs under the VSP only to the extent provided in the Reimbursement Agreement dated as of even date herewith between Ford and Visteon and the Escrow Agreement dated as of even date herewith among Ford,

Visteon and Deutsche Bank Trust Company Americas. No reimbursement for VSP costs shall be allowable under Article 4 hereof.

(b) Visteon shall be responsible for complying with any applicable Worker Adjustment and Retraining Notification ("WARN") Act and any other legal requirements in connection with a termination of a Leased Employee, provided that Visteon receives notice from Ford sufficiently in advance to permit such compliance, including notification requirements. If Visteon does not receive sufficient notice from Ford, Ford shall be responsible for all costs of compliance with WARN or any similar law, including cost of any period of continued employment or pay in lieu of notice.

Section 2.05. Baseline. Leased Employees at the Plants shall be included in the provisions of Section 2.07 of the Visteon Salaried Employee Lease Agreement dated as of October 1, 2005 between Visteon and ACH ("SALARIED EMPLOYEE LEASE AGREEMENT") and not treated as a separate group for purposes of establishing a baseline.

### ARTICLE 3 EMPLOYER MATTERS

Section 3.01. Employer Definition. Visteon shall be the employer of the Leased Employees and Ford shall not be considered the employer. Visteon will instruct Leased Employees while at Ford facilities (i) to conform to Ford policies and applicable law regarding safety and health, and personal and professional conduct (including wearing an identification badge or personal protective equipment and adhering to plant regulations and general safety practices or procedures) generally applicable to such facilities, which policies, procedures, rules and regulations Ford will provide as soon as practicable after the date hereof, and as soon as practicable upon any modification, termination or adoption of any such policy, procedure, rule or regulation; and (ii) to otherwise conduct themselves in a lawful and businesslike manner. Leased Employees also shall be subject at all times to Visteon's policies and procedures. During the Lease Period, Visteon shall retain responsibility for all payments and benefits due to the Leased Employees in connection with their work relating to the Business, including but not limited to:

- (i) the payment of Leased Employees' base salary or other components of pay (less any applicable withholding or other taxes or any amounts deducted from such wages pursuant to normal payroll practices of Visteon);
- (ii) the provision of employee benefits applicable to Leased Employees;
- (iii) the payment of all federal, state, or local taxes withheld or otherwise required to be paid with respect thereto; and

(iv) the liability for statutory benefits, including workers' compensation.

Section 3.02. Employer Rights. (a) Visteon shall retain all employer rights, except as specifically provided below, including the right to terminate Leased Employees, after notice to Ford. Visteon shall have the right to change the salary and job classification of the Leased Employees upon reasonable notice to Ford. Although Visteon shall remain responsible for performance management and personnel development, Ford and its management shall have the right to assign work to, and structure work for, Leased Employees. Leased Employees shall administer Visteon's human resources management policies and practices, such as performance reviews, compensation planning, discipline, and personnel development policies, and other Visteon policies, procedures, rules and regulations applicable to the Leased Employees, and Ford shall permit the Leased Employees to conduct such activities. Visteon may request Ford to provide information or documents with respect to the Leased Employees' job performance and other matters, and Ford shall cooperate with Visteon in providing such information or documents.

(b) In the event that Ford has a concern regarding a Leased Employee during the Lease Period, including but not limited to a concern regarding a Leased Employee's performance or conduct, Ford shall provide written notice of its concern to Visteon and such notice shall identify specifically the nature of Ford's concern. Upon receipt of such notice, Visteon shall implement a PIP in accordance with its policies. If the identified concern is not cured to the satisfaction of Ford by the end of the PIP, Ford shall have the right to notify Visteon in writing that the Leased Employee is to be returned to Visteon and removed from the Employee Census effective at the end of the month immediately following the end of the PIP. If a Leased Employee commits an offense which would justify a "for cause" termination under Visteon's personnel policies, as determined by Visteon, such employee shall be immediately escorted from their worksite and removed from the Employee Census. Ford's obligation to reimburse Visteon for any such employee removed from the Employee Census shall terminate as of the last day the employee worked for Ford.

Section 3.03. Management of Hourly Employees. The Leased Employees who are engaged in hourly supervision have the authority to exercise day to day supervision over the Ford hourly employees in accordance with the terms of the Ford-UAW CBA. In the event that any employment concern arises in connection with the administration of the Ford-UAW CBA, the Leased Employee shall consult with Ford and shall resolve the concern consistent with Ford's application of the Ford-UAW CBA to their general hourly populations.

Section 3.04. Employer Representations. Visteon represents and warrants that as of the date a Visteon Salaried Employee becomes a Leased Employee, (i) the Leased Employee shall be paid by Visteon on a salaried basis; (ii) shall not be

subject to any collective bargaining agreement or have elected to be represented by a collective bargaining representative unless otherwise disclosed in Section 3.07(a)(5) of the Contribution Agreement dated as of September 12, 2005 between Visteon and Automotive Components Holdings, Inc. f/k/a/ VFH Holdings, Inc.; and (iii) shall be subject to Visteon's annual compensation planning process as set forth in Visteon's policies and procedures.

Section 3.05. Ford Confidentiality Agreement. A Leased Employee shall be required to execute the Ford Leased Employee Confidentiality Agreement attached hereto as Schedule 3.05 ("CONFIDENTIALITY AGREEMENT"). Ford shall not require a Leased Employee to divulge Visteon's confidential information to Ford except to the extent that any confidential information was otherwise acquired by Ford in connection with the transactions. Visteon will use commercially reasonable efforts to require Leased Employees to comply with the terms of the Confidentiality Agreement. Visteon shall not use confidential information of Ford that is provided by a Leased Employee in breach of the Confidentiality Agreement.

Section 3.06. Payroll and Related Services. During the Lease Period, Visteon shall provide payroll processing services for its Leased Employees comparable to such services for its salaried employees other than Leased Employees. Upon reasonable request or as needed, Visteon will provide assurances that all proper payments and reporting requirements have been made.

Section 3.07. Employee Benefit Plans. (a) During the Lease Period, Visteon shall provide benefits to the Leased Employees under any Visteon employee benefit plan, as such term is defined in Section 3(3) of the Employment Retirement Income Security Act of 1974 ("ERISA") ("EMPLOYEE PLANS") and which are intended to be qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, ("QUALIFIED PLANS") that are the same as provided to other Visteon salaried employees.

(b) During the Lease Period, Visteon shall maintain the level of benefits under Employee Plans and any other fringe benefit plans and arrangements of Visteon for Leased Employees that are in effect as of the date hereof, unless otherwise agreed to by Ford. Visteon shall give Ford at least ninety (90) days, where practicable, but in no event less than thirty (30) days, prior written notice of any proposed change to Visteon's Employee Plans or other employee arrangements applicable to Leased Employees and Visteon shall consult with Ford about such changes. Any change must be consistent with any applicable collective bargaining agreement. In the event Ford consents to any such change, then the change shall be applicable to the Leased Employees as well as to other salaried employees of Visteon. Either prior to or after the proposed change in Employee Plans or arrangements takes effect, Ford may request that Visteon adopt and administer a special retention benefit in the sole discretion of

Ford which benefit may take the form of cash-based retention incentives and/or non-cash benefits. Visteon shall advise Ford of any incremental benefit administration costs that would be charged to Ford in connection with a non-cash benefit. In the event Ford requests the form be non-cash benefits, Visteon shall have the right to reject such request if it would be administratively burdensome or not permitted by law. The cost of such special retention benefits shall be included in the direct wage and benefit costs reimbursed by Ford under Section 4.01 below, and any incremental benefit administration costs associated with a non-cash benefit shall be borne by Ford. For avoidance of doubt, Visteon shall retain the right to modify, suspend or terminate any Employee Plans and any other fringe benefit plans and arrangements of Visteon applicable to other Visteon salaried employees who are not Leased Employees.

(c) Leased Employees shall be ineligible to participate in any employee benefit plan, fringe benefit program or other benefit arrangement sponsored by Ford, except (i) as otherwise may be provided in the Amended and Restated Employee Transition Agreement between Ford and Visteon dated as of April 1, 2000 and restated as of December 19, 2003, and as amended by Amendment Number One to Amended and Restated Employee Transition Agreement dated effective as of December 19, 2003, and as further amended by Amendment Number Two to Amended and Restated Employee Transition Agreement dated as of even date herewith. ("EMPLOYEE TRANSITION AGREEMENT") or (ii) as Ford and Visteon may mutually agree in writing.

(d) Requests for leave, reasonable accommodation and other benefits provided by Visteon policies or by federal, state or local law will be coordinated by Ford and Visteon.

(e) During the Lease Period, Visteon shall maintain, administer and manage all employee benefit and fringe benefit plans and arrangements offered to the Leased Employees, except as provided in the paragraph immediately above.

#### ARTICLE 4 REIMBURSEMENT

Section 4.01. Direct Wage and Benefit Costs. Visteon shall be reimbursed for the direct wage and benefit costs for the Leased Employees. For purposes of this Section 4.01, reimbursements for "direct wage and benefit costs" shall include:

(i) The base monthly salary, and any other type of cash compensation paid by Visteon to the Leased Employees for work performed during the Lease Period, such as overtime, moving allowance, vehicle allowances, and any other cash compensation not included in the Standard Monthly Group Fringe Cost (as defined below), subject to Ford prior written approval of

the annual compensation allocations including the annual market increases, special market increases and movement in range;

- (ii) A per-employee Standard Monthly Group Fringe Cost according to the rate schedules set forth on Schedule 4.01(ii) attached hereto. The rate schedule shall be reviewed monthly by Ford. The Standard Monthly Group Fringe Cost shall not include any fees that are to be reimbursed to Visteon under the Master Services Agreement for such expenses;
- (iii) Prorata expense for annual and long-term incentives associated with the Leased Employees, assessed on a monthly basis, based on the allocation of responsibility set forth in Schedule 4.01(iii);
- (iv) Expenses incurred by Visteon with respect to each Leased Employee which is not included in (i) through (iii) above that arise as a result of the Leased Employee's work for Ford, such as reserves for any workers' compensation claims arising out of a work accident while the Leased Employee was performing work for Ford during the Lease Period;
- (v) Reasonable and necessary travel and business related expenses incurred by Visteon in furtherance of Ford Business and paid or reimbursed to a Leased Employee by Visteon as authorized by Visteon's standard travel and business expense reimbursement policy. Reimbursement under this subsection shall not include any fees that are to be reimbursed to Visteon under the Master Services Agreement for such expenses; and
- (vi) Any taxes incurred or paid by Visteon with respect to the Leased Employees not otherwise covered under Sections (i) through (v) above, including employer payroll taxes, the Michigan single business tax, and any excise, sales, use, gross receipts, value added or other similar transaction taxes that may be levied by any domestic or foreign government related to the charges or services rendered pursuant to this Agreement; provided, however, that Visteon shall use commercially reasonable efforts to mitigate any applicable tax, including reasonable cooperation with Ford in connection with such mitigation.

Section 4.02. Reconciliation. Within a thirty (30) day period subsequent to the end of the Term, Visteon shall provide Ford with a statement indicating the Actual Group Monthly Fringe Cost for the Term for the Leased Employees and the amount that was billed to Ford pursuant to Section 4.01(ii). For purposes hereof, "Actual Group Monthly Fringe Cost" for the Term equals the actual payments made to include year end accruals, plus or minus the changes in reserves. Ford or its representatives shall have the right to verify the statement and Visteon promptly shall make available to Ford or its representatives all supporting documentation. After Ford approves the statement, Visteon shall

make any appropriate adjustment (credit or debit) within 30 days of the end of the Term. Notwithstanding the above, any adjustments with respect to pension or other post employment benefits shall be made in accordance with Schedule 4.01(ii) Salaried Fringe Expense Definitions, "Pension and OPEB Budget and Adjustment".

Section 4.03. Payment Schedule/Payment. Payments due hereunder shall be paid according to the following schedule:

- (i) Visteon shall provide Ford with an invoice for Section 4.01(i) salary and other cash compensation and Section 4.01 (vi) statutory fees two business days prior to the applicable pay date; and
- (ii) Section 4.01(ii) Standard Monthly Group Fringe Cost, Section 4.01(iii) Incentive Compensation Fees, Section 4.01(iv) Other Expenses and Section 4.01(v) Travel and Business expenses shall be invoiced five business days prior to the end of the month.

Visteon shall render an invoice to Ford in such form and containing such detail as Ford shall reasonably require, for the amounts described above. The total due on the invoice shall be paid to Visteon on (i) the second business day after receipt of the invoice with respect to Section 4.03(i) and (ii) the last business day of the month with respect to Section 4.03(ii); provided, however that reimbursement with respect to post retirement health and life benefits for Group I and II Employees (as defined in the Employee Transition Agreement) who are Leased Employees shall not be reimbursed to Visteon but shall be credited by Ford to the Salaried Employee OPEB Payment Notional Account under the Employee Transition Agreement as more fully described in the Employee Transition Agreement. Payments may be made by wire transfer or other means reasonably acceptable to Visteon. Ford or its representatives shall have a right to audit the invoices and related records of Visteon upon reasonable notice during normal business hours, at a place mutually agreed upon by the Parties.

Section 4.04. Workers' Compensation and Unemployment Insurance. Visteon shall continue to provide Workers' Compensation and Unemployment Compensation coverage for all of the Leased Employees at all times during the term of this Agreement.

#### ARTICLE 5 WORK ENVIRONMENT

Section 5.01. Compliance with All Health and Safety Laws. The Parties shall comply with all applicable, national, federal, state and local health and safety laws, regulations, ordinances, directives, and rules for Leased Employees working on their respective premises.



Section 5.02. Compliance with Employment Laws. Each of the Parties shall comply with all applicable national, federal, state and local employment laws, including, but not limited to, wage and hour, overtime, discrimination laws, and/or local ordinances with respect to its employees.

ARTICLE 6  
INTELLECTUAL PROPERTY ASSIGNMENT

Section 6.01. Assignment. Leased Employees are employees of Visteon or a subsidiary thereof. As a result, all intellectual property rights in inventions, discoveries or improvements made, conceived, developed or first reduced to practice, and in original and derivative works of authorship created by each of them, during the period of their employment with Visteon and that relate to any matter, thing, process or method of manufacture connected in any way with Visteon's or its subsidiary's business, are the property of Visteon under the terms of their employment agreements or by law. Under this Agreement, Visteon agrees to assign or cause to be assigned to Ford all right, title and interest in and to such inventions, discoveries, improvements, and original and derivative works of authorship created, made, conceived, developed or first reduced to practice by any of the Leased Employees, during the term each Leased Employee is leased to Ford. Such assignment shall not preempt, supersede or otherwise interfere with Visteon practicing rights received under license from Ford in accordance with other agreements between the Parties. Visteon further agrees to execute or cause to be executed all assignment and other transfer documents as may be necessary to cause the above transfers of intellectual property rights to be legally formalized. All such documents shall be prepared by Ford at Ford's expense, and provided to Visteon with at least thirty (30) days notice.

Section 6.02. Visteon's IP Warranty. Visteon warrants that it has the right to make the assignment to Ford of intellectual property rights in the inventions and works of authorship created by Leased Employees.

Section 6.03. WARRANTY DISCLAIMER AND LIMITATION OF LIABILITY.

(a) EXCEPT TO THE EXTENT OF THE WARRANTY MADE ABOVE, VISTEON MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED. BY WAY OF EXAMPLE BUT NOT OF LIMITATION, VISTEON MAKES NO REPRESENTATIONS OR WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. VISTEON SHALL IN NO EVENT BE LIABLE TO FORD, ITS SUCCESSORS, OR A THIRD PARTY FOR ANY DAMAGES, WHETHER DIRECT OR INDIRECT, SPECIAL OR GENERAL, CONSEQUENTIAL OR INCIDENTAL, ARISING FROM ANY LOSS

CLAIMED AS A RESULT OF FORD'S USE OF THE INTELLECTUAL PROPERTY RIGHTS ASSIGNED  
HEREUNDER.

(b) VISTEON MAKES NO WARRANTY OR REPRESENTATION THAT THE INTELLECTUAL  
PROPERTY RIGHTS ASSIGNED HEREUNDER CAN BE USED FOR ANY PARTICULAR FUNCTION OR  
THAT FORD HAS THE ABILITY TO USE THEM. VISTEON ASSUMES NO RESPONSIBILITY FOR THE  
SAFETY, QUALITY, DESIGN, SPECIFICATIONS, COMPLETENESS, ACCURACY OR OTHER  
CHARACTERISTICS OF THE PERFORMANCE, OUTPUT OR END PRODUCT RESULTING FROM THE USE  
OF THE INTELLECTUAL PROPERTY RIGHTS ASSIGNED HEREUNDER.

(c) EXCEPT TO THE EXTENT OF THE WARRANTY PROVIDED ABOVE, NOTHING CONTAINED  
HEREIN SHALL BE CONSTRUED AS CONFERRING BY IMPLICATION, ESTOPPEL OR OTHERWISE  
THE INDEMNIFICATION OF FORD BY VISTEON AGAINST ANY CLAIM OF INFRINGEMENT OF  
OTHER THIRD PARTY INTELLECTUAL PROPERTY RIGHTS, WHETHER OR NOT THE EXERCISE OF  
ANY RIGHT GRANTED HEREIN NECESSARILY EMPLOYS OR REQUIRES THE PRACTICE OF ANY  
SUCH EXISTING OR SUBSEQUENTLY CREATED THIRD PARTY INTELLECTUAL PROPERTY RIGHTS.

#### ARTICLE 7 INDEMNITY

Section 7.01. Ford Indemnity. Ford shall indemnify Visteon and its  
affiliates ("VISTEON INDEMNITEES") against and agrees to hold it harmless from  
any and all damage, loss, claim, liability and expense (including without  
limitation, reasonable attorneys' fees and expenses in connection with any  
action, suit or proceeding brought against any Visteon Indemnitee) incurred or  
suffered by any Visteon Indemnitee arising out of (i) the breach of any  
agreement made by Ford hereunder; (ii) any employment, payroll, benefit, workers  
compensation or other claims of any kind of any current or former Ford employee  
or any agency employee retained directly by Ford arising on or after the  
Effective Date and prior to the end of the Term while such Ford employee is  
employed at any of the Plants; or (iii) any claim by any current or former Ford  
employee employed at any of the Plants (or their dependents or beneficiaries),  
to the Pension Benefit Guaranty Corporation ("PBGC"), the Department of Labor  
("DOL"), the Internal Revenue Service ("IRS"), the Securities and Exchange  
Commission ("SEC") or comparable federal or national agencies in the United  
States, arising out of or in connection with the operation, administration,  
funding or termination of any of the employee benefit plans applicable to the  
Ford employees that arise during the period of time the Ford employees are  
employed at any of the Plants.

Section 7.02. Visteon Indemnity. Visteon shall indemnify Ford and its affiliates ("FORD INDEMNITEES") against and agrees to hold them harmless from any and all damage, loss, claim, liability and expense (including without limitation, reasonable attorneys' fees and expenses in connection with any action, suit or proceeding brought against any Ford Indemnatee) incurred or suffered by any Ford Indemnatee arising out of (i) breach of any agreement made by Visteon hereunder; (ii) employment, payroll, benefit, workers compensation, or other claims of any kind of any current or former Visteon Salaried Employee, including any current or former Leased Employee, or any agency employee provided by Visteon to Ford pursuant to this Agreement, arising prior to or during the Lease Period; or (iii) any claim by any current or former Visteon Salaried Employee, including any current or former Leased Employee (or their dependents or beneficiaries), to the PBGC, the DOL, the IRS, the SEC or comparable federal or national agencies in the United States, arising out of or in connection with the operation, administration, funding or termination of any of the employee benefit plans applicable to the Visteon Salaried Employees that arise prior to, during or after the Lease Period.

Section 7.03. Indemnification Procedures. The procedure for indemnification under this Article 7 shall be the same procedure set forth in Section 7.03 of the Salaried Employee Lease Agreement.

Section 7.04. Survival of Indemnity Procedure. The provisions of this Article shall survive the termination of this Agreement indefinitely or until the latest date permitted by applicable law.

#### ARTICLE 8 MISCELLANEOUS

Section 8.01. Notices. All notices, requests and other communications to any Party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to Ford, to:

Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

Ford Motor Company  
Office of the General Counsel  
One American Road  
Room 626 World Headquarters  
Dearborn, Michigan 48126  
Facsimile No.: (313) 322-0248  
E-mail: bgoricha@ford.com

if to Visteon, to:

Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: John Donofrio, General Counsel  
Facsimile No.: (734) 710-7132  
E-mail: jdonofri@visteon.com

with a copy to:

Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, NY 10153  
Attention: Michael E. Lubowitz, Esq.  
Facsimile No.: (212) 310-8007  
E-mail: Michael.lubowitz@weil.com

or such other address, facsimile number or e-mail as such Party may hereafter specify for the purpose by notice to the other Parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding business day in the place of receipt.

Section 8.02. Amendments and Waivers. Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective.

No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 8.03. Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

Section 8.04. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto. Upon any such permitted assignment, the references in this Agreement to Ford shall also apply to any such assignee unless the context otherwise requires.

Section 8.05. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Michigan, without regard to the conflicts of law rules of such state.

Section 8.06. Dispute Resolution. If a dispute arises between the Parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof and for seeking relief, including but not limited to damages, injunctive relief and specific performance:

(a) The Parties promptly shall hold a meeting of senior executives with decision-making authority to attempt in good faith to negotiate a mutually satisfactory resolution of the dispute; provided that no Party shall be under any obligation whatsoever to reach, accept or agree to any such resolution; provided further, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the Parties or be deemed a waiver by a Party hereto of any remedies to which such Party would otherwise be entitled.

(b) If the Parties are unable to negotiate a mutually satisfactory resolution as provided above, then upon request by either Party, the matter shall be submitted to binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration. Within five business days after the selection of the arbitrator, each Party shall submit its requested relief to the other Party and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed. Upon the conclusion of discovery, each Party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one Party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one Party's requested relief as to certain claims or counterclaims and the other Party's requested relief as to other claims or counterclaims. Rather, the arbitrator must only select one or the other Party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator will enter a final ruling that adopts in whole such requested relief. The arbitrator will limit his/her final

ruling to selecting the entire requested relief he/she considers the most appropriate from those submitted by the Parties.

(c) Arbitration shall take place in the City of Dearborn, Michigan unless the Parties agree otherwise or the arbitrator selected by the Parties orders otherwise. Punitive or exemplary damages shall not be awarded. This Section 8.06 is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., or comparable legislation in non-U.S. jurisdictions and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction.

Section 8.07. Jurisdiction. Subject to Section 8.06, the Parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in any federal court sitting in Michigan or any Michigan State court sitting in the Wayne County or Oakland County, Michigan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Michigan. Each of the Parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court.

Section 8.08. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 8.09. Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by all of the other Parties hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities

hereunder upon any Person other than the Parties hereto and their respective successors and permitted assigns under Section 8.04.

Section 8.10. Entire Agreement. This Agreement, the Employee Transition Agreement and the other documents executed in connection with this transaction constitute the entire agreement between the Parties with respect to the subject matter of this Agreement and supersede all prior agreements and understandings, both oral and written, between the Parties with respect to the subject matter of this Agreement, and the other transaction documents.

Section 8.11. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 8.12. Specific Performance. The Parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts specified in Section 8.07.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

VISTEON CORPORATION

FORD MOTOR COMPANY

By: /s/ James F. Palmer

By: /s/ Donat R. Leclair

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Name: James F. Palmer

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Name: Donat R. Leclair

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Title: Executive Vice President  
and Chief Financial Officer

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Title: Executive Vice President  
and Chief Financial Officer



## VISTEON HOURLY EMPLOYEE CONVERSION AGREEMENT

This Agreement relating to certain employment, labor matters and employee benefit plans ( this "AGREEMENT") dated effective as of October 1, 2005 is made and entered into by and among Visteon Corporation, a Delaware corporation ("VISTEON") and Ford Motor Company, a Delaware corporation ("FORD"). Visteon and Ford are referred to herein individually as a "PARTY" and collectively as the "PARTIES".

## WITNESSETH:

WHEREAS, Visteon and Ford have agreed to restructure their business and commercial relationships, resulting in, among other matters, a Ford controlled entity acquiring, through the purchase of Automotive Components Holdings, Inc. f/k/a VFH Holdings, Inc., a Delaware corporation, certain assets and liabilities related to Visteon's North American business, (the "BUSINESS") pursuant to a Visteon "B" Purchase Agreement dated as of September 12, 2005, which assets will be held by Automotive Components Holdings, LLC f/k/a VFH Holdings, LLC, a Delaware limited liability company ("ACH") and wholly-owned subsidiary of Automotive Components Holdings, Inc. f/k/a VFH Holdings, Inc.

WHEREAS, Visteon employs directly certain U.S. hourly employees (as more specifically defined below, the "VISTEON EMPLOYEES") who are engaged in the Business;

WHEREAS, the Visteon Employees are represented by the International Union, United Automobile Aerospace and Agricultural Implement Workers of America, UAW and its affiliated locals (collectively, "UAW" or the "UNION") and are covered under the terms and conditions of the Master Visteon-UAW Collective Bargaining Agreement dated June 29, 2000 and the Supplemental Agreement dated as of May 4, 2004 and extensions or successor agreements by and between Visteon and the UAW (collectively, "MASTER VISTEON CBA");

WHEREAS, pursuant to the terms of a Memorandum of Agreement dated as of May 24, 2005 by and between the UAW, Ford and Visteon ("MOA"), the parties thereto agreed that all Visteon Employees represented under the Master Visteon CBA would be converted to Ford employees and thereafter be subject to the terms and conditions of the collective bargaining agreement effective as of September 15, 2003 by and between Ford and the UAW ("FORD CBA") but only to the extent provided under the MOA; and

WHEREAS, pursuant to the terms of the Ford Hourly Employee Assignment Agreement dated as of even date herewith by and between Ford and ACH, and as such agreement may be further amended ("ASSIGNMENT AGREEMENT"), the Visteon Employees who are converted to Ford employees

under the terms of this Agreement will be assigned to work at ACH unless otherwise deployed by Ford. If assigned to ACH, such employees will be considered "FORD ASSIGNED EMPLOYEES" as defined in the Assignment Agreement or as defined in any amendments, whether now or in the future, to such Agreement.

NOW, THEREFORE, in consideration of the premises and mutual promises herein made, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1  
DEFINITIONS

Section 1.01. Definitions. Unless otherwise defined herein, the capitalized terms used herein shall have the following meanings:

"CONVERSION DATE" shall mean, as to each Active Visteon Employee, October 1, 2005.

"CONVERTED EMPLOYEES" shall mean Active Visteon Employees (as defined below) who are converted to Ford employees pursuant to the terms hereof and who are at work on the day immediately prior to the Conversion Date including those on contractual paid time off (i.e., jury duty, bereavement, short term military service, vacation and holiday).

"INSURANCE EFFECTIVE DATE" shall mean, as to each Converted Employee, October 3, 2005, at 12:01 a.m., except that in the case of Health Benefits, it shall mean November 1, 2005 at 12:01 a.m.

"VISTEON EMPLOYEES" shall mean U.S. persons represented by the Union, who have seniority status under the Master Visteon CBA as of the day immediately prior to the Conversion Date, who are full-time employees, and who are actively at work at Visteon on the day immediately prior to the Conversion Date including those on contractual paid time off with reinstatement rights (i.e., paid absence for jury duty, bereavement, short term military service, vacation or holiday) ("ACTIVE VISTEON EMPLOYEES"). For avoidance of doubt, Active Visteon Employees shall not include Visteon employees who are not at work at Visteon the day immediately prior to the Conversion Date for reasons other than paid absence for jury duty, bereavement, short term military service, vacation or holiday, such as employees on unpaid leave of absence, layoff status, workers' compensation leave, accident and sick leave or long term disability leave ("INACTIVE VISTEON EMPLOYEES").

ARTICLE 2  
EMPLOYMENT RESPONSIBILITY

Section 2.01. Employee Census. Prior to the Conversion Date, Visteon shall have delivered to Ford a preliminary employee census ("PRELIMINARY CENSUS") attached hereto as Exhibit 2.01. The Preliminary Census sets forth:

- (i) a list of all Active Visteon Employees by name and global identification number;
- (ii) the job classification of each Active Visteon Employee;
- (iii) the Visteon Service Date of each Active Visteon Employee; and
- (iv) the wage rate applicable to each Active Visteon Employee.

Visteon shall revise the Preliminary Census as of October 1, 2005 to reflect any applicable changes and shall deliver such revised and updated Preliminary Census to Ford no later than October 13, 2005. Ford shall review the revised Preliminary Census within 10 days of receipt. Upon Ford's approval, such Preliminary Census shall become the "FINAL CENSUS" and shall become the new Exhibit 2.01. At the time of delivery of each census, Visteon shall provide Ford, in a manner mutually agreed upon, with the social security numbers for each Active Visteon Employee included in the Preliminary and Final Censuses and both parties shall use their commercially reasonable best efforts to keep such social security numbers confidential.

Section 2.02. Employment Conversion. Visteon and Ford shall respectively take such action as is necessary to convert the Visteon Employees to Converted Employees effective as of the Conversion Date. On such date, the Converted Employees shall be subject to the terms and conditions of the Ford CBA, to the extent provided in the MOA.

Section 2.03. Seniority. Converted Employees shall be provided with seniority as described in the MOA.

Section 2.04. Grievances. All unresolved grievances pertaining to Visteon Employees as of the Conversion Date shall be processed to conclusion under the terms of the Master Visteon CBA.

Section 2.05. Employment and Medical Records. (a) Employment Records. Employment records of any kind pertaining to Converted Employees shall become the property of Ford as of the Conversion Date. Employee records shall remain in the physical custody of the appropriate hourly labor supervisors at the ACH plants where the Converted Employees are assigned to work. Ford shall cause ACH to permit Visteon to have reasonable access to such records at

Visteon's request. In the event a Converted Employee is reassigned to a non-ACH location, Ford shall cause ACH to transfer the employment records to the receiving location as soon as practicable following the reassignment.

(b) Medical Records. For purposes of this Section (b), a "medical record" shall include, but is not limited to, reports, histories and physicals, progress notes, and other patient information (e.g., x-rays and x-ray readings, medical surveillance examinations, laboratory reports, operative reports, consultations, etc.). The medical record may be maintained in hard copy and/or on computerized systems. Visteon confirms that all Visteon Employees received a post-offer preplacement health assessment prior to hire at Visteon and that the assessment, the equivalent of a Ford post-offer preplacement screen, included the following: medical history, height, weight, blood pressure, pulse, full visual acuity, urine testing for sugar and albumin, urine drug testing and physical examination. Ford shall not require a post-offer pre-placement screen for a Converted Employee. Visteon represents, warrants and agrees that, as of their applicable Conversion Dates, each Converted Employee shall have had all scheduled medical surveillance examinations required by law.

Medical records of any kind pertaining to Converted Employees shall become the property of Ford as of the Conversion Date. Medical records shall remain in the physical custody of the appropriate medical departments at the ACH plants where the Converted Employees are assigned to work. In the event a Converted Employee is reassigned to a non-ACH location, Ford shall cause ACH to transfer the medical records to the receiving location as soon as practicable following the reassignment.

### ARTICLE 3 OTHER EMPLOYEE MATTERS

Section 3.01. Employee Benefit Plans and Arrangements. Visteon shall take such action as is necessary to terminate Converted Employees' participation in Visteon pension and savings plans on the Conversion Date and all other employee benefit plans or other employee programs sponsored by Visteon with respect to service on or after the Insurance Effective Date. Ford shall take such action as is necessary to enroll Converted Employees in employee benefit plans or other employee programs sponsored by Ford with respect to service on or after the Insurance Effective Date, and in accordance with the provisions of the MOA. Schedule 3.01 hereto sets forth the transition plan with respect to the Ford employee benefit plans and other employee programs. Schedule 3.01 is provided for information purposes only to facilitate benefits administration and is not intended to create a legally binding obligation on Ford. Visteon shall not have a cause of action against Ford for breach related to any such arrangements described on Schedule 3.01.

Section 3.02. Workers' Compensation (W.C.). Ford shall be responsible for all claims which relate to injuries affecting Converted Employees that occur on or after the Conversion Date. Such claims shall be processed under the Ford self-insured or insured W.C. Program commencing on October 3, 2005. Visteon shall be responsible for all claims which relate to injuries affecting Converted Employees that occurred prior to the Conversion Date. Such claims shall be processed to conclusion under the Visteon self-insured or insured W.C. Program. Visteon shall continue to provide worker's compensation coverage for Converted Employees for the period of October 1, 2005 through October 2, 2005 and Ford shall reimburse Visteon for any claims during such period.

Section 3.03. Family Support, Garnishments and Legal Holds. (a) Family Support. Visteon shall notify governmental agencies in advance of the Conversion Date of the change of employer in order that such agencies may refile with Ford.

(b) Garnishments. Neither Visteon nor Ford shall notify any creditor of a Converted Employee of the change of employer. A Converted Employee may notify his or her creditor of the change of employer.

(c) Legal Holds. Visteon shall inform the applicable courts in advance of the Conversion Date of the change of employer and the need to refile with Ford.

Section 3.04. Employee Wage and Benefit Liabilities. Visteon shall pay, discharge and be responsible for (i) all wages and other compensation arising out of or relating to the employment of the Converted Employees prior to the Conversion Date; (ii) any benefits arising under Visteon employee benefit plans and programs relating to claims incurred or events that took place prior to the Conversion Date, including benefits with respect to claims incurred prior to the Conversion Date but reported after the Conversion Date; and (iii) workers' compensation claims, expenses, liabilities, or administrative responsibilities of any kind whatsoever with respect to injuries incurred prior to the Conversion Date, regardless of when reported. Ford shall pay, discharge and be responsible for (i) all wages and other compensation arising out of or relating to the employment of the Converted Employees on or after the Conversion Date; (ii) any benefits arising under the Ford CBA applicable to Converted Employees relating to claims incurred or events that took place on or after the Conversion Date; and (iii) workers' compensation claims, expenses, liabilities, or administrative responsibilities of any kind whatsoever with respect to injuries incurred after the Conversion Date.

Section 3.05. Post-retirement Health Care Account. Within thirty (30) days of the Conversion Date, Visteon shall transfer to Ford an amount in cash equal to the Accumulated Projected Benefit Obligation ("APBO") in the Converted Employee's post-retirement health care account, valued as of

September 30, 2005 and determined by Visteon's actuary using assumptions used by Visteon for its hourly employees.

Section 3.06. Communications. No communication to or with respect to Visteon Employees covering the transactions contemplated by this Agreement shall be released without the mutual agreement of Visteon and Ford.

Section 3.07. HR Transitional Services. For the period of October 1, 2005 through October 2, 2005 (or November 1, 2005 with respect to Health Benefits), Visteon shall retain the Converted Employees under Visteon pay and benefit plans, to the extent legally permissible, in order to accommodate payroll cycles. Ford shall reimburse Visteon for the costs related to such pay and benefit plans for the applicable period.

Section 3.08. Christmas Bonus. Visteon shall remain responsible for its pro rata share (i.e., 48/52ths) of any Christmas Bonus under the Master Visteon CBA. Ford shall provide Visteon with an invoice for the pro rata share of the Christmas Bonus two days prior to the applicable pay date and Visteon shall reimburse Ford the total due on the invoice on the second business day after receipt of the invoice.

#### ARTICLE 4 INDEMNIFICATION

Section 4.01. Indemnity. Ford shall indemnify Visteon and its affiliates ("VISTEON INDEMNITEES") against and agrees to hold it harmless from any and all damage, loss, claim, liability and expense (including without limitation, reasonable attorneys' fees and expenses in connection with any action, suit or proceeding brought against any Visteon Indemnitee) incurred or suffered by any Visteon Indemnitee arising out of (i) breach of any agreement made by Ford hereunder; (ii) employment claims of Converted Employees which arise or take place subsequent to the Conversion Date; or (iii) any claim by Converted Employees (or their dependents or beneficiaries), arising out of or in connection with the operation, administration, funding or termination of any of Ford's employee benefit plans or programs applicable to Converted Employees after the Conversion Date, including, without limitation, claims made to the Pension Benefit Guaranty Corporation ("PBGC"), the Department of Labor ("DOL"), the Internal Revenue Service ("IRS"), the Securities and Exchange Commission ("SEC") or comparable federal or national agencies in the United States.

Visteon shall indemnify Ford and its affiliates ("FORD INDEMNITEES") against and agrees to hold them harmless from any and all damage, loss, claim, liability and expense (including without limitation, reasonable attorneys' fees and expenses in connection with any action, suit or proceeding brought against any Ford Indemnitee) incurred or suffered by any Ford Indemnitee arising out of (i) breach of any agreement made by Visteon hereunder; (ii) employment claims of

Converted Employees whenever made which arose or took place prior to the Conversion Date; or (iii) any claim by Converted Employees (or their dependents or beneficiaries), arising out of or in connection with the operation, administration, funding or termination of any of Visteon's employee benefit plans or programs applicable to Converted Employees prior to the Conversion Date or in connection with the operation and administration of any such plans on or after the Conversion Date, including, without limitation, claims made to the PBGC, DOL, IRS, SEC or comparable federal or national agencies in the United States.

Section 4.02. Procedure for Indemnity. The procedure for indemnification under this Article 4 shall be the same procedure set forth in Section 7.03 of the Visteon Salaried Employee Lease Agreement dated as of even date herewith between Visteon and ACH.

Section 4.03. Survival of Indemnity Procedure. The provisions of this Article shall survive the termination of this Agreement indefinitely or until the latest date permitted by applicable law.

ARTICLE 5  
GENERAL PROVISIONS

Section 5.01. Notices. All notices, requests and other communications to any Party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to Ford, to:

Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126  
Attention: Peter J. Sherry, Jr.  
Associate General Counsel  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

Ford Motor Company  
Office of the General Counsel  
One American Road  
320 World Headquarters  
Dearborn, Michigan 48126  
Attention: Bonnie Gorichan

Managing Counsel - ERISA and Employee Benefits  
Facsimile No.: (313) 322-0248  
E-mail: bgoricha@ford.com

and to:

Davis Polk & Wardwell  
450 Lexington Avenue  
New York, New York 10017  
Attention: Paul R. Kingsley  
Facsimile No.: (212) 450-3800  
E-mail: paul.kingsley@dpw.com

if to Visteon, to:

Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: John Donofrio, General Counsel  
Facsimile No.: (734) 710-7132  
E-mail: jdonofri@visteon.com

with a copy to:

Weil, Gotshal & Manges, LLP  
767 Fifth Avenue  
New York, NY 10153  
Attention: Michael E. Lubowitz, Esq.  
Facsimile No.: (212) 310-8007  
E-mail: Michael.lubowitz@weil.com

or such other address or facsimile number as such Party may hereafter specify for the purpose by notice to the other Parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding business day in the place of receipt.

Section 5.02. Amendments and Waivers. Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective.

No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise



thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 5.03. Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

Section 5.04. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto. Upon any such permitted assignment, the references in this Agreement to the ACH shall also apply to any such assignee unless the context otherwise requires.

Section 5.05. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Michigan, without regard to the conflicts of law rules of such state.

Section 5.06. Dispute Resolution. If a dispute arises between the Parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof and for seeking relief, including damages, injunctive relief and specific performance:

(a) The Parties promptly shall hold a meeting of senior executives with decision-making authority to attempt in good faith to negotiate a mutually satisfactory resolution of the dispute; provided that no Party shall be under any obligation whatsoever to reach, accept or agree to any such resolution; provided further, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the Parties or be deemed a waiver by a Party hereto of any remedies to which such Party would otherwise be entitled.

(b) If the Parties are unable to negotiate a mutually satisfactory resolution as provided above, then upon request by either Party, the matter shall be submitted to binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration. Within five business days after the selection of the arbitrator, each Party shall submit its requested relief to the other Party and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed. Upon the conclusion of discovery, each Party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one Party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one Party's requested relief as to certain claims or counterclaims and the other Party's requested relief as to other claims or counterclaims. Rather, the arbitrator must only select one or the other Party's entire requested relief on all of the asserted claims and counterclaims, and the

arbitrator shall enter a final ruling that adopts in whole such requested relief. The arbitrator shall limit his/her final ruling to selecting the entire requested relief he/she considers the most appropriate from those submitted by the Parties.

(c) Arbitration shall take place in the City of Dearborn, Michigan unless the Parties agree otherwise or the arbitrator selected by the Parties orders otherwise. Punitive or exemplary damages shall not be awarded. This Section 5.06 is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., or comparable legislation in non-U.S. jurisdictions, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction.

Section 5.07. Jurisdiction. Subject to Section 5.06, the Parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in any federal court sitting in Michigan or any Michigan State court sitting in the Wayne County or Oakland County, Michigan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Michigan. Each of the Parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or any objection that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court.

Section 5.08. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 5.09. Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by the other Party hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than (i) the Parties hereto and their respective successors and permitted

assigns under Section 5.04 and (ii) as Ford expressly provided in Section 5.08 of the Visteon "B" Purchase Agreement.

Section 5.10. Entire Agreement. The Master Agreement between Ford and Visteon dated October 1, 2005, this Agreement, the Contribution Agreement dated September 12, 2005 between Visteon and Automotive Components Holdings, Inc. f/k/a/ VFH Holdings Inc., the other Contribution Agreement Transaction Documents (as defined in the foregoing Contribution Agreement), the Visteon "A" Transaction Agreement, the Visteon "A" Transaction Documents (as defined in the Visteon "A" Purchase Agreement), the Visteon "B" Purchase Agreement, the Visteon "B" Transaction Documents (as defined in the Visteon "B" Purchase Agreement), and the Confidentiality Agreement dated October 1, 2004 between Ford and Visteon, constitute the entire agreement between the Parties with respect to the subject matter of such agreements and supersede all prior agreements and understandings, both oral and written, between the Parties with respect to the subject matter of such agreement.

Section 5.11 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 5.12. Specific Performance. The Parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts specified in Section 5.07.

IN WITNESS WHEREOF, Ford and Visteon have caused this Agreement to be executed in multiple counterparts by their duly authorized representatives.

FORD MOTOR COMPANY

VISTEON CORPORATION

By: /s/ Donat R. Leclair

By: /s/ James F. Palmer

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Name: Donat R. Leclair

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Name: James F. Palmer

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Title: Executive Vice President  
and Chief Financial Officer

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Title: Executive Vice President  
and Chief Financial Officer

## VISTEON SALARIED EMPLOYEE TRANSITION AGREEMENT

This Agreement relating to certain employment matters and employee benefit plans (this "AGREEMENT" ) dated effective as of October 1, 2005 (the "EFFECTIVE DATE") is made and entered into by and between Visteon Corporation, a Delaware corporation ("VISTEON") and Ford Motor Company, a Delaware corporation ("FORD"). Visteon and Ford are referred to herein individually as a "PARTY" and collectively as the "PARTIES".

## WITNESSETH:

WHEREAS, Visteon and Ford have agreed to restructure their business and commercial relationships, resulting in, among other matters, a Ford controlled entity acquiring, through the purchase of Automotive Components Holdings, Inc. f/k/a VFH Holdings, Inc., a Delaware corporation, certain assets and liabilities related to Visteon's North American business pursuant to a Visteon "B" Purchase Agreement dated as of September 12, 2005 which assets will be held by Automotive Components Holdings, LLC f/k/a/ VFH Holdings, LLC, a Delaware limited liability company ("ACH") and wholly-owned subsidiary of Automotive Components Holdings, Inc. f/k/a/ VFH Holdings, Inc.;

WHEREAS, Visteon is engaged in the business of manufacturing and assembling automotive parts and providing related services at its Rawsonville plant ("RAWSONVILLE PLANT"), Sterling I and II plants and Sterling Test Labs (collectively "STERLING PLANTS") (each of Rawsonville Plant and Sterling Plants a "PLANT" and collectively the "PLANTS"), located in Southeast Michigan (the "BUSINESS");

WHEREAS, pursuant to the Contribution Agreement between Visteon Corporation and Automotive Components Holdings, Inc. f/k/a/ VFH Holdings, Inc. dated as of September 12, 2005 (the "Contribution Agreement"), Visteon agreed to contribute the Plants to ACH;

WHEREAS, pursuant to the terms of a Memorandum of Agreement dated as of May 24, 2005 by and between the International Union, United Automobile Aerospace and Agricultural Implement Workers of America, UAW and its affiliated locals (collectively, "UAW" or the "UNION"), Ford and Visteon (the "MOA"), the parties thereto agreed that the Plants would be transferred to Ford provided that a local competitive operating agreement ("COA") for each Plant is approved by the UAW prior to the closing date of the restructuring actions. If COA's are not approved by such closing date, the Plants will remain ACH owned plants. If a COA is approved at the Sterling Plants but not the Rawsonville Plant, or vice versa, then only the Plant that approved the COA would be transferred to Ford;

WHEREAS, Visteon employs certain salaried employees who are either employed at the Plants or otherwise principally support the Business ("VISTEON SALARIED EMPLOYEES"); and

WHEREAS, in the event any of the Plants are transferred from ACH to Ford, the Parties desire that the Visteon Salaried Employees associated with the Plants be transferred to Ford effective on the Employment Date (as hereafter defined).

NOW, THEREFORE, in consideration of the premises and mutual promises herein made, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1  
DEFINITIONS

Section 1.01. Definitions. Unless otherwise defined herein, the capitalized terms used herein shall have the following meanings:

"EMPLOYEE ROSTER" shall mean for each of the Plants a list of the Visteon Employees as of May 24, 2005 who either (i) are engaged in the Business and are assigned to the Plants; or (ii) principally support the Business as of May 24, 2005, together with such other information as Ford may reasonably require, as set forth in Exhibit 1.01 attached hereto.

"TRANSFERRED EMPLOYEES" shall mean:

(i) Active Visteon Employees who are transferred pursuant to the terms hereof and who either (A) are engaged in the Business and who are actively at work at the Plants the day immediately prior to the Transition Date including those on contractual paid time off (i.e., jury duty, bereavement, short term military service, vacation and holiday); or (B) principally support the Business, regardless of location, as verified by Ford prior to the Transition Date;

(ii) Inactive Visteon Employees who make an Effective Return to Work (as hereafter defined) after the Transition Date. For this purpose, "EFFECTIVE RETURN TO WORK" shall mean the period of time (i.e., one month) that an employee must be back to work at Visteon before being eligible to file a new claim for any condition as determined under the Visteon Salaried Disability Plan; and

(iii) Former Active Visteon Employees who as of the Transition Date are Visteon employees and are assigned by Visteon to work in parts of Visteon's business other than the Business, on the date of such return, subject to Ford approval.

"TRANSITION DATE" shall mean January 1, 2006.

"VISTEON EMPLOYEES" shall mean:

(i) U.S. persons who are enrolled on the Visteon salaried payroll who are full-time employees, and who either are (A) engaged in the Business and

actively at work at the Plants on the day immediately prior to the Transition Date, including those on contractual paid time off with reinstatement rights (i.e., paid absence for jury duty, bereavement, short term military service, vacation or holiday), and those on reduced or alternate work schedules ("ACTIVE VISTEON EMPLOYEES"); or (B) who are principally engaged in the support of the Business;

(ii) U.S. persons who are enrolled on the Visteon salaried payroll who are full-time employees who are not at work at the Plants the day immediately prior to the Transition Date and who are entitled to reinstatement on return to employment, including those on leave of absence, layoff status, workers' compensation leave, short term disability leave or long term disability leave ("INACTIVE VISTEON EMPLOYEES"). For avoidance of doubt, Inactive Visteon Employees shall not include Visteon employees without reinstatement rights such as former Visteon employees who have terminated service by quit, death, voluntary or involuntary separation; and

(iii) U.S. persons who are enrolled on the Visteon salaried payroll who are full-time employees who work for businesses of Visteon other than the Business but who were former Active Visteon Employees with a right to return home to the Plants at the conclusion of the present assignment to the other businesses ("FORMER ACTIVE VISTEON EMPLOYEES").

## ARTICLE 2 EMPLOYMENT RESPONSIBILITY

Section 2.01. Employee Census. A preliminary employee census is attached as Schedule 2.01 ("PRELIMINARY EMPLOYEE CENSUS"). The Preliminary Employee Census sets forth:

(i) a list of all Active Visteon Employees by Plant, name and global identification number;

(ii) a list of all Inactive Visteon Employees by Plant, name and global identification number;

(iii) a list of all Former Active Visteon Employees by Plant, name and global identification number;

(iv) the job classification of each Active, Inactive or Former Active Visteon Employee;

(v) the Visteon Service Date of each Active, Inactive or Former Active Visteon Employee;

(vi) the monthly base salary applicable to each Active, Inactive or Former Active Visteon Employee;

(vii) the reason for any absence of any Visteon Inactive Employee and the date any leave expires; and

(viii) the assignment of any Former Active Visteon Employee and the date such employee is expected to return from the non-Business assignment.

Within ten (10) days of the date hereof, Ford shall compare the Preliminary Employee Census with the Employee Roster and to the extent of any discrepancies, Visteon shall explain to Ford the basis for such discrepancies. Ford shall have the unilateral right to reject any Visteon Employee listed on the Preliminary Employee Census if such employee was not listed on the Employee Roster and the discrepancy, in the sole judgment of Ford, is not reasonably explained. Visteon shall revise the Preliminary Employee Census accordingly as of the Transition Date to reflect any applicable changes after consultation with Ford. The revised Employee Census shall be delivered to Ford within ten (10) days of the Transition Date. Ford shall have an additional ten days (10) to approve the revised Employee Census. After the revised Employee Census is approved by Ford, it shall be the Final Employee Census. Visteon shall provide Ford, in a manner mutually agreed upon, with the social security numbers for each Active and Inactive Visteon Employee included in the Final Employee Census and both parties shall use their commercially reasonable best efforts to keep such social security numbers confidential.

Section 2.02. Employment Transfer. Visteon shall transfer the employment of the Active Visteon Employees effective as of the Transition Date and such employees shall become Transferred Employees effective on the Transition Date. If an Inactive Visteon Employee makes an Effective Return to Work, Visteon shall transfer the employment of such employee to Ford effective on the date the Inactive Visteon Employee makes the Effective Return to Work ("REINSTATEMENT DATE"), and such employee shall become a Transferred Employee on the Reinstatement Date. For the period commencing with the Inactive Visteon Employee's return to work and the Effective Return to Work, the Inactive Visteon Employee will remain on Visteon's salaried employment rolls and shall be leased to Ford under the terms of the Visteon Salaried Employee Lease Agreement (Rawsonville/Sterling) described in Section 2.07 hereof. Within thirty (30) days prior to the date a Former Active Visteon Employee is scheduled to return to a Plant from a non-Business assignment, Visteon and Ford shall meet to discuss the circumstances with respect to such employee and Ford, at its option, may authorize the transfer of the Former Active Visteon Employee to Ford effective as of the date such employee is scheduled to return (the "RETURN DATE"). Such an employee shall become a Transferred Employee on the Return Date. If Ford elects not to authorize the transfer of the Former Active Visteon Employee, Visteon shall be responsible for such employee in all respects. The Transition Date, the Reinstatement Date, or the Return Date, as applicable, shall be known hereafter as the "EMPLOYMENT DATE."



Section 2.03. Service Date. The service date of the Transferred Employees shall be the Employment Date, except as otherwise provided for in this Agreement. For purposes of fulfilling a Ford requirement of time on position for transfers or promotions, Ford shall credit the time at Visteon or at Ford prior to July 1, 2000, towards any such time requirements.

Section 2.04. Employment and Medical Records.

(a) Employment Records. Visteon shall transfer to Ford any employment records of any kind related to the Transferred Employees as soon as practicable after the Employment Date. To the extent that any state law requires employee consent to such transfer, the Parties shall use their respective best efforts to obtain employee consent to such transfer. Visteon shall cooperate in any requests by Ford to scan such records into Ford's central data base.

(b) Medical Records. For purposes of this Section (b), a "MEDICAL RECORD" shall include, but is not limited to, reports, histories and physicals, progress notes, and other patient information (e.g., x-rays and x-ray readings, medical surveillance examinations, laboratory reports, operative reports, consultations, etc.). The medical record may be maintained in hard copy and/or on computerized systems. Visteon confirms that all Visteon Employees received a post-offer preplacement health assessment prior to hire at Visteon and that the assessment is the equivalent of a Ford post-offer preplacement screen. Ford shall not require a post-offer pre-placement screen for a Transferred Employee. After the Employment Date, all medical records with respect to the Transferred Employees will either remain at the applicable Plant Medical Office or if maintained at a different Visteon location, shall be transferred to the applicable Plant Medical Office, and in either case shall be owned by Ford.

Section 2.05. Vacation. Transferred Employees shall be grandfathered into their Visteon vacation eligibility and Ford shall recognize such vacation eligibility for purposes of the Ford vacation schedule. Visteon service shall be counted towards any service related schedule for Ford vacation eligibility.

Section 2.06. Salary. A Transferred Employee will be assigned to the appropriate Ford salary grade or leadership level, as determined by Ford. Individual base salaries will not be reduced.

Section 2.07. Salaried Lease Arrangements. Between the Effective Date and the Transition Date, Visteon agrees to lease to Ford the Active Visteon Salaried Employees pursuant to the terms of the Visteon Salaried Employee Lease Agreement (Rawsonville/Sterling) dated as of even date herewith between Ford and Visteon ("LEASE AGREEMENT"). In the event an Inactive Visteon Employee makes an Effective Return to Work prior to the Transition Date, Visteon shall lease such employee to Ford pursuant to the Lease Agreement until the Transition Date. After the Transition Date, Visteon shall lease to Ford pursuant to the Lease Agreement those Inactive Visteon Employees who have returned to work but not made an Effective Return to Work for the period prior to their transfer to Ford.

ARTICLE 3  
EMPLOYEE BENEFIT PLANS

Section 3.01. Primary Pension Plans.

(a) Ford Retirement Plan. The Ford Retirement Plan ("FRP") shall provide retirement benefits on or after the Employment Date for all Transferred Employees. Vesting and eligibility for benefits under the FRP shall be determined by using the Transferred Employee's Visteon service date; provided, however, that the Ford original hire date will be used for those employees who had service prior to July 1, 2000.

(b) Transferred Employees with Grow-In Rights Under the Ford General Retirement Plan. Pursuant to the Amended and Restated Employee Transition Agreement between Ford and Visteon dated as of April 1, 2000 and restated as of December 19, 2003, and as amended by Amendment Number One to Amended and Restated Employee Transition Agreement dated effective as of December 19, 2003, and as further amended by Amendment Number Two to Amended and Restated Employee Transition Agreement dated as of even date herewith ("EMPLOYEE TRANSITION AGREEMENT"), certain Ford employees who were transferred to Visteon from Ford who as of July 1, 2000 had a combination of age and credited service under the Ford General Retirement Plan ("GRP") that equals or exceeds sixty points and could have become eligible for normal or regular early retirement under the GRP within the period after July 1, 2000 equal to the employee's credited service under the GRP as of July 1, 2000 ("GROUP II EMPLOYEE"), were given rights to grow into a GRP normal or regular early retirement benefit, special early retirement benefit or disability benefit, but only to the extent provided under the Employee Transition Agreement. The GRP benefit for grow-in eligible Transferred Employees will be administered as follows:

(i) Years of credited service under the GRP prior to July 1, 2000 shall be used to determine the amount of the GRP benefit. The benefit rates shall be those in effect at the time of retirement.

(ii) The sum of the years of credited service under the GRP prior to July 1, 2000, plus years of service at Visteon (or any predecessor company), plus years of service under the FRP after the Transition Date, shall be used solely for the purposes of fulfilling the minimum years of credited service required as a condition of eligibility for GRP benefits, but not for the purposes of calculating the benefit amount.

(iii) Solely for purposes of determining the contributory benefit under the GRP, Final Average Monthly Salary under the GRP shall mean the highest average monthly salary paid to a Transferred Employee by Ford or Visteon as of the five consecutive December 31 dates that occur during the 120 consecutive months ending with the last month employed by Ford.

(iv) To the extent GRP benefits are related to completion of a specified period of credited service (e.g. Early Retirement Supplement), and the Transferred Employee meets the eligibility conditions, the amount of the benefit payable under the GRP shall be determined as follows: The Early Retirement Supplement in effect at retirement shall be multiplied by a fraction, the numerator of which shall be the years of credited service under the GRP (not to exceed thirty years) and the denominator of which shall be thirty years. For example, a Transferred Employee with ten years of GRP credited service prior to July 1, 2000 and 25 years of service with Visteon and Ford after July 1, 2000 for total combined service of 35 years shall be eligible for 10/30 of a GRP Early Retirement Supplement payable to age 62 and one month.

(v) If a Transferred Employee does not have thirty years of eligibility service to qualify for an Early Retirement Supplement but otherwise achieves retirement eligibility, the amount of the GRP Temporary or Interim Supplement shall be determined by multiplying the rate in effect at retirement for the Temporary or Interim Supplement by the years of credited service under the GRP payable to age 62 and one month.

(c) Transferred Employees with Retirement Eligibility Under the GRP. Pursuant to the Employee Transition Agreement, certain Ford employees who were transferred to Visteon were eligible to retire under the normal retirement, regular early retirement, special early retirement or disability benefit provisions of the GRP and had not commenced benefits as of the Employment Date. The GRP benefits for such retirement eligible Transferred Employees will be administered as follows:

(i) Years of credited service under the GRP prior to July 1, 2000 shall be used to determine the amount of the GRP benefit. The benefit rates shall be those in effect at the time of retirement.

(ii) The sum of the years of credited service under the GRP prior to July 1, 2000, plus years of service at Visteon (or any predecessor company), plus years of service under the FRP after the Transition Date, shall be used solely for the purposes of fulfilling the minimum years of credited service required as a condition of eligibility for GRP benefits, but not for the purposes of calculating the benefit amount.

(iii) Solely for purposes of determining the contributory benefit under the GRP, Final Average Monthly Salary under the GRP shall mean the highest average monthly salary paid to a Transferred Employee by Ford or Visteon as of the five consecutive December 31 dates that occur during the 120 consecutive months ending with the last month employed by Ford.

(iv) To the extent GRP benefits are related to completion of a specified period of credited service (e.g., Early Retirement Supplement), and the Transferred Employee meets the eligibility conditions, the amount

of the benefit payable under the GRP shall be determined as follows: The Early Retirement Supplement in effect at retirement shall be multiplied by a fraction, the numerator of which shall be the years of credited service under the GRP (not to exceed thirty years) and the denominator which shall be thirty years. For example, a Transferred Employee with ten years of GRP credited service prior to July 1, 2000 and 25 years of service with Visteon and Ford after July 1, 2000 for total combined service of 35 years shall be eligible for 10/30 of a GRP Early Retirement Supplement payable to age 62 and one month.

(v) If a Transferred Employee does not have thirty years of eligibility service to qualify for an Early Retirement Supplement but otherwise achieves retirement eligibility, the amount of the GRP Temporary or Interim Supplement shall be determined by multiplying the rate in effect at retirement for the Temporary or Interim Supplement by the years of credited service under the GRP and is payable to age 62 and one month.

(d) Late Transfers. To the extent that any Transferred Employees were transferred from Ford to Visteon on any date after July 1, 2000, service under the GRP to the date of transfer will be used for purposes of Sections (b) and (c) above.

Section 3.02. Savings Plans. Visteon Employee contributions to the Visteon Investment Plan ("VIP") shall cease effective with the first pay period beginning after the Employment Date. Outstanding VIP loan balances will be retained in the VIP and Transferred Employees will receive coupon books from the VIP 401(k) service provider to continue loan repayments. Transferred Employees may continue to manage their accounts under the VIP, but, to the extent permitted by law, no new loans may be initiated after December 31, 2005, pursuant to existing plan terms.

Transferred Employees as of the Employment Date may commence pretax and after tax contributions up to an aggregate of 50% of base wages in the Ford Motor Company Savings and Stock Investment Plan ("SSIP") on the same terms and conditions as other Ford employees. Transferred Employees may elect to participate in the SSIP. Ford shall cause the SSIP to mail to the Transferred Employees an enrollment package in which the Transferred Employee may select deferral percentages and designate investment elections. Eligibility for Ford Matching Contributions in the SSIP, to the extent available, shall be determined by using the Transferred Employee's Visteon service date; provided, however, that the Ford original hire date will be used for those employees who had Ford service prior to July 1, 2000. SSIP will accept rollovers of eligible VSP distributions if so elected by the Transferred Employee on the same basis as SSIP receives rollovers from other employers' qualified defined contribution plans. SSIP will accept rollovers of outstanding loan balances of only those Transferred Employees who elect to rollover assets within the specified time frame to be determined by Ford.

Section 3.03. Health Benefits. Transferred Employees as of the Employment Date shall be eligible for the Ford-Salaried Health Care Program. Such employees shall be subject to the Ford waiting period for such coverages but Visteon service will be counted towards the waiting period. Visteon Flex Benefits will terminate at 12 a.m. on the Employment Date. Transferred Employees will be enrolled in a comparable plan as a new hire. During the Ford Flex Open Enrollment Period, Transferred Employees will be given the option to choose additional Flex benefits for the 2006 Flex Plan Year, commencing June 1, 2006. Transferred Employees shall be eligible to participate in the Ford Comprehensive Medical Plan provided they (i) had a prior Ford Service Date on or before June 1, 1995; and (ii) were enrolled in the Visteon Comprehensive Medical Plan immediately prior to the Employment Date.

Section 3.04. Life Insurance Programs.

(a) Company Paid Life Insurance Coverage. Transferred Employees as of the Employment Date shall be eligible for coverage through the Ford Salary Group Life and Accidental Death and Dismemberment Insurance Program effective as of the Employment Date. Transferred Employees shall be required to execute a new beneficiary designation form, as required by Ford's plan administrator. In the event of a death prior to receipt of a new beneficiary designation form, Ford shall use the last beneficiary form of record under the Visteon Group Life Insurance Program.

(b) Employee Paid Optional Life Insurance Coverage, Spouse Group Life Insurance and Children Insurance. Payroll deduction of premiums for optional life insurance coverage, spouse group life insurance and children insurance under the Visteon plans shall cease the day prior to the Employment Date. Transferred Employees shall be eligible for coverage in approximately the same amount as was available under the Visteon plan with coverage to be effective on the Employment Date. Transferred Employees shall be required to execute a new beneficiary designation form, as required by Ford's plan administrator, in the case of optional life coverage. In the event of a death prior to receipt of a new beneficiary designation form, Ford shall use the last beneficiary form of record under the Visteon optional life insurance program.

(c) Optional Accident Insurance. Transferred Employees as of the Employment Date shall be eligible for coverage through the Ford Optional Accident Insurance Program effective as of the Employment Date. Transferred Employees with coverage under the Visteon Optional Accident Insurance Program shall be eligible for coverage in approximately the same amount as was available under the Visteon plan and shall be required to execute a new beneficiary designation form as required by Ford's plan administrator. In the event of a death prior to receipt of a new beneficiary designation form, Ford shall use the last beneficiary form of record under the Visteon Optional Accident Insurance Program.

Section 3.05. Disability Insurance Programs. Transferred Employees as of the Transition Date shall be eligible for coverage through the Ford Salaried Disability Insurance Program ("SALARIED DISABILITY PLAN") effective as of the Employment Date, provided, however, that the six month waiting period shall be waived and the Transferred Employees will be provided benefits as if they had seven months of service. As of the Employment Date, Transferred Employees shall be eligible for fifty (50) days of salary continuance under the Salaried Disability Plan. Upon attaining three years of service, Transferred Employees shall be eligible for sixty three (63) days of salary continuance under the Salaried Disability Plan.

Section 3.06. Ford Post-Retirement Health, Life and Other Benefits. Except as provided below, a Transferred Employee's eligibility for Ford post-retirement health, life and other benefits shall be based on the Employment Date. A Transferred Employee who had rights to grow-into a Ford GRP Benefit (See Section 3.01(b) above) or was retirement eligible prior to July 1, 2000 (See Section 3.01(c) above), shall be eligible for Ford post-retirement benefits upon achieving eligibility for the GRP benefit and retiring. The Ford post-retirement benefits will be available on the same terms and conditions that are available to other Ford employees with such eligibility retiring at the same time. Ford will assume responsibility for any post retirement health, life and other benefits retroactive to the date of spin-off of Visteon from Ford, as further described in Amendment Number Two to the Employee Transition Agreement between Ford and Visteon.

Section 3.07. Flexible Compensation Account. Transferred Employees will not be eligible to participate in the Ford Flexible Compensation Account. Transferred Employees with a Visteon service date prior to June 1, 2001, and who were eligible to participate in the Visteon Flexible Compensation Account, and who have more than ten years of combined Visteon and Ford service, shall have the \$1,600 Flexible Compensation Account benefit incorporated into the annual base salary at Ford. For Transferred Employees with less than ten years of combined Ford and Visteon service, but who have a Visteon service date prior to June 1, 2001, the next increment in the Flexible Compensation Account grow-in will be rolled into the Ford annual base salary.

#### ARTICLE 4 OTHER EMPLOYEE MATTERS

Section 4.01. Workers' Compensation (W.C.). All claims and liabilities, which relate to injuries affecting Transferred Employees that occur on or after the Employment Date, shall be processed under the Ford self-insured W.C. Program. All claims and liabilities which relate to injuries affecting Transferred Employees which occurred prior to the Employment Date shall be processed to conclusion under the Visteon self insured or State Funded W.C. Program as appropriate.

Section 4.02. Incentive Compensation Plans. Transferred Employees shall be eligible to participate in the Ford Performance Bonus Plan, the Ford Annual Incentive Compensation Plan, or the Ford Long Term Incentive Plan as applicable depending on salary grade or leadership level effective on the Employment Date. Payments under the Visteon Annual Incentive Plan ("AIP") and Visteon Long Term Incentive Plan ("LTIP") attributable to calendar year 2005 or prior years, if any, shall be paid by Visteon to a Transferred Employee otherwise eligible therefor according to the methodology set forth on Schedule 4.02 attached hereto, and Ford shall reimburse Visteon for certain of the costs as specified on Schedule 4.02. Visteon shall render an invoice to Ford in such form and containing such detail as Ford shall reasonably require five business days prior to the end of the month and Ford shall pay the total due on the invoice to Visteon on the last business day of the month.

Section 4.03. Vehicle Purchase Plan and Management Lease Program. On or after the Employment Date, Transferred Employees shall be eligible to participate in the Ford Vehicle Purchase and Assignment Plans applicable to Ford salaried employees. If a Transferred Employee has a vehicle lease as of the Employment Date, Ford shall continue to pay the Visteon Vehicle Allowance to such Transferred Employee until the earlier of (i) the expiration of his or her vehicle lease, provided that such Transferred Employee presents evidence of the lease or (ii) the Transferred Employee takes delivery of a vehicle under the Ford management vehicle lease program. If a Transferred Employee does not have a vehicle lease as of the Employment Date, Ford shall continue to pay the Visteon Vehicle Allowance for the lesser of (i) a period of 12 months from the Employment Date or (ii) until such Transferred Employee takes delivery of a vehicle under the Ford management vehicle lease program.

Section 4.04. Family Support, Garnishments and Legal Holds.

(a) Family Support. Visteon shall notify governmental agencies in advance of the Employment Date of the change of employer in order that such agencies may refile with Ford.

(b) Garnishments. Neither Visteon nor Ford shall notify any creditor of a Transferred Employee of the change of employer. A Transferred Employee may notify his or her creditor of the change of employer.

(c) Legal Holds. Visteon shall inform the applicable courts in advance of the Transition Date of the change of employer and the need to refile with Ford.

Section 4.05. Employee Wage and Benefit Liabilities. Visteon shall pay, discharge and be responsible for (i) all wages and other compensation arising out of or relating to the employment of the Transferred Employees prior to the Employment Date; (ii) any benefits arising under Visteon employee benefit plans and programs relating to claims incurred or events that took place prior to the Employment Date, including benefits with respect to claims incurred prior to the Employment Date but reported after the Employment Date; and (iii) workers' compensation claims, expenses, liabilities, or administrative responsibilities of

any kind whatsoever with respect to injuries incurred prior to the Employment Date, regardless of when reported. Ford shall pay, discharge and be responsible for (i) all wages and other compensation arising out of or relating to the employment of the Transferred Employees on or after the Employment Date; (ii) any benefits arising under Ford employee benefit plans or programs applicable to Transferred Employees relating to claims incurred or events that took place on or after the Employment Date; and (iii) workers' compensation claims, expenses, liabilities, or administrative responsibilities of any kind whatsoever with respect to injuries incurred after the Employment Date.

Section 4.06. Communications. No communication to or with respect to Visteon Employees covering the transactions contemplated by this Agreement shall be released without the mutual agreement of Visteon and Ford.

#### ARTICLE 5 INDEMNIFICATION

Section 5.01. Indemnity. Ford shall indemnify Visteon and its affiliates ("VISTEON INDEMNITEES") against and agrees to hold it harmless from any and all damage, loss, claim, liability and expense (including without limitation, reasonable attorneys' fees and expenses in connection with any action, suit or proceeding brought against any Visteon Indemnitee) incurred or suffered by any Visteon Indemnitee arising out of (i) breach of any agreement made by Ford hereunder; (ii) employment claims of Transferred Employees based on conditions or actions which arise or take place subsequent to the Employment Date; or (iii) any claim by Transferred Employees (or their dependents or beneficiaries), arising out of or in connection with the operation, administration, funding or termination of any of Ford's employee benefit plans or programs applicable to Transferred Employees after the Employment Date, including, without limitation, claims made to the Pension Benefit Guaranty Corporation ("PBGC"), the Department of Labor ("DOL"), the Internal Revenue Service ("IRS"), the Securities and Exchange Commission ("SEC") or comparable federal or national agencies in the United States.

Visteon shall indemnify Ford and its affiliates ("FORD INDEMNITEES") against and agrees to hold them harmless from any and all damage, loss, claim, liability and expense (including without limitation, reasonable attorneys' fees and expenses in connection with any action, suit or proceeding brought against any Ford Indemnitee incurred or suffered by any Ford Indemnitee arising out of (i) breach of any agreement made by Visteon hereunder; (ii) employment claims of Transferred Employees whenever made based on conditions or actions which arose or took place prior to the Employment Date; or (iii) any claim by Transferred Employees (or their dependents or beneficiaries), arising out of or in connection with the operation, administration, funding or termination of any of Visteon's employee benefit plans or programs applicable to Transferred Employees prior to the Employment Date or in connection with the operation and administration of any such plans on or after the Employment Date, including,



without limitation, claims made to the PBGC, DOL, IRS, SEC or comparable federal or national agencies in the United States.

Section 5.02. Procedure for Indemnity. The procedure for indemnification under this Article 5 shall be the same procedure set forth in Section 7.03 of the Visteon Salaried Employee Lease Agreement dated as October 1, 2005 between Visteon and ACH ("VISTEON SALARIED EMPLOYEE LEASE AGREEMENT").

Section 5.03. Survival of Indemnity Provisions. The provisions of this Article shall survive the termination of this Agreement indefinitely or until the latest date permitted by applicable law.

ARTICLE 6  
GENERAL PROVISIONS

Section 6.01. Notices. All notices, requests and other communications to any Party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to Ford to: Ford Motor Company  
Office of the Secretary  
One American Road  
11th Floor World Headquarters  
Dearborn, Michigan 48126  
Facsimile No.: (313) 248-8713  
E-mail: psherry@ford.com

with a copy to:

Ford Motor Company  
Office of the General Counsel  
One American Road  
320 World Headquarters  
Dearborn, Michigan 48126  
Facsimile No.: (313) 337-3209  
E-mail: bgoricha@ford.com

and to:

Davis Polk & Wardwell  
450 Lexington Ave  
New York, New York 10017  
Attention: Paul Kingsley  
Facsimile No.: (212) 450-3800  
E-mail: paul.kingsley@dpw.com

if to Visteon, to: Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: General Counsel  
Facsimile No.: (734) 710-7132  
E-mail: jdonofri@visteon.com

with a copy to:

Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, New York 10153  
Attention: Michael E. Lubowitz, Esq.  
Facsimile No.: (212) 310-8007  
E-mail: Michael.lubowitz@weil.com

or such other address or facsimile number as such Party may hereafter specify for the purpose by notice to the other Parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a business day in the place of receipt. Otherwise, any such notice, request or

communication shall be deemed not to have been received until the next succeeding business day in the place of receipt.

Section 6.02. Amendments and Waivers. Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective. No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 6.03. Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

Section 6.04. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto. Upon any such permitted assignment, the references in this Agreement to ACH shall also apply to any such assignee unless the context otherwise requires.

Section 6.05. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Michigan, without regard to the conflicts of law rules of such state.

Section 6.06. Dispute Resolution. If a dispute arises between the Parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof and for seeking relief, including but not limited to damages, injunctive relief and specific performance:

(a) The Parties promptly shall hold a meeting of senior executives with decision-making authority to attempt in good faith to negotiate a mutually satisfactory resolution of the dispute; provided that no Party shall be under any obligation whatsoever to reach, accept or agree to any such resolution; provided further, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the Parties or be deemed a waiver by a Party hereto of any remedies to which such Party would otherwise be entitled.

(b) If the Parties are unable to negotiate a mutually satisfactory resolution as provided above, then upon request by either Party, the matter shall be submitted to binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration. Within five business days after the selection of the arbitrator, each Party shall submit its requested relief to the other Party

and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed. Upon the conclusion of discovery, each Party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one Party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one Party's requested relief as to certain claims or counterclaims and the other Party's requested relief as to other claims or counterclaims. Rather, the arbitrator must only select one or the other Party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator will enter a final ruling that adopts in whole such requested relief. The arbitrator will limit his/her final ruling to selecting the entire requested relief he/she considers the most appropriate from those submitted by the Parties.

(c) Arbitration shall take place in the City of Dearborn, Michigan unless the Parties agree otherwise or the arbitrator selected by the Parties orders otherwise. Punitive or exemplary damages shall not be awarded. This Section 6.06 is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., or comparable legislation in non-U.S. jurisdictions, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction.

Section 6.07. Jurisdiction. Subject to Section 6.06, the Parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in any federal court sitting in Michigan or any Michigan State court sitting in Wayne County or Oakland County, Michigan, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Michigan, and each of the Parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court.

Section 6.08. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 6.09. Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by all of the other Parties hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties hereto and their respective successors and permitted assigns under Section 6.04.

Section 6.10. Entire Agreement. This Agreement, the Employee Transition Agreement, and the other documents executed in connection with the transaction constitute the entire agreement between the Parties with respect to the subject matter of this Agreement and supersede all prior agreements and understandings, both oral and written, between the Parties with respect to the subject matter of this Agreement and the other transaction documents.

Section 6.11. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 6.12. Specific Performance. The Parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts specified in Section 6.07, in addition to any other remedy to which they are entitled at law or in equity.

Section 6.13. Failure to Implement Competitive Local Operating Agreements. In the event that either of the Plants is unable to implement COA's by the closing date of the restructuring transactions, then such Plant shall remain a ACH asset and shall not be transferred to Ford. In such event, this Agreement will be null and void as to such Visteon Employees associated with such Plant and such employees will remain Visteon Employees and will not be transferred to Ford under the terms of this Agreement but shall become leased employees under the Visteon Salaried Employee Lease Agreement.

IN WITNESS WHEREOF, Ford and Visteon have caused this Agreement to be executed in multiple counterparts by their duly authorized representatives.

FORD MOTOR COMPANY

By: /s/ Donat R. Leclair

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Name: Donat R. Leclair

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Title: Executive Vice President  
and Chief Financial Officer

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Date: October 1, 2005  
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VISTEON CORPORATION

By: /s/ James F. Palmer

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Name: James F. Palmer

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Title: Executive Vice President  
and Chief Financial Officer

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Date: October 1, 2005  
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## ESCROW AGREEMENT

THIS ESCROW AGREEMENT is dated as of October 1, 2005 (this "AGREEMENT"), and is entered into among FORD MOTOR COMPANY ("FORD"), VISTEON CORPORATION ("VISTEON"), and DEUTSCHE BANK TRUST COMPANY AMERICAS ("ESCROW AGENT").

A. Ford and Visteon have entered into a Master Agreement dated as of September 12, 2005 (the "MASTER AGREEMENT") and a Visteon "A" Transaction Agreement dated as of September 12, 2005 (the "VISTEON "A" TRANSACTION AGREEMENT"). As part of the consideration under the Visteon A Transaction Agreement, Ford is required to place into escrow with the Escrow Agent Four Hundred Million Dollars (\$400,000,000) for use by Visteon to restructure its businesses.

B. Ford and Visteon desire to more fully set forth in this Agreement the terms and conditions applicable to the amount so retained in escrow.

NOW, THEREFORE, in consideration of the above premises and the mutual covenants herein contained, and for other good and valuable consideration given by each party hereto to the other, the sufficiency and receipt of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. ESTABLISHMENT OF ESCROW.

1.1 Amount of Deposit. Pursuant to the Visteon "A" Transaction Agreement, Ford shall deposit with the Escrow Agent on the date hereof (or, if the date hereof is not a Business Day, on the next Business Day thereafter) the sum of Four Hundred Million Dollars (\$400,000,000). This amount shall constitute a separate escrow fund (together with such other amounts that may be deposited by Ford with the Escrow Agent pursuant to the terms of the Reimbursement Agreement (as defined below), the "ESCROW FUND") to be governed by the terms of this Agreement.

1.2 Investment of Escrow Fund. The Escrow Agent shall hold the Escrow Fund in a segregated account and shall invest and reinvest any part thereof and accumulate the interest, income, and earnings thereon (the "ESCROW EARNINGS") in Liquid Investments (defined below) as Visteon in its sole discretion, either directly or through its agent, shall direct. Any Escrow Earnings, for all purposes of this Agreement, will be treated the same as (and will be considered to be) a part of the Escrow Fund. The Escrow Agent shall hold and safeguard the Escrow Fund during the term hereof and shall treat the Escrow Fund as a trust fund in accordance with the terms of this Agreement.

1.3 Liquid Investments. "LIQUID INVESTMENTS" mean (a) money market instruments, negotiable certificates of deposit, time deposits issued by, or issued on the credit and backing of, any United States commercial bank with capital and surplus in excess of \$250,000,000; (b) obligations issued or directly or indirectly guaranteed as to principal and interest by the United States of America or any agency thereof and having a maturity of not more than two years from the date of acquisition; (c) commercial paper which is rated not less than prime-one or A-1 or their equivalents by Moody's Investor Service, Inc. ("MOODY'S") or Standard & Poor's Corporation ("S&P") or their successors; (d) repurchase agreements or reverse repurchase agreements secured by any one or more of the investments permitted by

clauses (a), (b) and (c) above, and (e) one or more money market funds registered under the Investment Company Act of 1940, as amended, with the highest investment rating available from Moody's or S&P or their successors and investing in securities referenced in clauses (a)-(d) above.

1.4 Investment Procedures. The Escrow Agent shall use best efforts to invest or reinvest the Escrow Fund if deposited with the Escrow Agent after 11:00 a.m. (E.S.T.) on such day of deposit but shall have no obligation to do so. Instructions received after 11:00 a.m. (E.S.T.) will be treated as if received on the following Business Day. The Escrow Agent shall have no responsibility for any investment losses resulting from the investment, reinvestment or liquidation of the Escrow Fund if invested in accordance with the terms of this Agreement. Any interest or other income received on such investment and reinvestment of the Escrow Fund shall become part of the Escrow Fund and any losses incurred on such investment and reinvestment of the Escrow Fund shall be debited against the Escrow Fund. If a selection is not made and a written direction not given to the Escrow Agent, the Escrow Fund shall remain uninvested with no liability for interest therein. It is agreed and understood that the entity serving as Escrow Agent may earn fees associated with the investments outlined above in accordance with the terms of such investments. Notwithstanding the foregoing, the Escrow Agent shall have the power to sell or liquidate the foregoing investments whenever the Escrow Agent shall be required to release all or any portion of the Escrow Fund pursuant to this Agreement. In no event shall the Escrow Agent be deemed an investment manager or adviser in respect of any selection of investments hereunder. It is understood and agreed that the Escrow Agent or its affiliates are permitted to receive additional compensation that could be deemed to be in the Escrow Agent's economic self-interest for (1) serving as investment adviser, administrator, shareholder servicing agent, custodian or sub-custodian with respect to certain of the investments, (2) using affiliates to effect transactions in certain investments and (3) effecting transactions in Liquid Investments.

1.5 Report on Investments. The Escrow Agent shall prepare and deliver to Visteon and Ford a report on or before the 10th day after the end of each month while funds remain in the Escrow Fund, which report shall set forth:

- Beginning balance of the Escrow Fund
- The Escrow Earnings during the applicable month
- All disbursements
- Additional deposits
- Fees to the Escrow Agent
- Ending balance of the Escrow Fund
- Investment activity
- A list of individual investments, including investment type, par amount, maturity date and CUSIP or ISN (if available)

Each of Visteon and Ford and its respective representatives shall have the right to audit, at its expense, the Escrow Fund, including all disbursements and income, upon reasonable advance written notice given to the Escrow Agent and the other party.

## 2. DISBURSEMENTS.

2.1 Request for Escrow Reimbursement. While funds remain in the Escrow Fund, Visteon shall deliver a copy of a request for reimbursement from the Escrow Fund (each, a "REQUEST FOR ESCROW REIMBURSEMENT") to the Escrow Agent and to Ford at the same time, provided, however, that Visteon shall not be entitled to make a Request for Escrow Reimbursement seeking reimbursement for a



specific category of Reimbursable Restructuring Costs if a Final Award (defined herein) previously rendered ruled that such category was not eligible for reimbursement hereunder. At Visteon's request, a Request for Escrow Reimbursement shall be submitted no more often than once each calendar month on or before the tenth (10th) Business Day following the end of such month. Each Request for Escrow Reimbursement shall only cover Reimbursable Restructuring Costs and shall contain the following information:

- (a) A certification by an officer of Visteon substantially in the form attached hereto as Exhibit A that the Request for Escrow Reimbursement covers only Reimbursable Restructuring Costs as defined herein; and
- (b) Supporting documentation provided by Visteon to Ford (but not the Escrow Agent) showing the Reimbursable Restructuring Costs that have been incurred, which documentation shall be consistent with the documentation required to support the expense under FAS No. 146 "Accounting for Costs Associated with Exit or Disposal Activities", FAS No. 112 "Employer's Accounting for Postemployment Benefits", FAS No. 87 "Employers' Accounting for Pensions", FAS No. 106 "Employers' Accounting for Postretirement Benefits Other than Pensions" or FAS No. 88 "Employers' Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits", as applicable; or in each case any successor standard; and
- (c) A summary of the Reimbursable Restructuring Costs incurred for each facility and for each separate restructuring action.

The term "REIMBURSABLE RESTRUCTURING COSTS" means costs incurred after May 24, 2005 by Visteon or its subsidiaries related to those activities to exit the production of certain commodities or to transfer the production of certain commodities, close or sell certain manufacturing, technical and/or other administrative support facilities, or combine facilities, operations, or workforce, in order to eliminate redundant capabilities, improve future operations, and/or reduce overall costs, including those directly associated with exit or disposal activities or related to involuntary and voluntary employee separation programs that are accounted for in accordance with FAS No. 146 "Accounting for Costs Associated with Exit or Disposal Activities", employee severance costs incurred as a result of restructuring actions in accordance with FAS No. 112 "Employer's Accounting for Postemployment Benefits", pension and other postemployment benefits costs incurred in accordance with FAS No. 87 "Employers' Accounting for Pensions", FAS No. 106 "Employers' Accounting for Postretirement Benefits Other than Pensions", voluntary separation benefits or curtailment costs incurred in accordance with FAS No. 88 "Employers' Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits", amounts related to accrued fringe benefits that require settlement in cash due to employee separation actions, such as for vacation benefits, and/or any Separation Costs (as defined in the Reimbursement Agreement (as defined below)) but only to the extent that Ford is no longer required to pay for any Separation Costs under the Reimbursement Agreement.

Reimbursable Restructuring Costs do not include costs for routine or ongoing repositionings and redeployments of productive facilities or workforce (e.g., normal plant rearrangement or employee relocation), nor do they include costs for other routine or ordinary activities that would otherwise have been incurred (e.g., planning and analysis, general or recurring financial and administrative support).

The following are illustrative examples (but are not the exclusive examples) of Reimbursable Restructuring Costs:

- - Severance pay for employees, including costs related to other benefits such as out-placement services and continuation of benefits such as medical coverage
- - Special termination pension and other postemployment benefits
- - The cost of early retirement incentive payments or other voluntary termination programs that may be offered, including reimbursements to Ford pursuant to Section 3.01(c)(ii) of the Amended and Restated Employee Transition Agreement between Ford and Visteon dated as of April 1, 2000 and restated as of December 19, 2003 and as amended as of the date hereof.
- - Employee retraining costs
- - Relocation expense for retained employees
- - Costs to transfer, relocate and rearrange plants and equipment
- - Cancellation costs, including leased equipment or obligations to perform under purchase orders
- - Professional costs related to establishing and implementing restructuring actions
- - Costs that will continue to be incurred under the contract for its remaining term without economic benefit to the entity (e.g. Fidelity or IT contracts)

The following are illustrative examples (but are not the exclusive examples) of costs that do not constitute Reimbursable Restructuring Costs:

- - Pension fund contributions, except as permitted above
- - Non-cash expenses for write-off of capital equipment or inventory
- - Capital spending
- - Debt repayment or interest expense on debt
- - Changes in reserves for environmental, warranty or product liability
- - Wages, salaries, overhead, etc., associated with ongoing operations

2.2 Excess Funds. (a) If any funds remain in the Escrow Fund after December 31, 2012, then the Escrow Agent shall disburse the balance of the Escrow Fund, including Escrow Earnings, if any, to Visteon, provided however, if at any time prior to December 31, 2012 the Escrow Agent receives a written notice from Ford that Visteon has undergone a Change of Control (defined herein) then the Escrow Agent shall disburse such funds remaining in the Escrow Fund after December 31, 2012 to Ford. If the funds remaining in the Escrow Fund after December 31, 2012 would otherwise be required to be disbursed to Visteon under the terms of this subsection, then such funds shall not be disbursed to Visteon until all outstanding Requests for Disbursement shall first be deducted from the funds remaining or, if any Request for Disbursement is being contested by Visteon, a final settlement by the parties or a Final Award (defined herein) by an arbitrator has been made and funds disbursed in accordance with such settlement or award. If the funds remaining in the Escrow Fund after December 31, 2012 would otherwise be required to be disbursed to Ford under the terms of this subsection, then such funds shall not be disbursed until all outstanding Requests for Escrow Reimbursement have been deducted from the funds remaining or, if any Request for Escrow Reimbursement is being contested by Ford, a final settlement by the parties or a Final Award by an arbitrator has been made and funds disbursed in accordance with such settlement or award. The Escrow Agent shall disburse the balance of the Escrow Fund in accordance with the procedure set forth in subsection 2.2(b).

(b) Within five Business Days after December 31, 2012, the Escrow Agent shall give written notice to Ford and Visteon of the Escrow Agent's intent to disburse the remaining balance of the Escrow Fund. Within fifteen (15) Business Days after receipt of such notice, each of Ford and Visteon

shall then give written notice to Escrow Agent and to the other party indicating which party is entitled to receive the balance of the Escrow Fund. In the event of a dispute between Ford and Visteon as to the party entitled to the remaining balance, the matter shall be submitted for dispute resolution in accordance with subsection 3.3 hereof.

(c) As used in this Section, the term "CHANGE OF CONTROL" means (i) a liquidation or dissolution of Visteon; (ii) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the assets of Visteon and its subsidiaries, taken as a whole; (iii) a merger, consolidation, share exchange, business combination or similar extraordinary transaction as a result of which the persons possessing, immediately prior to the consummation of such transaction, beneficial ownership of the voting securities of Visteon entitled to vote generally in elections of directors of Visteon, cease to possess, immediately after consummation of such transaction, beneficial ownership of voting securities entitling them to exercise at least 50% of the total voting power of all outstanding securities entitled to vote generally in elections of directors of Visteon (or, if not Visteon, the surviving entity resulting from such transaction); or (iv) a transaction or series of transactions (including by way of merger, consolidation, sale of stock or otherwise) the result of which is that any Person or "group" (as defined in Section 13 of the Securities Exchange Act of 1934) becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 promulgated under the Securities Exchange Act of 1934), directly or indirectly, of more than 50% of the voting power of the outstanding voting stock of Visteon.

2.3 Instructions. All instructions to the Escrow Agent shall be in writing, signed by an authorized representative of the party(ies) giving the instructions.

2.4 Disbursements. All disbursements shall be made by the Escrow Agent by wire transfer of immediately available funds initiated within three (3) Business Days after the Escrow Agent is entitled to make reimbursement under this Agreement. The Escrow Agent shall provide to Ford a statement of each disbursement made to Visteon at the time that such disbursement is made and shall provide to Visteon a statement of each disbursement made to Ford at the time such disbursement is made.

2.5 No Further Deposits Required. Except pursuant to that certain Reimbursement Agreement dated as of the date hereof between Ford and Visteon (the "REIMBURSEMENT AGREEMENT") and other than by Ford as stated in subsection 2.6 below, neither Ford nor Visteon is required to deposit any funds in the Escrow Fund other than as stated in subsection 1.1.

2.6 Disbursements to Ford. If, (i) pursuant to an arbitration award, court order or written settlement agreement executed by Ford and Visteon or written instructions from Visteon to the Escrow Agent to make a disbursement to Ford from the Escrow Fund, Ford or its subsidiaries or affiliates becomes entitled to recover from Visteon or its subsidiaries or affiliates as a result of any indemnification obligation contained in, or any breach or default arising under, any of the Transaction Documents ("VISTEON OBLIGATION"), and (ii) Ford or the applicable subsidiary or affiliate shall not have received the full amount of the Visteon Obligation within the time frame provided in such award, order or agreement, then Ford or the applicable subsidiary or affiliate shall have a right to deliver a copy of a request for disbursement (each, a "REQUEST FOR DISBURSEMENT") to the Escrow Agent and to Visteon at the same time. Each Request for Disbursement shall be accompanied by a copy of the arbitration award, court order, settlement agreement or written instructions and, in the case of the submission of an arbitration award, court order or written settlement agreement, a certificate addressed to the Escrow Agent and Visteon executed by an officer of Ford stating that Ford is entitled to the amounts set forth in the Request

for Disbursement based upon such award, order or agreement and the terms of this Agreement. Upon receipt of such Request for Disbursement and such certificate, if applicable, the Escrow Agent shall disburse to Ford the amount requested in the Request for Disbursement. If, however, the award or order that served as the basis for a disbursement to Ford hereunder is overruled or otherwise vacated by a final, non-appealable order or pursuant to a written settlement agreement executed by Ford and Visteon, then Ford shall redeposit into the Escrow Fund the amounts previously disbursed to Ford hereunder with respect to which the award or order was overruled or vacated or with respect to which Ford and Visteon have reached agreement pursuant to such written settlement together with interest at the applicable rate if so prescribed in such award, order or settlement agreement. Any disbursements to Ford pursuant to this subsection shall be deemed to reduce the portion of Escrow Fund that is subject to disbursement at a 50% rate as provided in subsection 3.1(iii) below, provided, however, that if such portion is inadequate to cover any such disbursement, the uncovered portion of the disbursement shall be deemed to reduce the remainder of the Escrow Fund. Any amounts redeposited by Ford into the Escrow Fund in accordance with this subsection 2.6 shall be deemed to have been redeposited in the same manner as they were deemed to have been disbursed.

### 3. PROCEDURE FOR REIMBURSEMENT.

3.1 Uncontested Reimbursements. If, within fifteen (15) Business Days after a Request for Escrow Reimbursement is received by the Escrow Agent and Ford pursuant to subsection 2.1, Ford has not delivered its objection to such Request for Escrow Reimbursement in writing to Visteon and the Escrow Agent, then the Escrow Agent shall distribute to Visteon from the Escrow Fund the amount requested in the Request for Escrow Reimbursement; provided, however, that (i) until such time that the disbursements from the Escrow Fund exceed Two Hundred Fifty Million Dollars (\$250,000,000) (the "Initial Date"), the Escrow Agent shall disburse 100% of any Request for Escrow Reimbursement, (ii) after the Initial Date, an amount equal to the Escrow Earnings as of the Initial Date (less any amounts paid or payable to the Escrow Agent or other third parties pursuant to subsection 3.3 and Sections 4, and 7 of this Escrow Agreement up to and including the Initial Date) ("SPECIAL ESCROW EARNINGS") will also be available for disbursement at 100% of any Request for Escrow Reimbursement, (iii) after the Initial Date and the disbursement of all Special Escrow Earnings in accordance with this Agreement, the Escrow Agent shall disburse only 50% of any Requests for Escrow Reimbursement up to a total of One Hundred Fifty Million Dollars (\$150,000,000), and (iv) any remaining amounts in the Escrow Fund will be available for disbursement at 100% of any Request for Escrow Reimbursement. For example, if, after the Initial Date and the disbursement of all of the Special Escrow Earnings, Visteon submits a Request for Escrow Reimbursement in the amount of \$5 million, then the Escrow Agent shall disburse only \$2.5 million with respect to such request. If, however, after the disbursement of the Special Escrow Earnings and Four Hundred Million Dollars (\$400,000,000), Visteon submits a Request for Escrow Reimbursement in the amount of \$5 million, then the Escrow Agent shall disburse to Visteon with respect to such request the lesser of the amounts remaining in the Escrow Fund and \$5 million. If Ford has delivered its objection to all or any portion of such Request for Escrow Reimbursement, then notwithstanding the foregoing provisions of this subsection, the Escrow Agent may distribute to Visteon from the Escrow Fund only such amounts permitted under subsection 3.2 hereof.

3.2 Contested Reimbursements. If Ford gives Visteon and the Escrow Agent written notice contesting all or any portion of a Request for Escrow Reimbursement (a "CONTESTED REIMBURSEMENT") within the fifteen (15) Business Day period specified in subsection 3.1, then such Contested Reimbursement shall be resolved by either (i) a written settlement agreement executed by Ford and Visteon as provided in subsection 3.4 below or (ii) in the absence of such a written settlement

agreement, by binding arbitration between Ford and Visteon in accordance with the terms and provisions of subsection 3.3, provided, however, that Ford shall not be entitled to contest any portion of a Request for Escrow Reimbursement to the extent that such portion of the request seeks reimbursement for a specific category of Reimbursable Restructuring Costs that a Final Award (defined herein) had ruled was eligible for reimbursement hereunder. Each Contested Reimbursement shall set forth in reasonable detail the basis for Ford's contest of a Request for Reimbursement. In the event of a Contested Reimbursement, Ford and Visteon shall attempt in good faith to agree upon the rights of the respective parties with respect to such claim. If Visteon and Ford should so agree, "Settlement Instructions" will be prepared, delivered, and performed in accordance with subsection 3.4 below. The Escrow Agent shall retain Escrow Funds covered by the contested portion of the Contested Reimbursement until receipt of a Settlement Instruction (defined herein) pertaining to such portion of the Contested Reimbursement from Visteon and Ford or a copy of the Final Award. The Escrow Agent shall disburse any uncontested portion of the Request for Escrow Reimbursement in accordance with subsection 2.4 hereof.

3.3 Arbitration of Disputes. If a dispute arises between the parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof and for seeking relief hereunder:

- (i) CPR. Following good faith negotiations between the parties hereto (or, with respect to a Contested Reimbursement, between Ford and Visteon in accordance with subsection 3.2 hereof), any dispute arising among the parties relating to this Agreement including any Contested Reimbursement that is not resolved in accordance with subsection 3.2(i) will be submitted to mandatory, final and binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration, as follows. Within five (5) Business Days after the selection of the arbitrator, each party shall submit its requested relief to the other parties (except that in the case of a Contested Reimbursement notice only has to be given to Ford or Visteon as the case may be) and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed subject to the authority of the arbitrator to resolve discovery disputes between the parties. Upon the conclusion of discovery, each party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and, in the case of a Contested Reimbursement, the arbitrator shall select only the entire requested relief submitted by one party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one party's requested relief as to certain claims or counterclaims and the other party's requested relief as to other claims or counterclaims; rather, the arbitrator must only select one or the other party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator will enter a final ruling that adopts in whole such requested relief, provided, however, that with respect to a Request for Escrow Reimbursement the arbitrator may act separately upon each portion of such request that has been contested under subsection 3.2 hereof. The arbitrator will limit his/her final ruling to selecting the requested relief he/she considers the most appropriate from those submitted by the parties.
- (ii) Location of Arbitration. Arbitration shall take place in the City of Dearborn, Michigan unless the parties agree otherwise or the arbitrator selected by the parties orders otherwise. Punitive or exemplary damages shall not be awarded. This clause is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., and judgment upon the

award rendered by the arbitrator may be entered by any court having jurisdiction as set forth in section 13 hereof.

- (iii) Payment of Costs. Ford, on the one hand, and Visteon, on the other hand, will initially fund such deposits and advances as may be required by the arbitrator in equal proportions, but either party may advance such amounts. The arbitrator will determine in the Final Award (defined herein) the party who is the prevailing party and the party who is not the prevailing party (the "NON-PREVAILING PARTY"). The Non-Prevailing Party will pay all reasonable costs, fees and expenses related to the arbitration, including reasonable fees and expenses of attorneys, accountants and other professionals incurred by the prevailing party, the fees of each arbitrator, the administrative fee of the arbitration proceedings and any amounts advanced by the prevailing party for such items, provided, however, that if the arbitrator determines that requiring the Non-Prevailing Party to bear the reasonable costs, fees and expenses set forth in the preceding sentence would result in manifest injustice, the arbitrator may apportion such costs, fees and expenses between the parties in such a manner as the arbitrator deems just and equitable (such costs, fees and expenses as may be apportioned by the arbitrator pursuant to the preceding clause, the "ARBITRATION EXPENSES"). If Visteon is the Non-Prevailing Party, then Visteon and Ford shall instruct the Escrow Agent to disburse to Ford from the Escrow Fund the Arbitration Expenses. If the amount of such Arbitration Expenses exceeds the amount remaining in the Escrow Fund, then Visteon shall pay to Ford, by wire transfer, such excess as promptly as possible but in no event later than ten (10) Business Days after the Final Award (defined herein) is rendered pursuant to subparagraph (v) below. If Ford is the Non-Prevailing Party, then Ford shall pay to Visteon, by wire transfer, the Arbitration Expenses as promptly as possible but in no event later than ten (10) Business Days after such Final Award is rendered.
- (iv) Burden of Proof. Except as may be otherwise expressly provided herein, for any Contested Reimbursement or any other matter submitted to arbitration hereunder, the burden of proof will be as it would have been if the claim were litigated in a judicial proceeding in a Michigan state court and governed exclusively by the internal laws of the State of Michigan, without regard to the principles of choice of law or conflicts of law of any jurisdiction.
- (v) Award. Upon the conclusion of any arbitration proceedings hereunder, the arbitrator will render findings of fact and conclusions of law and a final written arbitration award setting forth its resolution of the matters submitted for resolution, the basis and reasons therefor and the Arbitration Expenses (the "FINAL AWARD") and will deliver such documents to the parties together with a signed copy of the Final Award. Subject to the provisions of subparagraph (vii) below, the Final Award will constitute a conclusive determination of all issues in question that shall be, binding upon the parties hereto, and shall include an affirmative statement to such effect. To the extent that the Final Award determines that Visteon or Ford is entitled to any monies from the Escrow Fund then the Escrow Agent shall make the disbursement in accordance with the terms of such Final Award.
- (vi) Timing. The parties and the arbitrator will conclude each arbitration pursuant to subsection 3.3 as promptly as possible.

(vii) Terms of Arbitration. The arbitrator chosen in accordance with these provisions will not have the power to alter, amend or otherwise affect the terms of these arbitration provisions or the other provisions of this Agreement.

3.4 Settled Claims. If a dispute hereunder is settled by a written settlement agreement executed by Visteon and Ford (a "SETTLED CLAIM"), then Visteon and Ford will promptly deliver such executed settlement agreement to the Escrow Agent together with written instructions executed by both an officer of Ford and an officer of Visteon to the Escrow Agent ("SETTLEMENT INSTRUCTIONS") which will, in accordance with and subject to the terms of the written settlement agreement, instruct the Escrow Agent either: (i) to release a stated amount of the Escrow Fund to Visteon or to Ford pursuant to such settlement agreement; and/or (ii) in the case of a Contested Reimbursement, that no action need be taken by the Escrow Agent with respect to such request. On the third (3rd) Business Day following its receipt of Settlement Instructions, the Escrow Agent will promptly release from the Escrow Fund and transfer to Visteon or Ford that amount of the Escrow Fund that Ford and Visteon have agreed in the Settlement Instructions will be transferred to such party.

#### 4. LIMITATION OF THE ESCROW AGENT'S LIABILITY.

4.1 Limitation of Liability. The Escrow Agent shall only have those duties as are expressly set forth in this Agreement, which duties are merely ministerial in nature, and no implied duties shall be read into this Agreement other than as set forth in the last sentence of this subsection. The Escrow Agent shall incur no liability with respect to any action taken or suffered by it in reliance upon any notice, direction, instruction, consent, statement or other document reasonably believed by it to be genuine and duly authorized, nor for any other action or inaction, except its own willful misconduct, fraud or gross negligence. The Escrow Agent shall have no duty to inquire into or investigate the validity, accuracy or content of any document delivered to it. The Escrow Agent shall not be responsible for the validity or sufficiency of this Agreement. In all questions arising under this Agreement, the Escrow Agent may rely on the advice or opinion of counsel, and for anything done, omitted or suffered in good faith by the Escrow Agent based on such advice, the Escrow Agent shall not be liable to anyone. The Escrow Agent shall not be required to take any action hereunder involving any expense unless it shall have been furnished with reasonably acceptable indemnification. The Escrow Agent shall have no duties or responsibilities other than those expressly set forth in this Agreement and the implied duty of good faith and fair dealing.

4.2 Resolution of Conflicting Demands. In the event conflicting demands are made or conflicting notices are served upon the Escrow Agent with respect to the Escrow Fund, the Escrow Agent shall have the absolute right, at the Escrow Agent's election, to do any of the following: (i) resign so a successor escrow agent can be appointed pursuant to Section 8; submit the matter to binding arbitration in accordance with subsection 3.3 hereof, or (ii) give written notice to Ford and Visteon that it has received conflicting instructions and is refraining from taking action until it receives instructions consented to in writing by both Ford and Visteon.

4.3 Indemnification. Each of Ford and Visteon, jointly and severally (each an "INDEMNIFYING PARTY" and together the "Indemnifying Parties"), hereby covenants and agrees to reimburse, indemnify and hold harmless the Escrow Agent, the Escrow Agent's officers, directors, employees, counsel and agents (severally and collectively, the "ESCROW AGENT INDEMNITEES"), from and against any loss, damage, liability or loss suffered, incurred by, or asserted against the Escrow Agent Indemnitees (including amounts paid in settlement of any action, suit, proceeding, or claim brought or

threatened to be brought and including reasonable expenses of legal counsel) arising out of, in connection with or based upon any act or omission by the Escrow Agent Indemnitees relating in any way to this Agreement or the Escrow Agent's services hereunder. This indemnity shall exclude any damage, liability or loss arising out of willful misconduct, fraud or gross negligence on the part of an Escrow Agent Indemnitee.

4.4 Defense. Each Indemnifying Party may participate at its own expense in the defense of any claim or action that may be asserted against the Escrow Agent Indemnitees. The Escrow Agent Indemnitees' right to indemnification hereunder shall survive the Escrow Agent's resignation or removal as the Escrow Agent and shall survive the termination of this Agreement by lapse of time or otherwise.

4.5 Notice to Indemnifying Parties. The Escrow Agent hereby agrees that the Escrow Agent shall notify each Indemnifying Party by letter or facsimile, confirmed by letter, and by e-mail of any receipt by an the Escrow Agent Indemnitee of a written assertion of a claim against the Escrow Agent Indemnitee, or any action commenced against the Escrow Agent Indemnitee, within ten (10) days after the Escrow Agent Indemnitee's receipt of written notice of such claim. However, the Escrow Agent's failure to so notify each Indemnifying Party shall not operate in any manner whatsoever to relieve an Indemnifying Party from any liability that it may have otherwise on account of this Section 4, except to the extent that such Indemnifying Party is prejudiced by the Escrow Agent's failure.

4.6 Use of Agents. The Escrow Agent may execute any of its powers or responsibilities hereunder and exercise any rights hereunder either directly or by or through its agents or attorneys.

4.7 Damages. In no event shall the Escrow Agent be liable for any indirect, punitive, special or consequential damages, whether or not the Escrow Agent shall have been informed of the likelihood of such damages, or any amount in excess and regardless of the form of action.

4.8 Deemed Notice. The Escrow Agent shall not be deemed to have notice of any Request for Escrow Reimbursement, response thereto, demand with respect thereto or other fact or claim unless it is actually known by an officer charged with responsibility for administering this Agreement or unless it is set forth in a writing received by the Escrow Agent and making specific reference to this Agreement. If any notice, certificate or other document is required to be delivered to the Escrow Agent and any other person, the Escrow Agent may assume without inquiry (unless the Escrow Agent has written notice to the contrary) that any such document which the Escrow Agent has received has also been received by such other person.

4.9 Survival of Indemnification. All indemnification contained in this Agreement shall survive the resignation or removal of the Escrow Agent, and shall survive the termination of this Agreement.

4.10 Liability for Other Parties. In no event shall the Escrow Agent have any liability for any failure or inability of any of the other parties hereto to perform or observe its duties under the Agreement, or by reason of a breach of this Agreement by any of the other parties hereto. In no event shall the Escrow Agent be obligated to take any action against any of the other parties hereto to compel performance hereunder.



4.11 Arbitration. The Escrow Agent shall in no instance be obligated to commence, prosecute or defend any legal or arbitration proceedings in connection herewith. The Escrow Agent shall be authorized and entitled, however, to submit to arbitration pursuant to subsection 3.3 hereof any matter or dispute it may deem appropriate in order, to obtain a necessary declaration of rights, or to appoint a successor upon resignation (and after failure by Visteon to appoint a successor, as provided hereinafter).

4.12 Ambiguity. In the event of any ambiguity or uncertainty under this Agreement, the Escrow Agent may, in its discretion, refrain from taking action, and may retain the Escrow Fund then held by it until and unless it receives written instruction signed by Ford and Visteon that eliminates such uncertainty or ambiguity.

4.13 Self-Dealing. The Escrow Agent is hereby authorized, in making or disposing of any investment permitted by this Agreement, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or such affiliate is acting as a subagent of the Escrow Agent or for any third person or dealing as principal for its own account.

4.14 Distribution. Notwithstanding any term appearing in this Agreement to the contrary, in no instance shall the Escrow Agent be required or obligated to distribute any portion of the Escrow Fund (or take other action that may be called for hereunder to be taken by the Escrow Agent) sooner than two (2) Business Days after (i) it has received the applicable documents required under this Agreement in good form, or (ii) passage of the applicable time period (or both, as applicable under the terms of this Agreement), as the case may be.

4.15 Denomination of Payment. All payments to or by the Escrow Agent hereunder shall be in U.S. dollars.

5. NOTICES. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

If to Ford: Ford Motor Company  
11th Floor  
One American Road  
Dearborn, Michigan 48121  
Attn: Secretary  
Facsimile: 1-313-248-8713  
psherry@ford.com

with a copy to: Ford Motor Company  
320 WHQ  
One American Road  
Dearborn, Michigan 48121  
Attn: Marcia Nunn, Managing Counsel  
Facsimile: 1-313-337-3209  
mnunn@ford.com

If to Visteon Visteon Corporation  
One Village Center Drive  
Van Buren Twp., MI 48111

Attn: John Donofrio, General Counsel  
Facsimile 1-734-710-7132  
jdonofri@visteon.com

with a copy to: Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, NY 10153  
Attn: Michael E. Lubowitz  
Facsimile: 1-212-310-8007  
michael.lubowitz@weil.com

If to Escrow Agent: Deutsche Bank Trust Company Americas  
60 Wall Street, 27th Floor, Mail Stop: NYC60-2710  
New York, NY 10005  
Attn: Aldrin Bayne, Escrow Team  
Fax: 1-732-578-4593

or such other address, facsimile number or e-mail address as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

## 6. GENERAL.

6.1 Governing Law. The internal laws of the State of Michigan, irrespective of its choice of law principles, shall govern the validity of this Agreement, the construction of its terms, and the interpretation and enforcement of the rights and duties of the parties hereto, provided however, that the rights, duties and indemnities of the Escrow Agent shall be interpreted under New York law.

6.2 Counterparts. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

6.3 Entire Agreement. This Agreement and the exhibits hereto ( and with respect to Ford and Visteon only, the Reimbursement Agreement) constitute the entire understanding and agreement of the parties hereto with respect to the subject matter hereof and supersede all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the parties with respect hereto. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof.

6.4 Waivers. No waiver by any party hereto of any condition or of any breach of any provision of this Agreement shall be effective unless in writing. No waiver by any party of any such condition or breach, in any one instance, shall be deemed to be a further or continuing waiver of any such condition or breach or a waiver of any other condition or breach of any other provision contained herein.

6.5 Certain Definitions. As used herein, (a) the term "BUSINESS DAY" means a day, other than a Saturday, Sunday or other day on which commercial banks in Detroit, Michigan and New

York, New York are authorized or required by law to close; and (b) the term "TRANSACTION DOCUMENTS" shall mean the Master Agreement, the Contribution Agreement Transaction Documents as defined in that certain Contribution Agreement dated as of September 12, 2005 between Visteon and Automotive Components Holdings, Inc. (f/k/a VFH Holdings, Inc.); the Visteon "B" Transaction Documents as defined in that certain Visteon "B" Purchase Agreement dated as of September 12, 2005 between Ford and Visteon and the Visteon "A" Transaction Documents as defined in that certain Visteon "A" Transaction Agreement dated as of September 12, 2005. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. When a reference is made in this Agreement to a Section, subsection, Exhibit or Schedule, such reference shall be to a Section or subsection of, or an Exhibit or Schedule to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the singular is used herein, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate.

6.6 U. S. Patriot Act. The parties hereto acknowledge that, in accordance with Section 326 of the USA Patriot Act the Escrow Agent, like all financial institutions, is required to obtain, verify, and record information that identifies each person or legal entity that opens an account. The parties to this Agreement agree that they will provide the Escrow Agent with such information as it may reasonably request in order for the Escrow Agent to satisfy the requirements of the USA Patriot Act.

7. COMPENSATION AND EXPENSES OF THE ESCROW AGENT. All fees and expenses of the Escrow Agent incurred in the ordinary course of performing its responsibilities hereunder, as set forth on the Escrow Agent's fee schedule attached hereto as Exhibit B, and any other fees and expenses incurred by the Escrow Agent for which it is permitted to be reimbursed hereunder (except as specified in the following sentence), shall be paid from the Escrow Fund. Any fees or expenses (including the reasonable fees or expenses of outside counsel to the Escrow Agent) incurred by the Escrow Agent in connection with a dispute over the distribution of Escrow Fund or the validity of a Request for Escrow Reimbursement shall be paid by the Non-Prevailing Party within thirty (30) days after Escrow Agent has supplied a written invoice to the Non-Prevailing Party.

8. SUCCESSOR TO THE ESCROW AGENT. In the event the Escrow Agent becomes unavailable or unwilling to continue in its capacity herewith, the Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving notice of its resignation to the parties to this Agreement, specifying a date not less than thirty (30) days following such notice date of when such resignation shall take effect. If, and only if, a successor escrow agent is appointed pursuant to the resignation of the Escrow Agent the Escrow Agent shall refund to the Escrow Fund any prepaid but unearned fees previously paid from the Escrow Fund to the Escrow Agent hereunder. Visteon, with the consent of Ford, which shall not be unreasonably withheld or delayed, shall designate a successor escrow agent prior to the expiration of such thirty-day period by giving written notice to the Escrow Agent and Ford. Visteon may at any time appoint any successor escrow agent with the consent of Ford, which consent shall not be unreasonably withheld or delayed. If no successor escrow agent is named by Visteon, the Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor escrow agent. The Escrow Agent shall promptly transfer the Escrow Fund to such designated successor.

It is further understood that any corporation into which the Escrow Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation resulting

from any merger, conversion or consolidation to which the Escrow Agent in its individual capacity shall be a party, or any corporation to which substantially all the corporate trust business of the Escrow Agent in its individual capacity (including the administration of this Agreement) may be transferred, shall be the Escrow Agent under this Agreement without further act.

9. LIMITATION OF RESPONSIBILITY. The Escrow Agent's duties are limited to those set forth in this Agreement and applicable laws, and the Escrow Agent, acting as such under this Agreement, is not charged with knowledge of or any duties or responsibilities under any other document or agreement.

10. FORCE MAJEURE. If either party hereto is rendered unable, wholly or in part, by Force Majeure (as defined herein) to perform its obligations hereunder (other than the obligation to pay money), such party shall give prompt notice to the other party with reasonable particulars including the probable extent of the inability to perform such obligation. Upon the giving of such notice, the obligation of such party shall be suspended but only to the extent and for the same time period it is affected by such Force Majeure. The affected party shall use all possible diligence to remove the effect of such Force Majeure. For purposes of this Agreement, the term "FORCE MAJEURE" shall mean acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations superimposed after the fact, fire, acts of terror, communication line failures, computer viruses, power failures, earthquakes or other disasters.

11. REPRODUCTION OF DOCUMENTS. This Agreement and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications which may hereafter be executed, and (b) certificates and other information previously or hereafter furnished, may be reproduced by any photographic, photostatic, microfilm, optical disk, micro-card, miniature photographic or other similar process. The parties hereto agree that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile or further reproduction shall likewise be admissible in evidence.

12. AMENDMENT. This Agreement may be amended by the written agreement of Ford, the Escrow Agent and Visteon; provided that, if the Escrow Agent does not agree to an amendment agreed upon by Ford and Visteon (except an amendment adversely affecting the rights or protections of the Escrow Agent), the Escrow Agent shall resign and Visteon shall appoint, with the consent of Ford, which consent shall not be unreasonably withheld or delayed, a successor to the Escrow Agent in accordance with Section 8 above.

13. CONSENT TO JURISDICTION AND SERVICE RELATING TO DISPUTES The parties hereby absolutely and irrevocably consent and submit to the jurisdiction of the courts in the State of Michigan (and of any federal court located in said state) in connection with any actions or proceedings to enter a judgment upon the Final Award entered by the arbitrator hereunder or to award injunctive relief as provided in Section 17 below. In any such action or proceeding, the parties hereby absolutely and irrevocably waive personal service of any summons, complaint, declaration or other process and hereby absolutely and irrevocably agree that the service thereof may be made by certified or registered first-class mail directed to the parties hereto at their respective addresses in accordance with Section 5 hereof.

14. TAX REPORTING DOCUMENTATION.

(a) Visteon and Ford each shall provide the Escrow Agent with its tax identification numbers and other forms and documents that the Escrow Agent may reasonably request

(collectively, "TAX REPORTING DOCUMENTATION") to the Escrow Agent within thirty (30) days of the date of receipt of the Escrow Fund by the Escrow Agent. The parties hereto understand that, if such Tax Reporting Documentation is not so certified to the Escrow Agent, the Escrow Agent shall be required by the Internal Revenue Code, as it may be amended from time to time, to withhold a portion of any interest or other income earned on the investment of monies or other property held by the Escrow Agent pursuant to this Agreement.

(b) The parties hereto agree that, for tax reporting purposes, all Escrow Earnings, if any, attributable to the Escrow Fund held in the Escrow Fund by the Escrow Agent pursuant to this Agreement shall be allocable to Visteon.

15. AUTHORIZED PERSONS. For purposes of sending and receiving instructions or directions hereunder, all such instructions or directions shall be, and the Escrow Agent may conclusively rely upon such instructions or directions, delivered, and executed by representatives of Visteon and Ford designated on Schedule I attached hereto and made a part hereof (each such representative, an "Authorized Person") which such designation shall include specimen signatures of such representatives, as such Schedule I may be updated from time to time.

16. SEVERABILITY. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other governmental authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

17. SPECIFIC PERFORMANCE. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts specified in Section 13 hereof, in addition to any other remedy to which they are entitled at law or in equity.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date set forth above.

FORD MOTOR COMPANY

VISTEON CORPORATION

By: /s/ Donat R. Leclair

By: /s/ James F. Palmer

-----  
Title: Executive Vice President and  
Chief Financial Officer

-----  
Title: Executive Vice President and  
Chief Financial Officer

ESCROW AGENT:

DEUTSCHE BANK TRUST COMPANY AMERICAS

By: /s/ Richard L. Buckwalter

-----  
Title: Vice President

## REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT is dated as of October 1, 2005 (this "AGREEMENT") and is entered into between FORD MOTOR COMPANY ("Ford") and VISTEON CORPORATION ("VISTEON").

A. Ford and Visteon have entered into a Master Agreement dated as of September 12, 2005 (the "MASTER AGREEMENT") and a Visteon "A" Transaction Agreement dated as of September 12 2005 (the "VISTEON "A" TRANSACTION AGREEMENT"). As part of the consideration, Ford is required to reimburse Visteon up to One Hundred Fifty Million Dollars (\$150,000,000) for certain separation costs incurred by Visteon in connection with Visteon salaried employees who are assigned to work at Automotive Components Holdings, LLC (f/k/a VFH Holdings, LLC) ("NEWCO LLC") pursuant to that certain Visteon Salaried Employee Lease Agreement between Visteon and Newco LLC dated as of the date hereof (the "EMPLOYEE LEASE AGREEMENT").

B. Ford and Visteon desire to more fully set forth in this Agreement the terms and conditions applicable to the reimbursement obligation.

NOW, THEREFORE, in consideration received to their full satisfaction, Ford and Visteon agree as follows:

1. Separation Costs. Subject to the terms of this Agreement, all Separation Costs for Eligible Employees shall be subject to reimbursement hereunder.

As used herein the term "SEPARATION COSTS" means:

- (a) the amounts payable to Eligible Employees under the terms of the Visteon Separation Program ("VSP") as described in Section 2.06(a) of the Employee Lease Agreement, as that Section 2.06(a) may be amended, modified, waived or supplemented from time to time, (or similar program applicable to Eligible Employees who are entitled to benefits under other separation programs of Visteon because they are based in other countries although working in the United States); and
- (b) the cost of COBRA continuation coverage and life insurance premiums to cover the obligations to pay medical benefits and life insurance under the applicable salaried employee separation program; and
- (c) the cost of outplacement services in accordance with the applicable salaried employee separation plan, and
- (d) costs incurred in accordance with FAS No.88 "Employer's Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits" as determined and supported by an external actuary; and
- (e) reimbursements to Ford pursuant to Section 3.01(c)(ii) of the Amended and Restated Employee Transition Agreement between Ford and Visteon dated as of April 1, 2000 and restated as of December 19, 2003 and as amended as of the date hereof.

As used herein the term "ELIGIBLE EMPLOYEE" means an employee of Visteon or a subsidiary of Visteon who is (a) leased to Newco LLC pursuant to the Employee Lease Agreement; and (b) whose employment with Visteon has been terminated and such employee either:

- - - - -

- A. has not been offered employment by a buyer of the Automotive Components Holdings, Inc. (f/k/a VFH Holdings, Inc.) ("ACH") businesses, or
- B. has been offered employment by Visteon or by a buyer of the Newco businesses but has not accepted the employment offer because the position is not a comparable position as agreed by Ford and Visteon,

provided, however, that an employee who is terminated for an offense that would justify a "for cause" termination under Visteon's Personnel policies or for failure to achieve acceptable performance under the Visteon Performance Improvement Program is not an Eligible Employee.

Notwithstanding the foregoing, Ford shall have no obligation to reimburse Visteon or any of its subsidiaries pursuant to this Agreement after the earlier of (x) December 31, 2009; and (y) the date on which there are no employees leased pursuant to the Employee Lease Agreement. If Ford has not expended One Hundred Fifty Million Dollars (\$150,000,000) for Separation Costs by such date, then the difference between the amount of Separation Costs actually paid by Ford to such date and One Hundred Fifty Million Dollars (\$150,000,000) shall be paid by Ford within five (5) Business Days into the Escrow Fund, as that term is defined in that certain Escrow Agreement dated as of the date hereof among the parties and Deutsche Bank Trust Company Americas, as Escrow Agent (the "ESCROW AGREEMENT").

2. Request for Reimbursement. Visteon shall deliver a copy of a request for reimbursement of Separation Costs (each, a "REQUEST FOR REIMBURSEMENT") to Ford, provided, however, that Visteon shall not be entitled to make a Request for Reimbursement seeking reimbursement for a specific category of Separation Costs if a Final Award (defined herein) previously rendered in favor of Ford ruled that such category was not eligible for reimbursement hereunder. A Request for Reimbursement shall be submitted no more often than once each calendar month on or before the tenth (10th) Business Day following the end of such month. Each Request for Reimbursement shall contain the following information:

- (a) A certification by an officer of Visteon (or other person designated by Visteon and reasonably acceptable to Ford) substantially in the form attached hereto as Exhibit A that the Request for Reimbursement covers only Separation Costs as defined herein; and
- (b) Supporting documentation showing the Separation Costs that have been incurred, which will contain a description of the restructuring action and related cost(s) and which will identify the number and identity (including their name, global identification number, organization name, organization code, and date of termination of employees to be terminated, their locations, the expected completion date, and a description of the benefit arrangement that employees will receive upon termination (including cash payments and special termination benefits) (such employee information, "EMPLOYEE DATA"). If Separation Costs are incurred in connection with an involuntary retirement program where the identity of the participants is not yet known and Visteon is required to publicly report such costs in its financial statements covering the period in which the costs are incurred, then a description of the affected group of employees may be provided in lieu of the Employee Data, provided, however, that Visteon shall deliver to Ford the Employee Data as soon as it is available.

3. Disbursements. All disbursements shall be made by Ford to Visteon or its designee by wire transfer to an account specified by Visteon initiated within fifteen (15) Business Days after Ford's receipt of a properly documented Request for Reimbursement, subject to Ford's rights under Section 5 hereof and its right to contest a Request for Reimbursement under subsection 6.2 hereof.



4. Reporting Obligations. Within forty-five (45) days after the end of each calendar year,

(a) Ford shall provide to Visteon a statement indicating the following:

- Total obligation for Separation Costs (\$150,000,000) less
  - Amounts disbursed during the preceding calendar year
  - Amounts disbursed during prior calendar years
- Total amount remaining eligible for funding Separation Costs

Ford shall provide such statements until its obligation to fund Separation Costs hereunder has expired.

and

(b) Visteon shall provide to Ford a statement indicating the following which shall show, in each category, an amount for both the preceding calendar year and prior calendar years:

- Total amount of Separation Costs actually incurred by Visteon for which Ford was billed 100% of the expense
- Total amount of Separation Costs actually incurred by Visteon for which Ford was billed 50% of the expense

Visteon shall provide such statements until the Employee Lease Agreement is terminated.

5. Reductions in Reimbursement Obligation. If, (i) pursuant to an arbitration award, court order or written settlement agreement executed by Ford and Visteon, Ford or its subsidiaries or affiliates becomes entitled to recover from Visteon or its subsidiaries or affiliates as a result of any indemnification obligation contained in, or any breach or default arising under, any of the Transaction Documents ("VISTEON Obligation"), and (ii) Ford or its subsidiaries or affiliates has not received the full amount of the Visteon Obligation within the time frame provided in such award, order or settlement agreement, then Ford shall have a right to deliver to Visteon a notice (each, a "NOTICE OF SET-OFF") accompanied by a copy of the award, order, settlement agreement or written instructions and Ford's obligation to reimburse Visteon hereunder will be immediately reduced by the amount set forth in such award, order, settlement agreement or written instruction. If, however, the award or order that served as the basis for a reduction in reimbursement obligation hereunder is overruled or otherwise vacated by a final, non-appealable order or upon written settlement agreement executed by Ford and Visteon, then Ford's obligation to reimburse Visteon hereunder shall be increased by the amount by which the award or order was overruled or vacated or with respect to which Ford and Visteon have reached agreement pursuant to such written settlement.

## 6. PROCEDURE FOR REIMBURSEMENT.

6.1 Uncontested Reimbursements. If, within fifteen (15) Business Days after a Request for Reimbursement is received by Ford, Ford has not delivered its objection to such Request for Reimbursement in writing to Visteon, then Ford shall reimburse to Visteon the amount requested in the Request for Reimbursement; provided, however, that after the first Fifty Million Dollars (\$50,000,000) is reimbursed, Ford shall thereafter reimburse only one-half of the total amount contained in each such Request for Reimbursement. The total amount of reimbursements made by Ford hereunder shall not exceed One Hundred Fifty Million Dollars (\$150,000,000) or such lesser amount if Ford's reimbursement obligation is reduced in accordance with Section 5 hereof. If Ford has delivered its objection to only a portion of such Request for Reimbursement, then Ford shall distribute to Visteon the uncontested amount.

6.2 Contested Reimbursements. If Ford gives Visteon written notice contesting all or any portion of a Request for Reimbursement (a "CONTESTED REIMBURSEMENT") within the fifteen (15) Business Day period specified in subsection 6.1, then such Contested Reimbursement shall be resolved by either (i) a written settlement agreement executed by Ford and Visteon or (ii) in the absence of such a written settlement agreement, by binding arbitration between Ford and Visteon in accordance with the terms and provisions of subsection 6.3, provided, however, that Ford shall not be entitled to contest any portion of a Request for Reimbursement to the extent that such portion of the request seeks reimbursement for a specific category of Separation Costs that a Final Award (defined herein) had ruled was eligible for reimbursement hereunder. Each Contested Reimbursement shall set forth in reasonable detail the basis for Ford's contest of a Request for Escrow Reimbursement. In the event of a Contested Reimbursement, Ford and Visteon shall attempt in good faith to agree upon the rights of the respective Parties with respect to such claim. If a Contested Reimbursement is settled by a written settlement agreement executed by Visteon and Ford, then Visteon and Ford shall abide by the terms of such settlement agreement.

6.3 Arbitration Disputes. If a dispute arises between the parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof and seeking relief hereunder.

- (i) CPR. Following good faith negotiations between Ford and Visteon in accordance with subsection 6.2 hereof or otherwise, any Contested Reimbursement that is not resolved in accordance with subsection 6.2(i) or any other dispute arising between the parties relating to this Agreement will be submitted to mandatory, final and binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration, as follows. Within five (5) Business Days after the selection of the arbitrator, each party shall submit its requested relief to the other party and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed subject to the authority of the arbitrator to resolve discovery disputes between the parties. Upon the conclusion of discovery, each party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one party's requested relief as to certain claims or counterclaims and the other party's requested relief as to other claims or counterclaims; rather, the arbitrator must only select one or the other party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator will enter a final ruling that adopts in whole such requested relief, provided, however, that with respect to a Request of Reimbursement, the arbitrator may act separately upon each portion of such request that has been contested under subsection 6.2 hereof. The

arbitrator will limit his/her final ruling to selecting the entire requested relief he/she considers the most appropriate from those submitted by the parties.

- (ii) Location of Arbitration. Arbitration shall take place in the City of Dearborn, Michigan unless the parties agree otherwise or the arbitrator selected by the parties orders otherwise. Punitive or exemplary damages shall not be awarded. This clause is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction as set forth in Section 13.
- (iii) Payment of Costs. Ford, on the one hand, and Visteon, on the other hand, will initially fund such deposits and advances required as may be required by the arbitrator in equal proportions, but either party may advance such amounts. The arbitrator will determine in the Final Award (defined herein) the party who is the prevailing party and the party who is not the prevailing party (the "NON-PREVAILING PARTY"). The Non-Prevailing Party will pay all reasonable costs, fees and expenses related to the arbitration, including reasonable fees and expenses of attorneys, accountants and other professionals incurred by the prevailing party, the fees of each arbitrator and the administrative fee of the arbitration proceedings and any amounts advanced by the Prevailing Party for such items, provided, however, that if such an award would result in manifest injustice, the arbitrator may apportion such costs, fees and expenses between the parties in such a manner as the arbitrator deems just and equitable (such costs, fees and expenses as may be apportioned by the arbitrator pursuant to the preceding clause, the "ARBITRATION EXPENSES"). If Visteon is the Non-Prevailing Party, then Ford may reduce its reimbursement obligation hereunder by the amount of the Arbitration Expenses. If the amount of the Arbitration Expenses exceeds the amount of Ford's reimbursement obligation hereunder, then Visteon shall pay such excess as promptly as possible but in no event later than ten (10) Business Days after the Final Award (defined herein) is rendered pursuant to subparagraph (v) below. If Ford is the Non-Prevailing Party, then Ford shall pay to Visteon, by wire transfer, the Arbitration Expenses as promptly as possible, but in no event later than ten (10) Business Days after such Final Award is rendered.
- (iv) Burden of Proof. Except as may be otherwise expressly provided herein, for any Contested Reimbursement or any other matter submitted to arbitration hereunder, the burden of proof will be as it would have been if the claim were litigated in a judicial proceeding in a Michigan state court and governed exclusively by the internal laws of the State of Michigan, without regard to the principles of choice of law or conflicts of law of any jurisdiction.
- (v) Award. Upon the conclusion of any arbitration proceedings hereunder, the arbitrator will render findings of fact and conclusions of law and a final written arbitration award setting forth its resolution of the matters submitted for resolution, the basis and reasons therefor and the Arbitration Expenses (the "FINAL AWARD") and will deliver such documents to the parties together with a signed copy of the Final Award. Subject to the provisions of subparagraph (vii) below, the Final Award will constitute a conclusive determination of all issues in question that shall be binding upon the parties hereto and shall include an affirmative statement to such effect. To the extent that the Final Award determines that Visteon is entitled to the Contested Reimbursement, then, subject to any reduction in its reimbursement obligation in accordance with Section 5 hereof, Ford shall reimburse Visteon the full amount of the Contested Reimbursement or, if Ford is obligated pursuant

to Section 6.1 to reimburse only one-half of the Request for Reimbursement, then Ford shall reimburse one-half of the Contested Reimbursement.

- (vi) Timing. The parties and the arbitrator will conclude each arbitration pursuant to subsection 6.3 as promptly as possible.
- (vii) Terms of Arbitration. The arbitrator chosen in accordance with these provisions will not have the power to alter, amend or otherwise affect the terms of these arbitration provisions or the other provisions of this Agreement.

7. NOTICES. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

If to Ford: Ford Motor Company  
11th Floor  
One American Road  
Dearborn, Michigan 48121  
Attn: Secretary  
Facsimile: 1-313-248-8713  
psherry@ford.com

with a copy to: Ford Motor Company  
320 WHQ  
One American Road  
Dearborn, Michigan 48121  
Attn: Marcia Nunn, Managing Counsel  
Facsimile: 1-313-337-3209  
munn@ford.com

If to Visteon Visteon Corporation  
One Village Center Drive  
Van Buren Twp., MI 48111  
Attn: John Donofrio, General Counsel  
Facsimile: 1-734-710-7132  
jdonofri@visteon.com

with a copy to: Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, NY 10153  
Attn: Michael E. Lubowitz  
Facsimile: 1-212-310-8007  
michael.lubowitz@weil.com

or such other address, facsimile number or e-mail address as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

## 8. GENERAL.

8.1 Governing Law. The internal laws of the State of Michigan, irrespective of its choice of law principles, shall govern the validity of this Agreement, the construction of its terms, and the interpretation and enforcement of the rights and duties of the parties hereto.

8.2 Counterparts. This Agreement may be executed in counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

8.3 Entire Agreement/Amendment. This Agreement and the exhibits hereto and the Escrow Agreement constitute the entire understanding and agreement of the parties hereto with respect to the subject matter hereof and supersede all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the parties with respect hereto. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof. This Agreement may be amended only by the written agreement of Ford and Visteon.

8.4 Waivers. No waiver by any party hereto of any condition or of any breach of any provision of this Agreement shall be effective unless in writing. No waiver by any party of any such condition or breach, in any one instance, shall be deemed to be a further or continuing waiver of any such condition or breach or a waiver of any other condition or breach of any other provision contained herein.

8.5 Certain Definitions. As used herein, (a) the term "BUSINESS DAY" means a day, other than a Saturday, Sunday or other day on which commercial banks in Detroit, Michigan are authorized or required by law to close; and (b) the term "TRANSACTION DOCUMENTS" shall mean the Master Agreement, the Contribution Agreement Transaction Documents as defined in that certain Contribution Agreement dated as of September 12, 2005 between Visteon and ACH, the Visteon "B" Transaction Documents as defined in that certain Visteon "B" Purchase Agreement dated as of September 12, 2005 between Ford and Visteon and the Visteon "A" Transaction Documents as defined in that certain Visteon "A" Transaction Agreement dated as of September 12, 2005. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. When a reference is made in this Agreement to a Section, subsection or Exhibit, such reference shall be to a Section or subsection of, or an Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning

or interpretation of this Agreement. Whenever the singular is used herein, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate.

9. FORCE MAJEURE If either party hereto is rendered unable, wholly or in part, by Force Majeure (as defined herein) to perform its obligations hereunder (other than the obligation to pay money), such party shall give prompt notice to the other party with reasonable particulars including the probable extent of the inability to perform such obligation. Upon the giving of such notice, the obligation of such party shall be suspended but only to the extent and for the time period it is affected by such Force Majeure. The affected party shall use all possible diligence to eliminate the effect of such Force Majeure. For purposes of this Agreement, the term "FORCE MAJEURE" shall mean acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations superimposed after the fact, acts of terror, communication line failures, computer viruses, power failures, earthquakes or other disasters.

10. REPRODUCTION OF DOCUMENTS. This Agreement and all documents relating thereto, including (a) consents, waivers and modifications which may hereafter be executed, and (b) certificates and other information previously or hereafter furnished, may be reproduced by any photographic, photostatic, microfilm, optical disk, micro-card, miniature photographic or other similar process. The parties hereto agree that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile or further reproduction shall likewise be admissible in evidence.

11. SEVERABILITY. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other governmental authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

12. SPECIFIC PERFORMANCE. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the courts specified in Section 13 hereof, in addition to any other remedy to which they are entitled at law or in equity.

13. CONSENT TO JURISDICTION AND SERVICE RELATING TO DISPUTES The parties hereby absolutely and irrevocably consent and submit to the jurisdiction of the courts in the State of Michigan (and of any federal court located in said state) in connection with any actions or proceedings to enter a judgment upon the Final Award entered by the arbitrator hereunder or to award injunctive relief as provided in Section 12 hereof. In any such action or proceeding, the parties hereby absolutely and irrevocably waive personal service of any summons, complaint, declaration or other process and hereby absolutely and irrevocably agree that the service thereof may be made by certified or registered first-class mail directed to the parties hereto at their respective addresses in accordance with Section 7 hereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date set forth above.

FORD MOTOR COMPANY

VISTEON CORPORATION

By: /s/ Donat R. Leclair

By: /s/ James F. Palmer

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Title: Executive Vice President and  
Chief Financial Officer  
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Title: Executive Vice President and  
Chief Financial Officer  
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\*\*\* TEXT OMITTED AND FILED SEPARATELY  
CONFIDENTIAL TREATMENT REQUESTED  
UNDER 17 C.F.R. 200.80(b)(4) AND 240.24b-2

PURCHASE AND SUPPLY AGREEMENT  
REGARDING SUPPLY OF COMPONENTS BY VISTEON TO FORD  
BETWEEN  
VISTEON CORPORATION  
AND  
FORD MOTOR COMPANY  
October 1, 2005



PURCHASE AND SUPPLY AGREEMENT REGARDING SUPPLY OF COMPONENTS BY VISTEON TO FORD

This Purchase and Supply Agreement Regarding Supply of Components by Visteon to Ford ("AGREEMENT") dated as of October 1, 2005 is entered into by and between Visteon Corporation, a Delaware corporation ("VISTEON"), and Ford Motor Company ("FORD"), a Delaware corporation. Each of Ford and Visteon is herein referred to as a "PARTY" and collectively, the "PARTIES."

RECITALS

A. Ford and Visteon entered into a Purchase and Supply Agreement dated as of December 19, 2003 (the "2003 AGREEMENT") covering the purchase from Visteon and certain of its subsidiaries and affiliates and supply to Ford and certain of its subsidiaries and affiliates worldwide of motor vehicle-related components and systems.

B. As part of an overall restructuring of Visteon operations, the Parties intend to terminate the 2003 Agreement and to substitute this Agreement for the 2003 Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and intending to be legally bound, Visteon and Ford hereby agree as follows:

1. DEFINED TERMS

1.1 All terms with initial capitalization used herein shall have the following definitions unless specifically stated otherwise. In this Agreement, except as otherwise expressly provided or the context otherwise clearly requires, words in the singular include the plural, and vice versa.

"AAI" means AutoAlliance International, Inc.

"AFFILIATE" means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such first Person. For the purpose of this definition, the term "Control" (including, with correlative meanings, the terms "Controlling," "Controlled by" and "under common Control with"), as used with respect to any Person, means having the right to elect a majority of the board of directors or other comparable body responsible for management and direction of such Person, or otherwise having, directly or indirectly, the power to direct or cause the direction of the management and policies of such Person, by contract or by virtue of share ownership. For the avoidance of doubt, neither Newco, any of its subsidiaries, Mazda Motor Corporation, nor Mazda Motor America, Inc. shall be deemed to be an Affiliate (or subsidiary) of Ford or any of its Affiliates for the purposes of this Agreement, but AAI will be an Affiliate of Ford to the extent it purchases Components from Visteon.

"BUSINESS DAY" means a day, other than Saturday, Sunday or other day on which commercial banks in Detroit, Michigan are authorized or required by law to close.

"COMPETITIVE GAP CLOSURE PLAN" means the gap closure plans specified in Exhibit 3 attached hereto.

"COMPONENTS" means motor-vehicle-related parts, components and systems that are produced by Visteon or its wholly-owned subsidiaries in North America and that are shipped directly to Ford facilities in North America or to AAI for use in vehicles that are sold under the Ford, Lincoln or Mercury brand. Notwithstanding anything to the contrary in the foregoing sentence, parts, components and systems that are produced by Visteon Affiliates (other than

its wholly-owned subsidiaries), as well as Tier 2 Components and Service Parts (except as provided for in Section 13.12 below), are not considered "Components".

"CONTRIBUTION AGREEMENT" means the contribution Agreement between Visteon and Automotive Components Holdings, Inc. (f/k/a VFH Holdings, Inc.) dated September 12, 2005.

"DAMAGES" means any and all obligations, liabilities, damages, penalties, deficiencies, losses, judgments, costs and expenses (including, but not limited to, costs and expenses incurred in connection with performing obligations, interest, bonding and appellate costs and reasonable attorneys', accountants', engineers' and investigators' fees and disbursements), in each case, after the application of any and all amounts recovered under insurance contracts or similar arrangements and from third parties by the person claiming indemnity.

"DEFAULTING PARTY" has the meaning specified in Section 8.1.

"DESIGN CHANGE" means any change to the physical Component, its performance, or its interface with other parts or systems that results in a change to the part number.

"DIRECTED TIER 2 SOURCING" means the situation where Ford directs a supplier (as the tier 1 supplier to Ford) to purchase a specific motor-vehicle-related part, component or system from a specific supplier (the tier 2 supplier to Ford) for incorporation into a motor-vehicle-related part, component or system to be supplied by such tier 1 supplier to Ford.

"EVENT OF DEFAULT" has the meaning specified in Section 8.1.

"EXISTING BUSINESS" means all Components that are the subject of an Existing Agreement.

"EXISTING AGREEMENTS" means all Purchase Orders, Long Term Supply Agreements, Target Agreements, and Sourcing Agreements with Pricing, in each case: (1) for Components; and, (2) which were entered into by Ford and Visteon and effective as of May 1, 2005. Existing Agreements also include the: Target Agreement dated 7/21/06 for the PCM for the 2008 MY C170 & B410 program; and, the Target Agreement dated 7/20/05 for the PCM/ECM for the 2009MY P415/U222-228 program.

In the event that a Target Agreement or Sourcing Agreement with Pricing for Components was entered into and effective as of May 1, 2005, but a Purchase Order or Long Term Supply Agreement relating to such Target Agreement or Sourcing Agreement with Pricing was entered into and effective after May 1, 2005, such Purchase Order or Long Term Supply Agreement will be an Existing Agreement for the purposes of this Agreement. In such event, such Purchase Order or Long Term Supply Agreement became (or will become) the Existing Agreement for such Components for purposes of this Agreement (as opposed to such Target Agreement or Sourcing Agreement with Pricing, which will survive only in regard to such Purchase Order or Long Term Supply Agreement as described in the Global Terms).

In the event that the vehicle or power-train program to which a Component that is Existing Business relates is or will be subject to a major refreshing or will be replaced by, or will become, a new program (such Components are referred to herein as "AFFECTED COMPONENTS"), and the motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components are (or were prior to the date of this Agreement) put up for award by Ford, such Affected Components will no longer be considered to be Existing Business for the purposes of this Agreement (and, as such, the Existing Agreement for such Affected Components will no longer be considered to be an Existing Agreement for the purposes of this Agreement) as of the date that Ford begins purchasing the motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components. Nothing in this Agreement or in any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement prohibits Ford from sourcing such motor-vehicle-related parts, components, or systems which replace the Affected Components to a supplier of its choice, or from purchasing

the same from such supplier. For the purposes of this definition: "put up for award" means the issuance of a Request for Quote by Ford for such motor-vehicle-related parts, components, or systems for the refreshed or new program which replace the Affected Components; and, "Request for Quote" means a request issued by Ford to one or more suppliers to provide a quotation for the supply of such parts, components, or systems. "Put up for award" does not mean quoting design changes to a carryover component for a new program or following the change control process.

For the purposes of the prior paragraph, a "major refreshing" or "new program" means a change to a vehicle or power-train program with a "S3" or higher designation, for a vehicle program, or a "P3" or higher designation, for a power-train program, under the Ford Product Development System (FPDS), or the equivalent designation in Ford's Global Product Development System (GPDS) or any future product development system of Ford replacing FPDS or GPDS (as applicable).

"FORD BUY TURNOVER" has the meaning specified in Section 3.1.

"FORD CARRYOVER FROZEN TURNOVER" has the meaning specified in Section 3.1.

"FORD-DIRECTED TIER 2 COMPONENTS" means all Tier 2 Components subject to Directed Tier 2 Sourcing to Visteon (as the directed tier 2 supplier) by Ford for which Ford negotiated the price directly with Visteon (i.e., Tier 2 Components that Ford has directed the applicable Ford Tier 1 Supplier (including, without limitation, Newco) to purchase from Visteon and for which Ford has negotiated the price directly with Visteon). Ford-Directed Tier 2 Components include, without limitation, instrument clusters, EATCs, and audio parts and components which were, prior to the date of this Agreement, direct-sourced by Ford to a Visteon facility in North America (as the tier 2 supplier) for supply to (a) another Visteon facility in North America (as the tier 1 supplier), which facility was transferred to Newco, or (b) another Ford Tier 1 Supplier, in each case in regard to which Ford negotiated the price directly with Visteon or the applicable Visteon facility.

"FORD TIER 1 SUPPLIER" means a supplier (including, without limitation, Newco) who directly provides goods and services to Ford including (a) production parts, components, assemblies and accessories; (b) raw materials; (c) tooling; and (d) design, engineering or other services that are covered by the Global Terms.

"Ford Tier 1 Supplier" also includes a supplier who directly provides the foregoing types of goods and services to AAI relating to vehicles that are sold under the Ford, Lincoln or Mercury brand.

"GLOBAL TERMS" means the Ford Production Purchasing Global Terms and Conditions (PPGTC Jan. 1, 2004) and any revisions made by Ford to the same.

"GOOD CAUSE" means:

- (i) A significant quality or delivery issue for a given Component; or
- (ii) A unilateral upward re-pricing of the applicable Component (including, without limitation, uncompetitive pricing by Visteon for Design Changes to the Component), excluding mutually agreed price increases; or
- (iii) A default, within the prior twelve months, of a commitment by Visteon to adhere to a Competitive Gap Closure Plan identified on Exhibit 3 for a given Component; or
- (iv) A material default by Visteon under the terms of a Purchase Order or Long Term Supply Agreement with respect to a given Component.

"LONG TERM SUPPLY AGREEMENT" means a multiple-year contract with a supplier committing Ford to procure and the supplier to supply goods or services for a specified time period on specified terms.

"MASTER AGREEMENT" means the collective bargaining agreement and all supplements thereto between Ford and the UAW dated September 15, 2003, as well as any successor agreement (and supplements thereto) to such collective bargaining agreement entered into prior to the expiration of this Agreement.

"MASTER AGREEMENT PLANT" means a facility where some or all of the hourly employees working there are represented by the UAW under the Master Agreement.

"NEWCO" means Automotive Components Holdings, LLC (f/k/a VFH Holdings, LLC) and its Affiliates.

"NEWCO - VISTEON PSA" means the Purchase and Supply Agreement Regarding Sales of Components from Automotive Components Holdings, LLC to Visteon Corporation between Automotive Components Holdings, LLC (f/k/a VFH Holdings, LLC) and Visteon dated as of September 30, 2005.

"NON-DEFAULTING PARTY" has the meaning specified in Section 8.1.

"NORTH AMERICA" means Canada, Mexico and the United States.

"PARTY" or "PARTIES" has the meaning specified in the opening paragraph of this Agreement.

"PERSON" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof.

"PURCHASE ORDER" means a Purchase Order (as defined in the Global Terms) issued for Components, except in regard to the tooling referenced in Section 5.2, in which case it also refers to the Purchase Order (as defined in the Global Terms) issued for such tooling.

"SERVICE PARTS" means parts, components and systems that Ford or its Related Companies (as defined in the Global Terms), including, without limitation, FCSD, Ford Component Sales, Ford Racing or Ford Power Products, may offer for resale to authorized Ford, Lincoln, or Mercury vehicle dealers and others as service parts or replacement parts or accessories. By way of illustration, the term "Service Parts" includes both those parts, components and systems that are an exact match of a part, component or system that is sold to Ford or such of its Related Companies for use in production of vehicles as well as Component Parts. For the purposes of this definition: "COMPONENT PART" means a Service Part that is a component of a larger assembly or system.

"SOURCE" means the awarding of a Target Agreement or a Sourcing Agreement with Pricing as to a Component for an estimated program volume over a specified number of years. The term "Source" does not include the issuance of a Sourcing Agreement with Preliminary Targets or a Sourcing Agreement without Pricing.

"SOURCING AGREEMENT" means an agreement that may be entered into before a Purchase Order is issued to advise the supplier that Ford intends to Source goods or services to such supplier assuming that the requirements of the Sourcing Agreement are met. There are three types of Sourcing Agreements: Sourcing Agreements with Pricing, Sourcing Agreements with Preliminary Targets, and Sourcing Agreements without Pricing.

"TARGET AGREEMENT" has the meaning specified in the Global Terms.

"TARGET AGREEMENT TURNOVER" has the meaning specified in Section 3.1.

"TIER 2 COMPONENTS" means all motor vehicle related parts, components and systems produced by Visteon or its wholly-owned subsidiaries in North America that are supplied by Visteon or its wholly-owned subsidiaries in North America to Ford Tier 1 Suppliers (including, without limitation, Newco) where such components are ultimately sold to Ford, its wholly-owned subsidiaries, or AAI for use in Ford, Lincoln and Mercury-branded vehicles. Service Parts are not Tier 2 Components for the purposes of this Agreement.

"TOTAL FROZEN TURNOVER" has the meaning specified in Section 3.1.

1.2 Subject to Section 13.3, except in regard to the identification of the Parties to this Agreement above, the definitions of Components and Tier 2 Components in Section 1.1, and where the context clearly requires otherwise, a reference in this Agreement to "Ford" includes Ford and its applicable Affiliates, and to "Visteon" includes Visteon and its applicable Affiliates.

## 2. PURCHASE AND SUPPLY COMMITMENTS

2.1 Existing Agreements. (a) Subject to the terms and conditions of this Agreement, Visteon and Ford each shall, during the term of this Agreement, continue to honor the terms and conditions of all Existing Agreements regarding the purchase and sale of Components.

(b) Except as modified or supplemented under this Agreement, the Global Terms: (i) apply to each Existing Agreement (other than Sourcing Agreements with Pricing or Target Agreements, in regard to which the Global Terms will apply to any Purchase Orders or Long Term Supply Agreements issued pursuant to such Sourcing Agreements with Pricing or Target Agreements), except to the extent that such Existing Agreement specifically states otherwise; and (ii) will apply to all other Purchase Orders and Long Term Supply Agreements issued by Ford to Visteon for Components. In the event of a conflict between the terms of an Existing Agreement and this Agreement, then the terms of this Agreement shall control.

2.2 Expiration of Term or Cessation of Existing Business Designation. Upon the termination or expiration of this Agreement, or when any Components that are Existing Business cease to be designated as Existing Business as provided for under this Agreement, Ford's and Visteon's rights and obligations regarding the purchase and sale of the Components shall be as specified under the applicable Purchase Order or Long Term Supply Agreement, including the Global Terms, for such Components (without regard to any amendment or supplement to the same provided for under this Agreement, but subject to Section 11 below).

2.3 Service Parts. The Parties' rights and obligations relating to the purchase by Ford from Visteon, and supply by Visteon to Ford, of Service Parts will be as set forth in the applicable purchase order from Ford to Visteon relating to such Service Parts (including, without limitation, that relating to the production end-item [to Ford] part, component, or material to which they relate) and will be unaffected by this Agreement (except as provided for in Section 13.12 below).

2.4 Ford Actions Regarding Ford-Directed Tier 2 Components During Term. Subject to Section 2.5 below, Ford may not direct the Ford Tier 1 Supplier (which may be, without limitation, Newco) relating to a Ford-Directed Tier 2 Component to terminate its purchases of such Ford-Directed Tier 2 Component from Visteon during the term of this Agreement, except Ford may, at its option, do so if: (i) Visteon fails to comply with the Competitive Gap Closure Plan set forth in Exhibit 3 relating to such Ford-Directed Tier 2 Component or to provide the productivity price reductions for such Ford-Directed Tier 2 Component required under Section 3 below; or (ii) Ford would otherwise have the right to terminate a Purchase Order issued by Ford directly to Visteon for such Ford-Directed Tier 2 Component under this Agreement, if such Ford-Directed Tier 2 Component were a Component under this Agreement, a Purchase Order had been issued by Ford directly to Visteon for it, and such Purchase Order was an Existing Agreement under this Agreement.

2.5 Ford-Directed Audio Components. Notwithstanding any other term or condition of this Agreement, any audio parts or components which are Ford-Directed Tier 2 Components ("FORD-DIRECTED AUDIO COMPONENTS") shall cease to be covered under Section 2.4 above as of December 31, 2006. Visteon shall have no obligation to provide Ford with productivity price reductions for Ford-Directed Audio Components under this Agreement after such date, and Ford may, at its option, freely direct the applicable Ford Tier 1 Supplier (including, without limitation, Newco) to cease purchasing Ford-Directed Audio Components from Visteon after such date; provided, however, that nothing in this Section 2.5 shall limit or affect any rights Visteon may have to submit a cancellation claim relating to any such action by Ford.

3. PRICING

3.1 Productivity Price Reductions. (a) Visteon shall reduce the prices for all Components included in the calculation of Ford Carryover Frozen Turnover (as described below), as well as for all Tier 2 Components (except for Ford-Directed Audio Components after December 31, 2006, as described in Section 2.5 above), beginning on the date of this Agreement through December 31, 2008 by the following percentages (such reductions will be made effective as of January 1 of the applicable calendar year as described in Subsection 3.2 below):

Calendar Year	2005	2006	2007	2008
Percentage Reduction	***	***	***	***

For a given calendar year, the aggregate productivity price reduction for all Components included in the calculation of Ford Carryover Frozen Turnover will be calculated by applying the applicable Percentage Reduction for such calendar year against the "Ford Carryover Frozen Turnover." The "Ford Carryover Frozen Turnover" shall be equal to the Total Frozen Turnover, less the Target Agreement Turnover, less the Ford Buy Turnover, less any Components excluded from the calculation of the Ford Carryover Frozen Turnover as described in Section 3.1(b) below. The following definitions shall apply to this calculation:

"Total Frozen Turnover" shall be equal to the total projected sales of Components by Visteon to Ford using Ford's budgeted volume, mix and rates assumptions for the applicable calendar year.

"Target Agreement Turnover" means that portion of the Total Frozen Turnover for Components that will be launched during the applicable calendar year where Ford and Visteon have entered into signed Target Agreements.

"Ford Buy Turnover" means that portion of the Total Frozen Turnover for which Ford has negotiated the price on behalf of Visteon (except for parts, components, or materials supplied by Newco to a Visteon facility for which Newco is obligated to pay productivity under the Newco - Visteon PSA). All productivity price reductions negotiated by Ford with respect to such portion of the Total Frozen Turnover will be flowed through, unaltered, to Ford and reflected in a corresponding adjustment to the price payable by Ford for the Components to which such portion of the Total Frozen Turnover relates.

The productivity price reductions for 2005 described above will not be duplicative of or in addition to any productivity price reductions implemented by Ford for 2005 for the applicable Components prior to the date of this Agreement pursuant to the 2003 Agreement. The productivity price reductions above for Tier 2 Components are not duplicative of or in addition to those that apply to the same Tier 2 Components under the Purchase and Supply Agreement Regarding Sales of Components from Visteon Corporation to Automotive Components Holdings, LLC between Visteon and Newco dated as of September 30, 2005.

(b) Where Ford and Visteon agree (or have agreed) in writing on different productivity price reductions than those specified above, such separate agreements shall supersede the provisions of Subsection 3.1(a) if such different price reductions replace (and are not incremental to) the price reductions required under Subsection 3.1(a). In these cases, the Components to which such different price reductions apply will be excluded from the calculation of Ford Carryover Frozen Turnover. If such different price reductions are incremental to (and do not replace) the price

reductions required under Subsection 3.1(a), the Components to which such incremental price reductions apply will be included in the calculation of Ford Carryover Frozen Turnover and the incremental price reductions will apply in addition to those required under Subsection 3.1(a). Exhibit 3 contains a list of the Components for which separate agreements exist as of the date of this Agreement. The list describes separate and incremental agreements the Parties have identified as of the date of this Agreement, but is not to be considered an exhaustive list.

3.2 All productivity price reductions will be retroactive to January 1 of the applicable year. If the productivity price reductions are not processed prior to the end of any calendar quarter during the applicable year, Visteon shall pay to Ford a lump sum equal to seventy five percent (75%) of a reasonable estimate of the effect of the productivity price reductions based on Visteon's shipments of Components to Ford during such calendar quarter. Such amount shall be paid on or before the last day of such calendar quarter. The Parties acknowledge that once the actual productivity price reductions are determined, they will be entered into a system that will result in productivity price reductions retroactive to January 1 of the applicable year; therefore, if Visteon has made a lump sum payment for any calendar quarter and Ford later receives a retroactive price adjustment, Ford will reimburse Visteon any amounts that are charged twice to Visteon. For the avoidance of doubt, Visteon's lump-sum payment of 75% of such estimated amount will not affect Ford's right to receive 100% of the productivity price reduction due for the applicable calendar year.

3.3 In regard to any Design Change to any parts, components, or systems supplied by Newco to Visteon for inclusion in Components or Tier 2 Components, the price increase or decrease, as approved by Ford, to such parts, components, or systems resulting from such Design Change will be flowed through, unaltered, to Ford and reflected in a corresponding adjustment to the price payable by Ford for such Components or Tier 2 Components. Sec. 9.03 of the Global Terms and the Supplier Frequently Asked Question dated September 30, 2005 on Sec. 9.03 issued by Ford will apply in regard to any such Design Change requested by Ford (i.e., Visteon will promptly notify Ford in a Written Notice as defined in the Global Terms if the proposed change will affect cost or timing and provide substantiation of its claim, and, as long as the claim is adequately substantiated, Ford will make an equitable adjustment to the price or delivery schedules, and the adjustment will be negotiated in good faith with Visteon).

3.4 In regard to the D-series twin sheet fuel tanks produced at Visteon's Chicago VMAP facility and supplied by such facility to Ford ("TANKS"), Ford will compensate Visteon \$15 million on an annualized basis, which shall be incremental to the amounts otherwise due and owing pursuant to any Purchase Orders issued by Ford to Visteon for such Tanks, for as long as the production part (i.e., non-Service Part) Tanks are manufactured at Visteon's Chicago VMAP facility and supplied by such facility to Ford during the term of this Agreement, in accordance with the following:

(a) For each full calendar quarter after the date of this Agreement during which the Tanks are manufactured at Visteon's Chicago VMAP facility and supplied by such facility to Ford, the payment will be \$3.75 million. Payments will be made on a quarterly basis, and will be due to Visteon on the last business day of such quarter; provided, however, that if the date of this Agreement is not within 5 business days before or after the beginning of a quarter, the first payment will be prorated based on the following formula:  $\$3.75 \text{ million} / 90 \text{ days} * \text{number of days between the date of this Agreement and the earlier of (a) the last day of such quarter or (b) the end manufacturing and supply date (as described in Section 3.4(b) below)}$ .

(b) If the manufacture and supply to Ford of the Tanks by Visteon's Chicago VMAP facility ceases prior to the completion of a quarter, the final payment will be prorated to reflect the number of days the Tanks are manufactured and supplied to Ford during that quarter. Calculations will be based on the following formula:  $\$3.75 \text{ million} / 90 \text{ days} * \text{number of days the Tanks were manufactured and supplied to Ford during that quarter}$ . The end manufacturing and supply date will be the date that Ford receives the last Tank supplied by Visteon's Chicago VMAP facility.

3.5 In the event that Newco amends a Purchase Order or Long Term Supply Agreement for an Assigned Component as described in Section 3.1(d) of the Newco - - Visteon PSA, the Matched Ford Price for the affected Assigned

Component as of 12/31/08 will be flowed through, unaltered, to Ford and reflected in a corresponding adjustment to the price payable by Ford for the Components containing such Assigned Component. For the purposes of this Section 3.5, "Purchase Order," "Long Term Supply Agreement," "Assigned Component," and "Matched Ford Price" are as defined in the Newco - Visteon PSA.

#### 4. PRICE GAP CLOSURE

All Competitive Gap Closure Plans in effect as of May 1, 2005 shall remain in effect as specified therein. "Competitive Gap Closure Plan" means, for purposes of this Agreement, the plans agreed between Ford and Visteon and listed on Exhibit 3. Visteon shall have no further obligation to provide Competitive Gap Closure Plans in relation to any Existing Business beyond the plans identified on Exhibit 3; provided, however, that nothing in this Agreement prohibits Ford from requesting that Visteon agree to any other or additional gap closure plan, or any productivity price reduction beyond that provided for in Section 3.1, in regard to any Components (whether Existing Business or otherwise).

#### 5. PAYMENT TERMS

5.1 Payment terms for Components received at Ford facilities in the United States, and for tooling received at Visteon facilities (or a Visteon supplier's facilities) in the United States, will be:

- (a) For the period beginning on the date of this Agreement through December 31, 2006, payment terms shall average 22 days after the entry date of the Components or tooling.
- (b) For the period beginning January 1, 2007 through December 31, 2007, payment terms shall average 26 days after the entry date of the Components or tooling.
- (c) For the period beginning January 1, 2008 through December 31, 2008, payment terms shall be net 12th or 26th prox with an average days payable of 34.5 days meaning that if the entry date of components or tooling occurs from the first day through the 15th day of a month, payment will be made by the 12th of the following month and if the entry date of components or tooling occurs from the 16th day through the last day of a month, payment will be made by the 26th of the following month.
- (d) Effective January 1, 2009, Visteon will be paid in accordance with Ford's standard payment terms in effect at that time.

5.2 All Components and tooling received at Ford facilities outside of the United States will have the payment terms specified in the applicable Purchase Order.

5.3 As used in this Article 5, the term "tooling" refers only to tooling owned by Ford and funded by Ford in an up-front payment (rather than in the piece price) that is used for the production of Components and which is located in Visteon facilities or Visteon's suppliers' facilities in the United States.

#### 6. RIGHT TO TERMINATE OR NOT RENEW

6.1 (a) Notwithstanding any term or condition of this Agreement or of any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement, or any other termination rights Ford may have, Ford may terminate or not renew, in whole or in part, an Existing Agreement relating to a Component during the term of this Agreement only:

- (1) for a Change of Control in accordance with Section 8.3(b) and (c) below;
- (2) in accordance with Section 26.05 (Excusable Delay) of the Global Terms;
- (3) as a result of program cancellation (as described in Section 29 of the Global Terms);



- (4) as a result of an assignment by Visteon in breach of Section 42.04 of the Global Terms;
- (5) for Good Cause with respect to such Component;
- (6) for a default by Visteon in the performance of any obligation or in the observance of any restriction described in Section 8.1(a) below that is not fully cured within 90 days after written notice thereof has been given by the Non-Defaulting Party;
- (7) as a result of the termination of this Agreement under Section 8; or
- (8) in regard to Existing Agreement(s) for Fuel Delivery Modules (FDMs) supplied by Visteon's Bedford facility to Ford, in the event that the FDM business is transferred to a Master Agreement Plant as described in Section 10 below.

Nothing in this Agreement shall in any way mitigate or affect any of Ford's rights to: (i) terminate or not renew any Purchase Order, Long Term Supply Agreement, or other agreement other than an Existing Agreement (i.e., a Purchase Order, Long Term Supply Agreement, or other agreement relating to Components other than Existing Business); or (ii) direct a Ford Tier 1 Supplier (which may be, without limitation, Newco) relating to a Ford-Directed Tier 2 Component to terminate its purchases of such Ford-Directed Tier 2 Component from Visteon during the term of this Agreement, except as specifically provided for in Section 2.4 and 2.5.

(b) In regard to any termination or non-renewal described in 6.1, the terms of the applicable Existing Agreement will govern the right to notification, remediation and compensation, if any. In this regard, a termination by Ford under Section 6.1(a)(1) above will be treated as a termination under Section 26.03 of the Global Terms, under Sections 6.1(a)(4) through (7) above will be treated as a termination under Section 26.01 of the Global Terms, and a termination by Ford under Section 6.1(a)(8) above will be treated as a termination under Section 27.01 of the Global Terms. In no event will termination or non-renewal by Ford made in accordance with this Agreement (including, without limitation, under this Section 6.1 or Section 8) be considered a default or breach by Ford under any Existing Agreement or other agreement (including, without limitation, any Purchase Order or Long Term Supply Agreement) between Ford and Visteon. For the avoidance of doubt, in the event of a termination by Ford under Section 6.1(a)(3) above, Visteon shall have a right to submit a cancellation claim to Ford as provided for under Sec. 29.02 of the Global Terms.

6.2 Subject to Section 6.1(b), Ford's right to terminate or not renew an Existing Agreement as described in this Article 6 is without prejudice to either Party for any other right or remedy permitted under this Agreement or the applicable Existing Agreement, including, without limitation, any right to recover Damages for default.

6.3 Notwithstanding any term or condition of this Agreement, any Purchase Order or Long Term Supply Agreement, or any other termination rights Visteon may have, Visteon:

- (a) may terminate or not renew an Existing Agreement for a Component which does not include any parts, components, or systems supplied by Newco in accordance with the Purchase Order or Long Term Supply Agreement (and Global Terms) covering such Component; and,
- (b) may not, during the term of this Agreement, terminate or not renew an Existing Agreement for a Component which includes any parts, components, or systems supplied by Newco without Ford's prior written consent, except if Ford is in material default of the applicable Purchase Order or Long Term Supply Agreement covering the Component and Ford has failed to materially cure such default within 60 days after written notice of such default is provided by Visteon to Ford; provided that if such default (except for non-payment by Ford) cannot be cured within such 60 days, then Ford shall have a reasonable period to cure the default (not to exceed an additional 90 days), during which period Ford shall at all times diligently pursue a cure.

## 7. PARTICIPATION IN FORD RAW MATERIALS PROGRAMS AND DIRECTED SOURCING

7.1 To the extent consistent with all applicable laws and regulations and consistent with the terms of all Existing Agreements, Visteon will participate in Ford's raw materials supply system or directed buy programs for raw materials as amended from time to time, in the same manner as other Ford Tier 1 Suppliers. In the event that such participation by Visteon would or may conflict with existing contractual obligations of Visteon, Ford and Visteon will discuss in good faith how to address the matter.

7.2 Visteon will participate in new Directed Tier 2 Sourcing for Existing Business if and as requested by Ford after the date of this Agreement. Any price reductions or increases approved by Ford for parts, components, or materials of Components subject to such new Directed Tier 2 Sourcing will be flowed through, unaltered, to Ford and reflected in a corresponding adjustment to the price payable by Ford for such Components. If any such new Directed Tier 2 Sourcing affects Visteon's cost or timing (aside from the cost of the newly-directed parts, components, or materials), Sec. 9.03 of the Global Terms and the Supplier Frequently Asked Question dated September 30, 2005 on Sec. 9.03 issued by Ford will apply (i.e., Visteon will promptly notify Ford in a Written Notice [as defined in the Global Terms] if the proposed new Directed Sourcing will affect its cost or timing and provide substantiation of its claim, and, as long as the claim is adequately substantiated, Ford will make an equitable adjustment to the price or delivery schedules, and the adjustment will be negotiated in good faith with Visteon).

## 8. DEFAULT

8.1. A Party (a "NON-DEFAULTING PARTY") may give notice to the other Party (the "DEFAULTING PARTY"), upon occurrence of any of the following events, any one of which will be considered to be an "EVENT OF DEFAULT":

- (a) Default by a Party. Any default by the Defaulting Party in the performance of any obligation or in the observance of any restriction in this Agreement, which default may not be cured, or is not effectively cured, after a period of 30 days after written notice thereof has been given by the Non-Defaulting Party; provided that if such default cannot be cured within 30 days, then the Defaulting Party shall have a reasonable period to cure the default (not to exceed 90 days), during which period the Defaulting Party shall at all times diligently pursue a cure;
- (b) Termination of Existence Initiated by a Party. The Defaulting Party commences any Proceeding to wind up, dissolve, or otherwise terminate its legal existence;
- (c) Termination of Existence Initiated by Another Person. Any proceeding is commenced against the Defaulting Party that seeks or requires the winding up, dissolution, or other termination of its legal existence, unless the proceeding is defended or contested in good faith by the Defaulting Party within 30 days of the commencement of the proceeding in a manner that stays it and such defense or contest is pursued diligently thereafter;
- (d) Bankruptcy. Either (a) the Defaulting Party seeks relief by any proceedings of any nature under any applicable laws for the relief of debtors; or (b) the institution against the Defaulting Party of a proceeding under any applicable bankruptcy or similar law of any jurisdiction in which the Defaulting Party carries on its business, unless the proceeding is defended or contested in good faith by the Defaulting Party within 15 days of the commencement of the proceeding in a manner that stays the proceedings and then only so long as such defense or contest is pursued diligently thereafter;
- (e) Appointment of a Receiver. The appointment of a receiver, receiver-manager, trustee, custodian or like officer for all or a substantial part of the business or assets of the Defaulting Party, unless the appointment is defended or contested in good faith by the Defaulting Party within 30 days of the commencement of the appointment in a manner that stays the appointment and then only so long as such defense or contest is pursued diligently thereafter; or

- (f) Assignment for Benefit of Creditors. The Defaulting Party makes an assignment of a substantial part of its assets for the benefit of its creditors.

8.2. Upon the occurrence of an Event of Default, the Non-Defaulting Party may elect one or more of the following remedies:

- (a) Subject to Section 8.4 below, termination of this Agreement, in whole or in part, and any such termination shall not be deemed a waiver or release of, or otherwise prejudice or affect, any rights, remedies or claims, whether for Damages or otherwise, which the Non-Defaulting Party may then possess under this Agreement or which arise as a result of such termination; provided, however, that the Non-Defaulting Party may only elect to terminate this Agreement (in whole or in part) for an Event of Default under Section 8.1(a) above (Default by a Party) if the default by the Defaulting Party under Section 8.1(a) is a material default of a material provision of this Agreement; and
- (b) Set off and recoupment against sums owed by the Non-Defaulting Party or one of its Affiliates to the Defaulting Party or one of its Affiliates any amounts for which the Non-Defaulting Party determines in good faith that the Defaulting Party or one of its Affiliates is liable to the Non-Defaulting Party or one of its Affiliates under this Agreement or any Purchase Order; and
- (c) Recovery of Damages arising from the Default.

8.3 (a) In addition to any termination rights Ford may have under this Agreement or applicable law, Ford may terminate this Agreement in the following events:

(i) a Change of Control of Visteon occurs; (ii) all of the Existing Agreements become subject to termination or cancellation for Good Cause; or (iii) all of the Existing Agreements are terminated or not renewed in accordance with this Agreement.

(b) As used in this Section 8.3, the term "CHANGE OF CONTROL" means (i) a liquidation or dissolution of Visteon; (ii) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the assets of Visteon and its subsidiaries, taken as a whole; (iii) a merger, consolidation, share exchange, business combination or similar extraordinary transaction as a result of which the persons possessing, immediately prior to the consummation of such transaction, beneficial ownership of the voting securities of Visteon entitled to vote generally in elections of directors of Visteon, cease to possess, immediately after consummation of such transaction, beneficial ownership of voting securities entitling them to exercise at least 50% of the total voting power of all outstanding securities entitled to vote generally in elections of directors of Visteon (or, if not Visteon, the surviving entity resulting from such transaction); or (iv) a transaction or series of transactions (including by way of merger, consolidation, sale of stock or otherwise) the result of which is that any Person or "group" (as defined in Section 13 of the Securities Exchange Act of 1934) becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 promulgated under the Securities Exchange Act of 1934), directly or indirectly, of more than 50% of the voting power of the outstanding voting stock of Visteon.

(c) Notwithstanding Section 6.1(a)(1) or 8.3(a) above, in the event of an occurrence described in Section 8.3(b)(ii), (iii), or (iv) above, Ford may not terminate an Existing Agreement relating to a Component during the term of this Agreement, or terminate this Agreement, as a result of a Change of Control of Visteon unless and until it has made a good faith effort to discuss (if Visteon requests, in writing, that Ford have such discussion) the potential continuation of the applicable Existing Agreement, in regard to Section 6.1(a)(1), or of this Agreement, with: (1) the transferee of all, or substantially all, of the assets of Visteon and its Subsidiaries described in Section 8.3(b)(ii); (2) the Person Controlling Visteon (if any) as a result of the merger, consolidation, share exchange, business combination or similar extraordinary transaction described in Section 8.3(b)(iii) (for this purpose, "Control" will be as defined in the definition of the term "Affiliate" in Section 1.1 above); or, (3) the Person or "group" that will become the "beneficial owner" of more than 50% of the voting power of the outstanding voting stock of Visteon described in Section 8.3(b)(iii).

8.4 A Non-Defaulting Party intending to terminate this Agreement pursuant to this Article 8 as a result of an Event of Default occurring under Subsections 8.1(a) or (b) shall first notify the Defaulting Party of the grounds for the intended termination. If the Defaulting Party fails to remedy such grounds for termination within sixty (60) days of such notice (or any longer period of time as mutually agreed by the Parties), then the Non-Defaulting Party may terminate this Agreement effective upon notice to the Defaulting Party without the need for any judicial action.

8.5 The provisions of this Article 8 are without prejudice to any other rights or remedies either Party may have by reason of the Event of Default of the other Party; provided, however, that the Parties' rights to terminate this Agreement shall in all cases be as described in this Article 8.

8.6 In the event a competitor of Ford in the business of manufacturing motor vehicles acquires a significant interest in Visteon (directly or indirectly), Visteon will provide Ford with reasonable assurances that Visteon will utilize its best efforts to preserve the confidentiality of all information related to products produced for Ford and Ford product programs.

#### 9. TERM

9.1 The term of this Agreement shall commence on the date of this Agreement and continue through December 31, 2008, unless terminated earlier in accordance with the terms and conditions of this Agreement.

9.2 The 2003 Agreement shall be terminated as of the date of this Agreement and, as such, all obligations outstanding under the 2003 Agreement shall be terminated as of such date.

#### 10. TRANSFER OF FDM BUSINESS

If requested by Ford, Visteon will move at least 450 Fuel Delivery Module (FDM) jobs to a Master Agreement Plant. Ford and Visteon will diligently negotiate and agree upon the plan and schedule for the movement of such jobs. Over time, it is anticipated that all FDM production would be relocated from Visteon to a Master Agreement Facility.

#### 11. CONFLICT WITH OTHER AGREEMENTS

Nothing in this Agreement, any Existing Agreement, or in any Purchase Order, Long Term Supply Agreement, Target Agreement, or Sourcing Agreement for Components or the Global Terms affects, limits, or supersedes in any way any Master Transaction Agreement or any rights, obligations, or limitations of liability of either of Newco or Visteon under any Master Transaction Agreement, including, without limitation, any limitations of liability of Newco or Visteon relating to any Components (or parts, components, or materials thereof) contained in any Master Transaction Agreement, or any rights relating to intellectual property, or responsibility for infringement of intellectual property rights, contained in any Master Transaction Agreement. In the event of any conflict between the provisions of this Agreement and any Master Transaction Agreement, the Master Transaction Agreement shall prevail. This Section 11 will survive the termination or expiration of this Agreement. Without limiting the generality of the foregoing, the Parties agree that nothing in this Agreement, or in any Purchase Order, Long Term Supply Agreement, Sourcing Agreement, or Target Agreement, shall in any respect limit or restrict Visteon's obligations with respect to liabilities retained by Visteon under Section 2.04(iii) of the Contribution Agreement.

For the purposes of this Section 11, "Master Transaction Agreements" means the following, collectively: All of the agreements referenced in Section 8 of the Master Agreement by and between Ford and Visteon dated as of September 12, 2005, and, for the avoidance of doubt, the Intellectual Property License Agreement dated as of October 1, 2005 between Visteon, Visteon Global Technologies, Inc., and Ford.

#### 12. QUALITY IMPROVEMENT INITIATIVES & WARRANTY SHARING AGREEMENT

(a) Without limiting or expanding any of the terms and conditions of the Global Terms, to insure a robust quality improvement process, Visteon will participate in Ford quality improvement programs and Ford can require Visteon to achieve reasonable increased quality standards, consistent with the requirements for other Ford Tier 1 Suppliers, as they may exist from time to time. Without limiting the foregoing (including the Global Terms), all Visteon facilities that produce Components for Ford shall achieve and retain Q1 status and shall also maintain ISO9000 compliance during the terms of any applicable Purchase Order.

(b) It is Ford's intent that Visteon's Q1 status will not be negatively impacted by quality problems determined to have been caused by Newco. Towards this end:

1. Visteon will collect, compile and provide to Ford the data on Newco performance collected at Visteon's manufacturing location. The data collected and provided to Ford by Visteon will be the data collected by Visteon's current quality operating system.
2. Visteon has the right to contest the consequences of inclusion of Newco performance in Visteon SIM (Supplier Improvement Metrics) data input by Ford plants.
3. If the capability to maintain separate quality and SIM data for Newco-supplied parts, components or materials becomes available in the future, Ford will notify Visteon and Newco.

Except as otherwise expressly agreed upon by Ford in writing, this Section 12(b) will apply only in regard to parts, components, or materials supplied by Newco to Visteon, and will not apply to any parts, components, or materials supplied by a Person other than Newco, including, without limitation, any buyer or transferee of the applicable Newco facility supplying the parts, components, or materials.

This Section 12(b) does not, however, relieve Visteon of its responsibilities for the quality of parts, components, or materials supplied by Newco to Visteon under the applicable Ford Purchase Order or Long Term Supply Agreement or under Q1, including, for example and without limitation, for monitoring the incoming quality of such parts, components, or materials and taking any necessary containment actions, nor does this section reduce or mitigate Visteon's obligation under Section 2.04(iii) of the Contribution Agreement.

(c) The warranty sharing program in effect as of the date of this Agreement is contained in that certain letter dated December 13, 2002 from Mr. Todd Sheppelman of Visteon to Mr. Tom Miller of Ford. The Parties acknowledge that certain modifications will need to be made to such letter in light of the overall restructuring of Visteon operations giving rise to this Agreement. The Parties will discuss such modifications in good faith.

### 13. GENERAL PROVISIONS

13.1 No Agency. This Agreement does not constitute either Party the agent or legal representative of the other Party. Neither Party is authorized to create any obligation on behalf of the other Party.

13.2 Notices. All notices, requests and other communications to any Party hereunder shall be in writing (including facsimile transmission and electronic mail ("E-MAIL") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to Ford, to:

Ford Motor Company  
Office of the Secretary  
One American Road  
Dearborn, Michigan 48126

Attention: Peter J. Sherry, Jr.  
Facsimile No.: (313) 248-8713  
E-mail: munn@ford.com

with a copy to:

Ford Motor Company  
Office of the General Counsel  
One American Road  
320 World Headquarters  
Dearborn, Michigan 48126

Attention: Marcia J. Nunn  
Facsimile No.: (313) 337-3209  
E-mail: munn@ford.com

if to Visteon, to:

Visteon Corporation  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: John Donofrio, General Counsel  
Facsimile No.: (734) 710-7132  
E-mail: jdonofri@visteon.com

or such other address, facsimile number or e-mail address as such Party may hereafter specify for the purpose by notice to the other Parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

13.3 Subsidiaries and Affiliates. Subsidiaries and other Affiliates of Ford and Visteon are bound by the provisions herein to the extent that such subsidiaries or Affiliates produce Components supplied to Ford or its Affiliates (in regard to Visteon and its Affiliates) or purchase Components supplied by Visteon or its Affiliates (in regard to Ford and its Affiliates); provided, that AAI and Affiliates of Ford shall be bound by this Agreement only to the extent that Components supplied to them are purchased for use in a Ford, Lincoln or Mercury brand vehicle. Each Party warrants and represents to the other Party that it has the authority to bind its Affiliates to this Agreement as described in this Section 13.3.

13.4 Amendments and Waivers.

- (a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective.

- (b) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

13.5 Entire Agreement. Subject to Section 11, this Agreement supersedes any prior agreements between the Parties concerning the subject matter herein.

13.6 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided that neither Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto, except as expressly provided for otherwise in this Agreement.

13.7 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

13.8 Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Michigan, without regard to the conflicts of law rules of such state. The Parties exclude the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods, if otherwise applicable.

13.9 Disputes. If a dispute arises between the Parties relating to this Agreement, the following shall be the sole and exclusive procedure for enforcing the terms hereof; provided, however, that a Party may seek injunctive relief from a court where appropriate for the purpose of maintaining the status quo while this procedure is being followed:

- (i) The Parties promptly shall hold a meeting of senior executives with decision-making authority to attempt in good faith to negotiate a mutually satisfactory resolution of the dispute; provided that no Party shall be under any obligation whatsoever to reach, accept or agree to any such resolution; provided further, that no such meeting shall be deemed to vitiate or reduce the obligations and liabilities of the parties or be deemed a waiver by a Party hereto of any remedies to which such Party would otherwise be entitled.
- (ii) If the parties are unable to negotiate a mutually satisfactory resolution as provided above, then upon request by either Party, the matter shall be submitted to binding arbitration before a sole arbitrator in accordance with the CPR Rules, including discovery rules, for Non-Administered Arbitration. Within five Business Days after the selection of the arbitrator, each Party shall submit its requested relief to the other Party and to the arbitrator with a view toward settling the matter prior to commencement of discovery. If no settlement is reached, then discovery shall proceed. Upon the conclusion of discovery, each Party shall again submit to the arbitrator its requested relief (which may be modified from the initial submission) and the arbitrator shall select only the entire requested relief submitted by one Party or the other, as the arbitrator deems most appropriate. The arbitrator shall not select one Party's requested relief as to certain claims or counterclaims and the other Party's requested relief as to other claims or counterclaims. Rather, the arbitrator must only select one or the other Party's entire requested relief on all of the asserted claims and counterclaims, and the arbitrator shall enter a final ruling that adopts in whole such requested relief. The arbitrator shall limit his/her final ruling to selecting the entire requested relief he/she considers the most appropriate from the requests submitted by the Parties.

(iii) Arbitration shall take place in the City of Dearborn, Michigan unless the parties agree otherwise or the arbitrator selected by the Parties orders otherwise. Punitive or exemplary damages shall not be awarded. This Section 13.9 is subject to the Federal Arbitration Act, 28 U.S.C.A. Section 1, et seq., or comparable legislation in non-U.S. jurisdictions, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction.

13.10 Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective as of the date first set forth above when each Party hereto shall have received a counterpart hereof signed by the other Party hereto. Until and unless each Party has received a counterpart hereof signed by the other Party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Except as specifically provided for herein, no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties hereto and their respective successors and permitted assigns under Section 13.6.

13.11 Right to Audit. Sections 32.01, 32.02, and 32.06 of the Global Terms shall apply to this Agreement. For the purposes of applying such Sections of the Global Terms, the terms "Buyer," "Supplier," and "Purchase Order" as used therein shall mean Ford, Visteon, and this Agreement, respectively.

13.12 Purchase of Component Parts (Service Parts) Directly from Visteon's Supplier. Ford may, at its option, (a) purchase any Component Parts directly from Visteon's supplier, or (b) purchase any Component Parts from Visteon and receive shipment directly from Visteon's supplier, rather than from Visteon. If Ford elects to purchase directly from Visteon's supplier (Section 13.12(a) above), then (i) Visteon will no longer have a supply obligation with respect to such Component Parts to Ford; and (ii) Ford must purchase all such Component Parts directly from such supplier that are produced at the applicable ship point. "Component Parts" are Service Parts that are components of larger assemblies or systems.



IN WITNESS WHEREOF, Ford and Visteon have caused this Agreement to be duly executed in multiple counterparts by their duly authorized representatives.

VISTEON CORPORATION

FORD MOTOR COMPANY

By: /s/ James F. Palmer

By: /s/ Donat R. Leclair

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Title: Executive Vice President and  
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Chief Financial Officer  
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Title: Executive Vice President and  
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Chief Financial Officer  
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Date: October 1, 2005  
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Date: October 1, 2005  
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INTELLECTUAL PROPERTY LICENSE AGREEMENT

This AGREEMENT ("IP AGREEMENT") dated as of October 1, 2005 is between Visteon Corporation, a Delaware corporation ("VISTEON"), Visteon Global Technologies, Inc., a Michigan Corporation ("VGTI"), and Ford Motor Company, a Delaware corporation ("FORD").

WITNESSETH:

WHEREAS, Ford and Visteon have agreed to enter into: (i) a Visteon "B" Purchase Agreement dated as of September 12, 2005, pursuant to which Ford has agreed to consummate the transactions contemplated thereby, including the purchase and sale of the Shares, on the terms and conditions set forth therein; (ii) a Visteon "A" Transaction Agreement dated as of September 12, 2005 (the "VISTEON "A" TRANSACTION AGREEMENT") whereby, among other things, and subject to the terms and conditions set forth therein, Ford has agreed to provide financial assistance to Visteon in connection with the restructuring of the businesses of Visteon; and (iii) certain commercial arrangements or certain modifications to existing commercial arrangements with respect to the businesses of Visteon;

WHEREAS, Visteon and Automotive Components Holdings, Inc. (f/k/a VFH Holdings, Inc.) ("ACH"), a Delaware corporation, have entered into a Contribution Agreement dated as of September 12, 2005 (the "Contribution Agreement") pursuant to which, among other things, Visteon has contributed (or cause to be contributed) to ACH certain intellectual property and software assets related to the Business, as defined in the Contribution Agreement;

WHEREAS, in furtherance of the restructuring of the Visteon businesses, Ford desires to receive and Visteon and VGTI desire to grant to Ford licenses under certain intellectual property.

NOW THEREFORE, in consideration of the above premises and the mutual covenants herein contained, and for other good and valuable consideration given by each party hereto to the other, the sufficiency and receipt of which are hereby acknowledged, the parties hereto, for themselves, their successors and permitted assigns, intending to be legally bound, agree as follows:

ARTICLE 1:  
DEFINITIONS

Section 1.01. Definitions. (a) Capitalized terms used but otherwise not defined herein shall have the meanings as assigned to them in the Visteon "A" Transaction Agreement and the Contribution Agreement. In the event of any discrepancy between the definitions used in those Agreements and definitions used in this Agreement, the definitions herein shall apply.

(b) The following terms, as used herein, have the following meanings:

"Company Only Products and Technologies" means the following products and technologies manufactured only by the Company as of the Closing Date, for manufacture and sale to any customer, including any improvements or developments for currently

produced products or those in the current cycle plan for Plants which have passed the Visteon CDP Gate 2 (or equivalent) approval, except that any such improvements or developments 1) that are subject to pre-existing contractual obligations that prevent transfer to Company are not to be included or 2) that are subject to a joint development agreement with non-Ford OEM's, or other suppliers, subject to mutual agreement of inclusion, or exclusion, between the parties: Driveshafts, Catalytic Converters, Body Stampings, Stabilizer Bars, Steering Columns, RV Steering Gears, Steering Pumps, Seat Foam, Wiper Motors, Glass.

"Copyrights" mean (i) any copyright in any original works of authorship in technology fixed in any tangible medium of expression as set forth in 17 U.S.C. Section 101 et. seq., whether registered or unregistered, including any applications for registration thereof, (ii) any corresponding foreign copyrights under the laws of any jurisdiction, in each case, whether registered or unregistered, and any applications for registration thereof, and (iii) Common Law or moral rights under the laws of any jurisdiction.

"Core Shared Products and Technologies" means Shared Products and Technologies for any of the following products or technologies: HVAC Air Handling Systems, HVAC Manual Controls, Heater Cores, Radiators, Cooling Modules (FEM), Headlamps, Rear Lamps, Cockpit Modules, Instrument Panels, Consoles, Door Panels/Trim, Glove Box, Sys/Finish Panel/Defroster Grilles, Air Induction Systems.

"Derivative Work" means a work of authorship based on one or more preexisting works, including, without limitation, a translation, condensation, transformation, expansion or adaptation, which, if prepared without authorization of the owner of the copyright of such preexisting work, would constitute a copyright infringement. The term "Derivative Work" does not include the preexisting work upon which the Derivative Work is based.

"Engineering Design Tools" means product specific tools or data (software or hardcopy) specifically designed or utilized to design, model, simulate, or visualize the product or process used to make the product including all supporting documentation for such tools. Examples may include: CAD, CAE, CAM, Knowledge Based Engineering applications and Engineering Design Manuals or Check Lists. Specifically excluded from this definition are standard computer design tools and software which are covered under the IT agreement. All of the Engineering Design Tools listed in any Attachment to an Appendix are subject to the terms of any preexisting contracts. Such Engineering Design Tools are provided on an "as-is" basis, without any commitments by either party that maintenance or any other support will be provided in the future.

"Ford" means Ford Motor Company and its Subsidiaries and Affiliates, including Mazda Motor Corporation and its Subsidiaries and Affiliates, except where specifically noted.

"Invention Disclosure" means a disclosure of an invention which (i) is written for the purpose of recording the conception or reduction to practice of an invention, and (ii) is maintained with a control number in the owning party's records.

"Joint Venture Company" means a company in which Visteon or one or more of its Subsidiaries or Affiliates owns or controls, directly or indirectly, more than 33% of the voting shares or other equity interest.

"Mask Work Rights" means (i) any rights in mask works as defined in 17 U.S.C. Section 901, whether registered or unregistered, including applications for registration thereof, and (ii) any foreign rights in semiconductor topologies under the laws of any jurisdiction, whether registered or unregistered, including applications for registration thereof.

"Non-Core Shared Products and Technologies" means Shared Products and Technologies for any of the following products or technologies: Axles, Power Take-off Unit (PTU), Manual Steering Gears, HPAS Steering Gears, Ignition Systems, Air Charging Assemblies, Throttle Bodies, Fuel Charge Assemblies, Fuel Injectors, Air/Fuel Charging Assemblies, Integrated Air/Fuel Modules, Fuel Pumps.

"Non-Patented Product Design IP and Manufacturing IP " means all (1) research, product designs, technological models, algorithms, manufacturing processes, design processes, behavioral models, logic diagrams, schematics, test vectors, know-how, computer and electronic data processing and other apparatus programs and software (object code and source code), optical, hydraulic and fluidic apparatus and processes, chemical processing, databases and documentation thereof, technical information, data, specifications, drawings, records, documentation, mask works, Invention Disclosures, works of authorship or other creative works, or websites, all of which exist at the Closing Date, and (2) Trade Secrets, Mask Work Rights, and Copyrights, related to those items described in (1) above and which exist at the Closing Date, for which Visteon has the right to assign or to grant licenses, including those stated in the Appendices hereof. Such Non-Patented Intellectual Property is provided on an "as-is" basis, without any commitments by either party that maintenance or any other support will be provided in the future.

"Patents" means those worldwide patents (including patents of importation, patents of confirmation, patents of improvement, patents and certificates of addition and utility model patents, as well as divisions, reissues, continuations, continuations-in-part, reexamination certificates, renewals and extensions of any of the foregoing), pending patent applications, Invention Disclosures submitted prior to the Closing Date and patent applications based thereon and patents which may issue from such applications after the Closing Date for which Visteon has the right to assign or to grant licenses and which are identified in the Appendices hereof.

"Region" means any one country of a group in North America, South America, Europe, Africa and Asia Pacific (including but not limited to China, Korea, Japan, Viet Nam, Australia and India).

"Shared Products and Technologies" means products made at both Visteon and Plants as of the Closing Date, for manufacture and sale to any customer, including any improvements or developments for currently produced products or those in the current cycle plan for Plants which have passed the Visteon CDP Gate 2 (or equivalent) approval, except that any such improvements or developments 1) that are subject to pre-existing contractual obligations that prevent transfer to Ford are not to be included or 2) that are subject to a joint development agreement with non-Ford OEM's, or other suppliers, subject to mutual agreement of inclusion, or exclusion, between the parties.

"Trade Secrets" means business and technical methods, processes, compilations, information and know-how that are not publicly known and which give the owner a competitive advantage in its business. Such Trade Secrets are provided on an "as-is" basis, without any commitments by either party that maintenance or any other support will be provided in the future.

## ARTICLE 2 LICENSE GRANT

Section 2.01. Grant. Visteon and VGTI hereby grant, or to cause to be granted, to Ford licenses under certain Licensed Intellectual Property Rights and Owned Intellectual Property Rights as set forth in the Appendices attached hereto (the "LICENSED INTELLECTUAL PROPERTY"), subject to the rights and limitations set forth therein.

Section 2.02. The licenses granted in this Article 2 are subject to existing and contingent obligations Visteon and Visteon's Affiliates may have under contracts with third parties. As soon as practicable after execution of this Intellectual Property License Agreement, Visteon, VGTI and Ford will review and take action using commercially reasonable efforts consistent with Section 2.05 of the Contribution Agreement to modify those contracts which are affected by the transfers provided in this Article 2, and take such actions as are necessary to reflect rights now accruing to Ford.

Section 2.03. Upon request by Ford, all documents and papers shall be executed, and all reasonable assistance shall be furnished by Visteon and Visteon Affiliates to enable Ford to obtain and perfect any and all rights licensed to Ford in this Article 2. Such assistance shall include, but not be limited to, commercially reasonable assistance needed to enable Ford to grant appropriate warranties, where applicable, to third parties.

Section 2.04. Notwithstanding the definitions used in Article 1 herein, each party and its Affiliates have the right to retain and use documents and things that describe or contain any Licensed Intellectual Property that it rightfully has in its possession as of the Closing Date, provided that such copies and things shall be subject to the rights and limitations as specified in the Appendices attached hereto and the confidentiality obligations of Article 5 herein.

Section 2.05. Implied Licenses for Purchased Parts. Visteon and VGTI agree to not assert against Ford or any customer of Ford any intellectual property right owned by Visteon or VGTI for the manufacture, use or sale of products covered by such intellectual property right, provided that such products are used in systems or assemblies manufactured by or for Ford for use in its vehicles (pursuant to the rights and limitations of this IP Agreement) and are purchased from the then current Visteon suppliers used by Visteon to supply such products for such assemblies. Visteon shall provide reasonable notice to Ford of any change in supplier of such products. Ford shall have a commercially reasonable period in which to change to the newly selected Visteon supplier.

### ARTICLE 3 CONSIDERATION

Section 3.01. Consideration. The licenses granted to Ford are made by Visteon and VGTI pursuant to the obligations under the Master Agreement, the Visteon B Purchase Agreement and the Visteon A Transaction Agreement and in consideration set forth therein.

### ARTICLE 4 REPRESENTATION AND WARRANTIES

Section 4.01. Representations and Warranties. To the knowledge of Visteon, neither Visteon nor any Affiliate of Visteon has infringed, misappropriated or otherwise violated any Intellectual Property Right of any third party, and no person has infringed, misappropriated or otherwise violated any Licensed Intellectual Property.

Section 4.02. To the knowledge of Visteon, none of the Licensed Intellectual Property has been adjudged by a court of competent jurisdiction invalid or unenforceable in whole or part, and, to the knowledge of Visteon, all such Licensed Intellectual Property are valid and enforceable. Visteon or an Affiliate of Visteon holds all right, title and interest in and to all the Licensed Intellectual Property, free and clear of any Lien.

Section 4.03. With respect to pending applications and applications for registration of the Licensed Intellectual Property, Visteon is not aware of any reason that would reasonably be expected to prevent any such application or application for

registration from being granted with coverage substantially equivalent to the latest amended version of the pending application or application for registration. To the knowledge of Visteon, none of the patents and patent applications included in the Licensed Intellectual Property is currently the subject of an interference, protest, opposition, public use proceeding or third party reexamination request.

ARTICLE 5  
CONFIDENTIALITY

Section 5.01. Confidentiality. Visteon, VGTI and Ford each agree to hold in confidence, and to use only as permitted by the licenses granted by this Agreement, all Non-Patented Intellectual Property, Engineering Design Tools or other information designated by the disclosing party in writing or by appropriate stamp or legend as "CONFIDENTIAL" or some similar marking of like importance, or where the nature of the information is such that a reasonable person who deals with such information would believe that a party intends or is obligated to maintain it as confidential (hereinafter "Confidential Information"). The receiving party agrees to use the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use and disclosure of the Confidential Information to third parties as it uses to protect its own confidential information of like importance. Except as specified below, the obligations of this Section 5.01 shall terminate on December 31, 2009, after which the party having received the Confidential Information shall limit further disclosure in the same manner as that party protects its own confidential information of like importance.

Section 5.02. Notwithstanding any other provision of this Agreement, the obligations of restricted disclosure and use specified herein will not apply to Confidential Information which:

- (a) is available as of the Closing Date or later becomes available to the public without breach of this Agreement; or
- (b) is authorized for release in writing by the disclosing party prior to the applicable disclosure; or
- (c) is lawfully obtained from a third party or parties without a duty of confidentiality; or
- (d) is disclosed to a third party by the disclosing party without a similar duty of confidentiality; or
- (e) is at any time developed by the receiving party independently of any related disclosure(s) from the disclosing party.

Section 5.03. With regard to any Confidential Information disclosed pursuant to this Agreement, the receiving party shall not be liable for unauthorized disclosure of such Confidential Information pursuant to judicial action or governmental regulations or requirements, provided that the receiving party notifies the disclosing party of the need for such disclosure within a reasonable period of time before such disclosure is required.

Section 5.04. Notwithstanding any other provisions of this Article 5, and provided it is not otherwise restricted under this Agreement, disclosure of Confidential Information by a licensed party under this Agreement to a third party will be permitted only to the extent necessary to carry out the license grants herein, and only after such third party agrees to adhere to confidentiality provisions at least as restrictive as those adhered to by the receiving party under this Agreement and to use such Confidential Information only to provide products to, or purchase products from, the receiving party herein.

Section 5.05. With respect to Confidential Information that includes software of the type embedded in a product or associated tools, disclosure by a receiving party under this Agreement to a third party will be permitted only to the extent necessary to carry out the license grants herein, and further provided that such third party agrees to: protect such software for a period of at least five (5) years from date of disclosure; use such software only to provide products to, or design, test and manufacture products for, or purchase products from, the licensed party herein; and limit access to its employees having a need to use such software to provide products to, or design, test and manufacture products for, or purchase products from, the licensed party herein.

#### ARTICLE 6 NOTICE

Section 6.01. Notice. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, by telecopy with answer back, by express or overnight mail delivered by a nationally recognized air courier (delivery charges prepaid), by registered or certified mail (postage prepaid, return receipt requested) or by e-mail with receipt confirmed by return e-mail to the respective parties as follows:

if to Ford:

FORD Global Technologies, Inc.  
One Parklane Blvd. Suite 600 East  
Dearborn, Michigan 48126  
Attention: President and CEO  
Telecopy: (313) 322 7162  
E-mail: [wcoughli@ford.com](mailto:wcoughli@ford.com)



if to Visteon or VGTI:

VISTEON Global Technologies, Inc.  
One Village Center Drive  
Van Buren Township, Michigan 48111  
Attention: Chief Intellectual Property Counsel  
Telecopy: (734) 736-5560  
E-mail: sconfer@visteon.com

or to such other address as the Party to whom notice is given may have previously furnished to the other in writing in the manner set forth above. Any notice or communication delivered in person shall be deemed effective on delivery. Any notice or communication sent by e-mail, telecopy or by air courier shall be deemed effective on the first Business Day following the day on which such notice or communication was sent (provided that a confirming copy is dispatched by regular mail on the same date as such e-mail or telecopy communication is sent). Any notice or communication sent by registered or certified mail shall be deemed effective on the fifth Business Day following the day on which such notice or communication was mailed. As used in this Section 6.01, "Business Day" means any day other than a Saturday, a Sunday or a jointly observed Ford/Visteon holiday.

ARTICLE 7  
MISCELLANEOUS

Section 7.01. Obligation to Disclose Technology. Visteon and VGTI each agree to put forth a good faith effort to deliver copies of documents and information requested by Ford as part of this Agreement and to give full enabling effect to the licenses granted hereunder, provided that Ford agrees to pay for the reasonable administrative costs for copying and delivering the requested copies of documents and information. The foregoing obligation to copy and deliver the requested documents and information shall terminate for any requests communicated after April 1, 2006.

Section 7.02. Inadvertent Omissions: Visteon and VGTI have used good faith efforts to identify all Licensed Intellectual Property Rights and Owned Intellectual Property Rights to be transferred to Ford as required by this Agreement. To the extent any Licensed Intellectual Property Rights and Owned Intellectual Property Rights are discovered or identified at any time before or after the Closing Date which had they been discovered or identified prior to the date hereof would have been transferred to Ford pursuant to this Agreement but are still in Visteon's or any of Visteon's Affiliates' possession, Visteon shall immediately transfer and promptly deliver them (or cause them to be delivered) to Ford according to the appropriate grant in the Appendices attached hereto.

To Visteon's knowledge, the appendices and attachments hereto include all Licensed Intellectual Property Rights and Owned Intellectual Property Rights existing as of June 15, 2005 to be licensed to Ford. The parties agree that within 30 days after Closing, they will cooperate and identify all other Licensed Intellectual Property Rights and Owned Intellectual Property Rights to be licensed to Ford pursuant to this Agreement that are conceived, created, developed, or identified for contribution between June 15, 2005 and Closing. The parties agree that such Licensed Intellectual Property Rights and Owned Intellectual Property Rights will be added to the appropriate appendix herein. In the event that new circumstances exist at Closing that affect the original disposition of an asset pursuant to this Agreement, the parties will meet and mutually agree to the correct disposition of such asset.

Section 7.03. Defensive Protection Measures. For a period of five (5) years from the Closing Date, the parties shall cooperate reasonably and in good faith, to the extent consistent with each party's own business objectives and agreements with third parties, in the event that either party is involved in technology litigation or other controversies in which it would be helped in some way by the other party's relevant knowledge. Such cooperation may include, by way of example, cooperation with respect to knowledge of prior art.

Section 7.04. Transferability. To the extent permitted in the Appendices attached hereto, Ford's obligations and limitations set forth therein may be transferred to third parties, provided however, that such third parties must agree to assume, in writing, all of Ford's obligations as stated therein.

Section 7.05. Assignability. Except to the extent expressly prohibited by this IP Agreement, either party may, directly or indirectly, in whole or in part, whether by operation of law or otherwise, assign or transfer this Agreement, without the other party's prior written consent. Without limiting the foregoing, this IP Agreement will be binding upon and inure to the benefit of the parties and their permitted successors and assigns.

Section 7.06. Other Terms. All other terms and conditions of the Master Agreement, the Visteon B Purchase Agreement and the Visteon A Transaction Agreement, to the extent they do not conflict with the terms and conditions of this Agreement, are incorporated into this Agreement. In the event of a conflict of terms, the terms of this Agreement shall control.

Section 7.07. Counterparts. This Agreement may be executed in two or more counterparts, all of which, taken together, shall be considered to be one and the same instrument.

ARTICLE 8  
TERM AND TERMINATION

Section 8.01. This Agreement will terminate upon the expiration date of the last-to-expire of the intellectual property rights that are the subject of Section 2.01 above.

Section 8.02. Either party may terminate this Agreement upon ninety (90) days written notice to the other for failure to fulfill any obligations hereunder; provided, however, if during the ninety (90) day period such obligations have been fulfilled, this Agreement shall continue in full force and effect as it would have done had such notice not been given.

WHEREFORE, the parties have signed this Intellectual Property License Agreement.

VISTEON CORPORATION

VISTEON GLOBAL TECHNOLOGIES, INC.

By: /s/ James F. Palmer

By: /s/ James F. Palmer

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Name: James F. Palmer

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Name: James F. Palmer

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Title: Executive Vice President and  
Chief Financial Officer

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Title: Vice President

FORD MOTOR COMPANY

By: /s/ Donat R. Leclair

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Name: Donat R. Leclair

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Title: Executive Vice President and  
Chief Financial Officer

AMENDMENT NUMBER TWO TO  
AMENDED AND RESTATED EMPLOYEE TRANSITION AGREEMENT

The Amended and Restated Employee Transition Agreement dated as of April 1, 2000 and restated as of December 19, 2003 by and between Ford Motor Company, a Delaware corporation ("Ford") and Visteon Corporation, a Delaware corporation ("Visteon") is hereby amended as follows:

1. Section 3.01 is amended to add subsection (i) to read as follows:

(i) Effective as of the closing of the transactions contemplated by the Visteon "A" Transaction Agreement dated as of September 12, 2005 between Ford and Visteon (the "2005 Transaction Date"), Ford shall pay Visteon an amount equal to one-half of the annual prospective SFAS 87 expense from the date of retirement under the Visteon Mirror GRP, including prorata interest on the retiree obligation, a prorata share of the actuarial gains or losses, and a prorata share of expected return on assets, for Group I and Group II Employees who are leased under the Visteon Salaried Lease Agreement dated as of October 1, 2005 between Visteon and Automotive Components Holdings, LLC f/k/a VFH Holdings, LLC ("ACH") ("Visteon Salaried Lease Agreement") and who (1) apply to retire in the period commencing immediately after public announcement by ACH of a sale, closure or exit from an operation of ACH ("ACH Event") and terminating one month after the date of such announcement, or (2) retire during the period commencing immediately after the ACH Event and terminating on the 2nd day of the 2nd calendar month beginning after the ACH Event, or (3) in the case of a Group I or Group II Employee who is leased to the buyer of an ACH operation pursuant to Section 2.05 of the Visteon Salaried Lease Agreement, retires during the period commencing immediately after the date such an employee ceases to be leased to such buyer and terminating on the 2nd day of the 2nd calendar month beginning after that date; provided, however, that such retirement does not occur more than eight months after the sale to the buyer ("Visteon Special Retirees"). Any reimbursement hereunder shall not include SFAS 88 charges. This amount shall be paid monthly. For avoidance of doubt, Visteon shall retain responsibility for (A) Group I and Group II Employees who are not leased employees under the Visteon Salaried Lease Agreement; (B) Group I and Group II Employees who are leased under the Visteon Salaried Lease Agreement but who are not Visteon Special Retirees, as defined above; and (C) Group III Employees. Any amounts Ford may owe to Visteon pursuant to this subsection (i) shall be offset from any amounts Visteon owes Ford under Section 3.01(c)(ii) of this Agreement.

2. Section 3.01 is amended to add subsection (j) to read as follows:

(j) Effective as of the 2005 Transaction Date, in the event a Group I or II Employee accepts an offer of employment by Ford or any of its subsidiaries that participate in the GRP ("Ford Returnee"), Ford shall be responsible for paying the retirement benefits of such employee for the combination of Ford service prior to July 1, 2000 and Ford service after the date such employee is enrolled on the Ford salaried employment rolls ("Ford Return Date"). Visteon shall remain responsible for providing retirement benefits for service after July 1, 2000 and prior to the Ford Return Date for such employees. The provisions of Section 3.01 of the Salaried Employee Transition Agreement dated as of October 1, 2005 between Visteon and Ford shall apply to Ford Returnees as if fully set forth herein. In addition, Ford shall be responsible for providing post retirement health and life insurance benefits, if any, for Ford Returnees as of the retirement date at Ford's cost and Visteon's OPEB Obligations (as defined in Section 3.03) shall be reduced accordingly.

3. Section 3.02 is amended to add subsection (d) to read as follows:

(d) Effective as of the 2005 Transaction Date, Ford shall pay Visteon an amount equal to one-half of the annual prospective SFAS 87 expense from the date of retirement under the Visteon Mirror NQP's, including prorata interest on the retiree obligation, a prorata share of the actuarial gains or losses, and a prorata share of expected return on assets, if any, for Visteon Special Retirees. Any reimbursement hereunder shall not include SFAS 88 charges. This amount shall be paid monthly. For avoidance of doubt, Visteon shall retain responsibility for (A) Group I and Group II Employees who are not leased employees under the Visteon Salaried Lease Agreement; (B) Group I and Group II Employees who are leased under the Visteon Salaried Lease Agreement but who are not Visteon Special Retirees, as defined in Subsection 3.01(i) above; and (C) Group III Employees. Any amounts Ford may owe to Visteon pursuant to this subsection (d) shall be offset from any amounts Visteon owes Ford under Section 3.02(c)(ii) of this Agreement.

4. The first paragraph of Section 3.03 is amended to read as follows:

Visteon shall pay the cost of providing post-retirement health and life benefits for Group I and Group II Employees under the Ford Health and Group Life and Disability Insurance Plan (the "Plans") ("OPEB") beginning as of the Benefit Transition Date as provided below.

Notwithstanding the foregoing, effective as of the 2005 Transaction Date, Visteon's annual cash OPEB reimbursement obligation to Ford described in subsection 3.03 (a) below and the balance sheet liability and SFAS 106

expense described in subsection 3.03 (b) below (collectively, the "OPEB Obligations") shall exclude OPEB Obligations attributable to Group I and Group II Employees who retired prior to May 24, 2005 (the "MOU Retirees"), valued as of September 30, 2005 by the Ford Actuary and verified by the Visteon Actuary, and based on assumptions used by Ford for its Ford salaried employees. Effective the date of the Visteon Salaried Employee Transition Agreement between the Parties ("Salaried Transition Agreement"), the OPEB Obligations shall also exclude, retroactive to the Effective Date of this Agreement, OPEB Obligations attributable to Group I and Group II Employees who transfer to Ford pursuant to the terms of the Salaried Employee Transition Agreement ("Rawsonville/Sterling Transferred Employees"), valued at January 1, 2006 by the Ford Actuary and verified by the Visteon Actuary, and based on assumptions used by Ford for its Ford salaried employees. Ford hereby fully, unconditionally, completely, irrevocably and forever forgives and releases Visteon from the OPEB Obligations attributable to the MOU Retirees and the Rawsonville/Sterling Transferred Employees, as described herein. Effective on the 2005 Transaction Date, the OPEB Obligations shall also exclude one-half of the annual prospective SFAS 106 expense from the date of retirement, including prorata interest on the retiree obligation, a prorata share of the actuarial gains and losses, and a prorata share of expected return on assets, if any, for Visteon Special Retirees. Any reimbursement hereunder shall not include SFAS 88 charges. For avoidance of doubt, Visteon shall retain financial responsibility for (A) Group I and Group II Employees who are not leased employees under the Visteon Salaried Lease Agreement; (B) Group I and Group II Employees who are leased under the Visteon Salaried Lease Agreement but who are not Visteon Special Retirees, as defined in Subsection 3.01(i) above; and (C) Group III Employees.

5. Subsection 3.03b(i) is amended to read as follows:

- (i) For years 2011 through 2020. The amount of cash payable to the Visteon VEBA in each year commencing January 1, 2011 through December 31, 2020 shall be an amount equal to the sum of (A) and (B), less (C), but not less than zero, where:
  - (A) is the OPEB balance sheet liability in respect of Group I and II Employees as of December 31, 2010 (these amounts to be determined by the Ford Actuary and verified by the Visteon Actuary), divided by 10;
  - (B) is the annual amortized SFAS 106 expense which is an amount equal to the SFAS 106 expense with

respect to Group I and II Employees as computed by the Ford Actuary and verified by the Visteon Actuary and based on assumptions used by Ford for its Ford salaried employees, and reduced by the actual return on the VEBA, amortized over 30 years for the period commencing January 1, 2011 and ending December 31, 2020, and

(C) is the balance in the Salaried Employee OPEB Payment Notional Account, as described below.

6. Subsection b. of Section 3.03 is further amended to insert the following paragraph directly after Subsection b(iii):

The Salaried Employee OPEB Payment Notional Account shall be established solely for tracking the amount payable by ACH for the OPEB expense for the Group I and II Employees who are Leased Employees under the terms of the Salaried Lease Agreement and determining the amount of cash payable to the VEBA pursuant to Subsection 3.03(b)(i) above, and not for purposes of establishing a separate trust or fund of any kind. This account shall be credited, beginning on the 2005 Transaction Date with the portion of the monthly salaried lease fee, otherwise payable to Visteon, that is attributable to the OPEB expense for those Leased Employees, and shall also be credited with interest calculated quarterly at the annual rate of 4.75% on the balance, and shall be reduced by the amounts otherwise payable to Ford or its Plans on or after January 1, 2011 under Section 3.03 (a) or (b) of this Agreement until the account is exhausted. On or after January 1, 2006, the account also shall be reduced for the cumulative OPEB expense that was charged to Ford commencing October 1, 2005 through December 31, 2005 for Group I and II Employees who are Leased Employees under the Visteon Salaried Employee Lease Agreement Rawsonville/ Sterling between Visteon and Ford dated as of October 1, 2005 in the event such employees transfer to Ford effective January 1, 2006 and become Rawsonville/Sterling Transferred Employees, and further, the account shall be reduced for any related interest that was credited to the account with respect to such OPEB expense.

7. Except as otherwise specifically modified hereby, the Amended and Restated Employee Transition Agreement shall remain in full force and effect.

[signatures appear on following page]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Amendment Number Two to the Amended and Restated Employee Transition Agreement effective as of October 1, 2005.

FORD MOTOR COMPANY

VISTEON CORPORATION

By: /s/ Donat R. Leclair

By: /s/ James F. Palmer

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Title: Executive Vice President and

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Title: Executive Vice President and

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Chief Financial Officer

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Chief Financial Officer



NEWS RELEASE -- For Immediate Release

(VISTEON LOGO)

## VISTEON COMPLETES TRANSACTION WITH FORD, STRENGTHENS COMPETITIVE STRUCTURE IN NORTH AMERICA

VAN BUREN TOWNSHIP, Mich., Oct. 1, 2005 - Visteon Corporation (NYSE: VC) has completed a transaction with Ford Motor Company that establishes a more competitive structure for Visteon's North American manufacturing operations and allows the global automotive supplier to focus resources on core products. The two companies closed the transaction early today after announcing definitive agreements on Sept. 13 that were closely aligned with a memorandum of understanding reached in May.

Upon completion of the transaction, 23 facilities in North America transferred from Visteon to a Ford-managed business entity, Automotive Components Holdings, LLC. Under the agreements, Visteon terminated its arrangement to lease about 18,000 Ford-United Auto Workers hourly employees who work in these facilities.

The transaction reshapes Visteon from a company with 2004 revenue of \$18.7 billion to a leaner, more competitive \$11.4 billion organization, based on estimated 2005 pro forma revenue. Visteon will focus its engineering and capital resources on products that have been generating most of its new business with vehicle manufacturers around the world -- interiors, climate control and electronics, including lighting. Visteon remains one of the world's major automotive suppliers, with approximately 50,000 employees in 170 facilities in 24 countries.

"Completing this transaction gives Visteon a more cost-competitive North American structure, a more balanced customer portfolio and a more evenly distributed regional revenue mix," said Chairman and Chief Executive Officer Mike Johnston. "We still have much work to do, including significant additional restructuring actions over the next several years, to achieve sustainable success in a highly competitive industry."

Visteon launched a new organization to support the operations of Automotive Components Holdings in areas such as manufacturing, customer support, product development, materials management/purchasing, quality, finance, human resources, information technology and facilities management. Approximately 5,000 salaried Visteon employees in North America now support Automotive Components Holdings, which will reimburse Visteon for the cost of these employees.

The plants and facilities that transferred from Visteon to Automotive Components Holdings include 13 facilities in Michigan; two each in Ohio and Tennessee; one each in Indiana, Missouri and Oklahoma; and three in Mexico.

Visteon Corporation is a leading global automotive supplier that designs, engineers and manufactures innovative climate control, interior, electronic and lighting products for vehicle manufacturers, and also provides a range of products and services to aftermarket customers. With corporate offices in Van Buren Township, Mich. (U.S.); Shanghai, China; and Kerpen, Germany; the company has more than 170 facilities in 24 countries and employs approximately 50,000 people.

###

## Contact(s):

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Visteon news releases, photographs and product specification details  
are available at [www.visteon.com](http://www.visteon.com)

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various factors, risks and uncertainties that could cause our actual results to differ materially from those expressed in these forward-looking statements, including the automotive vehicle production volumes and schedules of our customers, and in particular Ford's North American vehicle production volumes; our ability to satisfy our future capital and liquidity requirements and comply with the terms of our credit agreements; the results of the investigation being conducted by Visteon's Audit Committee and the company's inability to make timely filings with the SEC; the financial distress of our suppliers; our ability to implement, and realize the anticipated benefits of, restructuring and other cost-reduction initiatives and our successful execution of internal performance plans and other productivity efforts; charges resulting from restructurings, employee reductions, acquisitions or dispositions; our ability to offset or recover significant material surcharges; the effect of pension and other post-employment benefit obligations; as well as those factors identified in our filings with the SEC (including our Annual Report on Form 10-K for the year-ended December 31, 2004). We assume no obligation to update these forward-looking statements.