
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) May 17, 2007

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 May 17, 2007, Visteon Corporation (the “Company”) entered into a letter agreement (the “Letter Agreement”) with LB I Group, Inc., an affiliate of Lehman Brothers (“Lehman”), and Ford Motor Company (“Ford”), pursuant to which, among other things, the Company consented to the transfer by Ford of the warrant to purchase 25 million shares of Visteon common stock (the “Warrant”) and waived a provision of the Stockholder Agreement, dated as of October 1, 2005, between Visteon and Ford, that would have prohibited such transfer. The Letter Agreement also restricts Lehman’s ability to enter into certain hedging transactions in respect of the shares underlying the Warrant for the first two years following such transfer. In addition, the Warrant was modified so that that it will not be exercisable (except in the event of a change of control of Visteon) or transferable until May 17, 2009.

The foregoing descriptions of the Warrant and Letter Agreement are qualified in their entirety by reference to the text of the respective documents, copies of which are filed as Exhibits 4.1 and 4.2 to this Current Report on Form 8-K.

SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
4.1	Warrant to purchase 25 million shares of common stock of the Company, dated as of May 17, 2007.
4.2	Letter Agreement, dated as of May 17, 2007, among the Company, Ford and Lehman.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VISTEON CORPORATION

Date: May 18, 2007

By: /s/ William G. Quigley III

William G. Quigley III

Senior Vice President

and Chief Financial Officer

EXHIBIT INDEX

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VISTEON CORPORATION
WARRANT FOR THE PURCHASE OF SHARES OF COMMON STOCK OF VISTEON
CORPORATION

NO. 2 WARRANT TO PURCHASE
25,000,000 SHARES

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED OR SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE THEREWITH. THIS SECURITY IS ALSO SUBJECT TO RESTRICTIONS ON TRANSFER AS SET FORTH HEREIN AND IN THE STOCKHOLDER AGREEMENT (AS HEREIN DEFINED), COPIES OF WHICH MAY BE OBTAINED UPON REQUEST FROM THE COMPANY.

FOR VALUE RECEIVED, VISTEON CORPORATION, a Delaware corporation (the "COMPANY"), hereby certifies that LB I GROUP, INC., a Delaware corporation ("LEHMAN BROTHERS" and together with its successors and permitted assigns, the "HOLDER"), is entitled, subject to the provisions of this Warrant and the Stockholder Agreement (as hereinafter defined), to purchase from the Company, at the times specified herein, twenty-five million fully paid and non-assessable shares of Common Stock of the Company, par value \$1.00 per share (the "COMMON STOCK"), at a purchase price per share equal to the Exercise Price (as hereinafter defined). The number of shares of Common Stock to be received upon the exercise of this Warrant and the price to be paid for a share of Common Stock are subject to adjustment from time to time as hereinafter set forth.

1. Definitions. (a) The following terms, as used herein, have the following meanings:

"1934 ACT" means the Securities Exchange Act of 1934.

"AFFILIATE" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such other 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 a 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.

"AGGREGATE EXERCISE PRICE" shall have the meaning set forth in paragraph 9(a)(ii).

"BOARD OF DIRECTORS" means the Board of Directors of the Company.

“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.

“CHANGE OF CONTROL” means (i) a liquidation or dissolution of the Company; (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 the Company 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 the Company entitled to vote generally in elections of directors of the Company, 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 the Company (or, if not the Company, the surviving entity resulting from such transaction, or its parent); 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 1934 Act) becomes the “beneficial owner” (as such term is defined in Rule 13d-3 and Rule 13d-5 promulgated under the 1934 Act), directly or indirectly, of more than 50% of the voting power of the outstanding voting stock of the Company entitled to vote generally in elections of directors of the Company.

“CONSTITUENT PERSON” shall have the meaning set forth in paragraph 10.

“CURRENT MARKET PRICE PER COMMON SHARE” shall have the meaning set forth in paragraph 6.

“DAILY PRICE” shall have the meaning set forth in paragraph 6.

“EFFECTIVE DATE” means May 17, 2007.

“EXCLUDED TRANSACTIONS” shall have the meaning set forth in paragraph 9(b).

“EXERCISE PRICE” means \$6.90 per Warrant Share, as such Exercise Price may be adjusted from time to time as provided herein.

“EXPIRATION DATE” means October 1, 2013 at 5:00 p.m. Detroit, Michigan time.

“NON-ELECTING SHARE” shall have the meaning set forth in paragraph 10.

“NYSE” means the New York Stock Exchange.

“PERSON” means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“STOCKHOLDER AGREEMENT” means the Stockholder Agreement dated as of October 1, 2005, between the Company and Ford Motor Company, as amended from time to

time including as amended by the letter agreement dated May 17, 2007 among the Company, Ford Motor Company and Lehman Brothers.

“WARRANT SHARES” means the shares of Common Stock deliverable upon exercise of this Warrant, as adjusted from time to time.

(b) Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Stockholder Agreement.

2. Exercise of Warrant.

(a) The Holder is entitled to exercise this Warrant in whole or in part at any time, or from time to time, commencing on the earlier of (i) the second anniversary of the Effective Date and (ii) the occurrence of a Change of Control and ending on the Expiration Date or, if any such day is not a Business Day, then on the next succeeding day that shall be a Business Day. To exercise this Warrant, the Holder shall execute and deliver to the Company a Warrant Exercise Notice substantially in the form annexed hereto and, if the Holder so desires, such Warrant Exercise Notice shall include a written request by the Holder to exercise this Warrant on a cashless basis pursuant to paragraph 2(e). Promptly, and in any event within five (5) days, after delivery of the Warrant Exercise Notice, the Company shall notify the Holder in writing (x) whether it will settle such exercise in cash pursuant to paragraph 2(d)(ii) or (y) if a request for cashless exercise has been made by the Holder, whether it will permit the Holder to exercise on a cashless basis pursuant to paragraph 2(e). Subject to paragraph 2(e) below, within ten (10) days after delivery of the Warrant Exercise Notice, the Holder shall deliver to the Company this Warrant Certificate, including the Warrant Exercise Subscription Form forming a part hereof duly executed by the Holder, together with payment of the applicable Exercise Price (unless the Company shall have elected to settle in cash pursuant to paragraph 2(d)(ii), in which case the applicable Exercise Price shall be netted against the cash settlement amount payable by the Company pursuant to paragraph 2(d)(ii)). At the close of business on the date of such delivery and payment, the Holder shall be deemed to be the holder of record of the Warrant Shares subject to such exercise, notwithstanding that the stock transfer books of the Company shall then be closed or that certificates representing such Warrant Shares shall not then be actually delivered to the Holder.

(b) The Exercise Price shall be paid by wire transfer of immediately available funds to a bank account designated by the Company. Any documentary, stamp or similar issue or transfer taxes payable in respect of the issue or delivery of the Warrant Shares shall be borne by the party or parties having responsibility therefor under applicable law; provided, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of the Warrant Shares in a name other than that of the then Holder of this Warrant; provided, further, that the parties shall take reasonable steps to minimize such taxes.

(c) If the Holder exercises this Warrant in part, this Warrant Certificate shall be surrendered by the Holder to the Company and a new Warrant Certificate of the same tenor and for the unexercised number of Warrant Shares shall be executed by the Company as promptly as reasonably practicable. The Company shall register the new Warrant Certificate in

the name of the Holder or in such name or names of its transferee pursuant to paragraph 7 hereof as may be directed in writing by the Holder and deliver the new Warrant Certificate to the Person or Persons entitled to receive the same as promptly as reasonably practicable.

(d) Upon surrender of this Warrant Certificate in conformity with the foregoing provisions, the Company shall, as promptly as reasonably practicable, either (i) transfer to the Holder of this Warrant Certificate appropriate evidence of ownership of the shares of Common Stock or other securities or property (including any money) to which the Holder is entitled, registered or otherwise placed in, or payable to the order of, the name or names of the Holder or such transferee as may be directed in writing by the Holder, and shall, as promptly as reasonably practicable, deliver such evidence of ownership and any other securities or property (including any money) to the Person or Persons entitled to receive the same or (ii) if the Company has elected pursuant to paragraph 2(a) to cash settle, pay an amount in cash equal to (x) such number of shares of Common Stock to which the Holder is entitled times the Current Market Price on the Business Day immediately preceding the date on which the Holder delivered the Warrant Exercise Notice pursuant to paragraph 2(a) minus (y) the applicable Exercise Price, if any, that would have otherwise been payable by the Holder, in each case of clauses (i) or (ii) together with an amount in cash in lieu of any fraction of a share as provided in paragraph 6 below, such amounts to be paid in cash or by wire transfer of immediately available funds to a bank account designated by the Holder or by certified or official bank check or bank cashier's check payable to the order of such Holder or by any combination of such cash, wire transfer or check.

(e) If the Company permits a cashless exercise by the Holder, in lieu of making the payment required to exercise the Warrant pursuant to paragraph 2(a) (but in all other respects in accordance with the exercise procedure set forth in paragraph 2(a)), the Holder may convert this Warrant into shares of Common Stock, in which event the Company will issue to the Holder the number of shares of Common Stock equal to the result obtained under the following equation:

$X = [(A - B) \times C] / A$ where:

X = the number of shares of Common Stock issuable upon exercise pursuant to this paragraph 2(e);

A = the Current Market Price Per Common Share on the Business Day immediately preceding the date on which the Holder delivers the Warrant Exercise Notice pursuant to paragraph 2(a);

B = the Exercise Price; and

C = the number of shares of Common Stock as to which this Warrant is being exercised pursuant to paragraph 2(a).

If the foregoing calculation results in a negative number, then no shares of Common Stock shall be issued upon exercise pursuant to this paragraph 2(e).

3. Beneficial Ownership. Notwithstanding anything to the contrary in this Warrant, in no event shall the Holder be entitled to receive, or shall be deemed by applicable law to receive, any Warrant Shares if, upon the receipt of such Warrant Shares, the “beneficial ownership” (within the meaning of Section 13 of the 1934 Act and the rules and regulations promulgated thereunder) of Common Stock by the Holder would be equal to or greater than 9.9% of the outstanding shares of Common Stock. If any delivery owed to the Holder hereunder is not made, in whole or in part, as a result of this provision, the Company’s obligation to make such delivery shall not be extinguished and the Company shall make such delivery as promptly as practicable after, but in no event later than two (2) Business Days after, the Holder gives notice to the Company that such delivery would not result in the Holder directly or indirectly so beneficially owning in excess of 9.9% of the outstanding shares of Common Stock. Upon request, the Company shall advise the Holder of the number of shares of Common Stock outstanding, in order to permit the Holder to make the calculation contemplated by this paragraph 3. The Company shall have no responsibility to monitor the beneficial ownership of Common Stock by the Holder. For the avoidance of doubt, nothing in this paragraph 3 shall entitle the Holder to exercise this Warrant after the Expiration Date.

4. Restrictive Legend. Certificates representing shares of Common Stock issued pursuant to this Warrant shall bear a legend substantially in the form of the legend set forth on the first page of this Warrant Certificate to the extent that and for so long as such legend is required pursuant to the Stockholder Agreement.

5. Reservation of Shares; NYSE Listing. The Company hereby agrees that at all times there shall be reserved for issuance and delivery upon exercise of this Warrant such number of its authorized but unissued shares of Common Stock or other securities of the Company from time to time issuable upon exercise of this Warrant as will be sufficient to permit the exercise in full of this Warrant. All such shares shall be duly authorized and, when issued upon such exercise, shall be validly issued, fully paid and non-assessable, free and clear of all liens, security interests, charges and (except as contemplated in the legend referred to in paragraph 4) other encumbrances or restrictions on sale and free and clear of all preemptive rights.

If the Warrant Shares have not been approved for listing on the NYSE as of the date hereof, the Company shall use its reasonable best efforts to cause the Warrant Shares to be so approved for listing as soon as practicable after the date hereof.

6. Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant and in lieu of delivery of any such fractional share upon any exercise hereof, the Company shall pay to the Holder an amount in cash equal to such fraction multiplied by the Current Market Price Per Common Share on the Business Day immediately preceding the date on which the Holder delivers the Warrant Exercise Notice pursuant to paragraph 2(a).

“CURRENT MARKET PRICE PER COMMON SHARE” on any date shall be the average of the Daily Prices (as defined below) per share of Common Stock for the twenty (20) consecutive trading days immediately prior to such date. “DAILY PRICE” means (A) the last reported sale price on such day on the NYSE Composite Transactions Tape; or (B) if the

shares of Common Stock then are not traded on the NYSE, the closing price (at the close of the regular trading session) on such day as reported by the principal national securities exchange (or principal trading market/quotation system) on which the shares are listed and traded. If on any determination date the shares of such class of Common Stock are not quoted by any such organization, the Current Market Price Per Common Share shall be the fair market value of such shares on such determination date as determined in good faith by the Board of Directors.

7. Exchange, Transfer or Assignment of Warrant. Until the second anniversary of the Effective Date, the Holder shall not sell, pledge, exchange, assign or transfer this Warrant; provided, that the Holder may exchange, transfer or assign this Warrant to any Affiliate of the Holder upon complying with the terms of this Section 7 and the Stockholder Agreement. Commencing upon the second anniversary of the Effective Date and subject to compliance with the Stockholder Agreement, the Holder of this Warrant shall be entitled, without obtaining the consent of the Company to assign and transfer this Warrant, at any time in whole or from time to time in part, to any Person or Persons. Subject to the preceding sentences, upon surrender of this Warrant to the Company, together with the attached Warrant Assignment Form duly executed, the Company shall, as promptly as reasonably practicable and without charge, execute and deliver new Warrant Certificates in the name of the assignee or assignee named in such instrument of assignment and, if the Holder's entire interest is not being assigned, in the name of the Holder and this Warrant Certificate shall promptly be canceled. Each taker and holder of this Warrant Certificate by taking or holding the same, consents and agrees that the registered holder hereof may be treated by the Company and all other persons dealing with this Warrant Certificate as the absolute owner hereof for any purpose and as the person entitled to exercise the rights represented hereby.

8. Loss or Destruction of Warrant. Upon receipt by the Company of evidence satisfactory to it (in the exercise of its reasonable discretion) of the loss, theft, destruction or mutilation of this Warrant Certificate, and (in the case of loss, theft or destruction) of reasonably satisfactory indemnification, and upon surrender and cancellation of this Warrant Certificate, if mutilated, the Company shall execute and deliver a new Warrant Certificate of like tenor and date.

9. Anti-dilution Provisions.

(a) (i) In case the Company shall at any time after the date hereof subdivide or split its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision or split shall be proportionately reduced and the number of shares of Common Stock purchasable under this Warrant shall be proportionately increased. Conversely, in case the outstanding shares of Common Stock shall be combined or reclassified into a smaller number of shares, the Exercise Price in effect immediately prior to such combination or reclassification shall be proportionately increased and the number of shares of Common Stock purchasable under this Warrant shall be proportionately decreased.

(ii) In case the Company shall at any time after the date hereof declare a dividend or make a distribution on Common Stock generally, that is payable in Common Stock, the Exercise Price in effect at the time of the record date for such dividend or distribution and the aggregate number of shares of Common Stock receivable

upon exercise of this Warrant shall be proportionately adjusted so that the exercise of this Warrant in full after such time shall entitle the Holder to receive (for the Aggregate Exercise Price (as defined below)) the aggregate number of shares of Common Stock which, if this Warrant had been exercised in full immediately prior to such time (for the aggregate Exercise Price in effect at such time (the "AGGREGATE EXERCISE PRICE")), such Holder would have owned upon such exercise and been entitled to receive by virtue of such dividend or distribution. If any declared dividend or distribution on Common Stock payable in Common Stock for which adjustments have been made pursuant to the immediately preceding sentence is not paid in whole or in part on the applicable payment date, then, effective as of the time of the record date for such dividend or distribution, the Exercise Price and the aggregate number of shares of Common Stock receivable upon exercise of this Warrant shall be proportionately readjusted so that the exercise of this Warrant in full after such time shall entitle the Holder to receive (for the Aggregate Exercise Price) the aggregate number of shares of Common Stock which, if this Warrant had been exercised in full immediately prior to such time (for the Aggregate Exercise Price), such Holder would have owned upon such exercise and in fact received by virtue of such dividend or distribution.

(iii) In case the Company shall at any time after the date hereof issue any shares of its capital stock in a reclassification of Common Stock (including any such reclassification in connection with a consolidation or merger in which the Company is the continuing corporation), then, as a condition to such reclassification, lawful provisions shall be made, and duly executed documents evidencing the same from the Company or its successor shall be delivered to the Holder, so that the Holder shall have the right at any time that this Warrant is exercisable to purchase, at a total price equal to that payable upon exercise of this Warrant, the kind and amount of capital stock receivable in connection with such recapitalization by a record holder of the same number of shares of Common Stock as were purchasable (without applying the restrictions set forth in paragraph 3 hereof) by the Holder immediately prior to such recapitalization. Such adjustments under this paragraph 9(a) shall be made successively whenever any event listed above shall occur.

(b) Except in the case of Excluded Transactions (as defined below), in case the Company shall fix a record date for the issuance of rights, options or warrants to the holders of its Common Stock generally, entitling such holders to subscribe for or purchase shares of Common Stock (or securities convertible into shares of Common Stock) at a price per share of Common Stock (or having a conversion price per share of Common Stock, if a security convertible into shares of Common Stock) less than the Current Market Price Per Common Share on such record date (or if such date of issuance is more than sixty days after the record date, less than the Current Market Price Per Common Share on such date of issuance), the maximum number of shares of Common Stock issuable upon exercise of such rights, options or warrants (or conversion of such convertible securities) shall be deemed to have been issued and outstanding as of such record date (or if such date of issuance is more than sixty days after the record date, on such date of issuance) and the Exercise Price to be in effect after such issuance or sale shall be determined by multiplying the Exercise Price in effect immediately prior to such issuance or sale by a fraction, the numerator of which shall be the sum of (x) the number of shares of Common Stock outstanding immediately prior to the time of such issuance or sale

multiplied by the Current Market Price Per Common Share immediately prior to such issuance or sale and (y) the aggregate consideration, if any, to be received by the Company upon such issuance or sale, and the denominator of which shall be the product of the aggregate number of shares of Common Stock outstanding immediately after such issuance or sale and the Current Market Price Per Common Share immediately prior to such issuance or sale. In case any portion of the consideration to be received by the Company shall be in a form other than cash, the fair market value of such noncash consideration shall be utilized in the foregoing computation. Such fair market value shall be determined by the Board of Directors. The Holder shall be notified promptly of any consideration other than cash to be received by the Company and furnished with a description of the consideration and the fair market value thereof, as determined in good faith by the Board of Directors. Such adjustment shall be made successively whenever any such record date is fixed; and in the event that such rights, options or warrants or securities convertible into shares of Common Stock are not so issued or expire unexercised, or in the event of a change in the number of shares of Common Stock to which the holders of such rights, options or warrants or securities convertible into shares of Common Stock are entitled or the aggregate consideration payable by the holders of such rights, options, warrants or convertible securities for such shares of Common Stock prior to their receipt of such shares of Common Stock (other than pursuant to adjustment provisions therein comparable to those contained in this paragraph 9), the Exercise Price shall again be adjusted to be the Exercise Price which would then be in effect if such rights, options or warrants or securities convertible into shares of Common Stock that were not so issued or expired unexercised had never had their related record date fixed, in the former event, or the Exercise Price which would then be in effect if such holder had initially been entitled to such changed number of shares of Common Stock or required to pay such changed consideration, in the latter event. "EXCLUDED TRANSACTIONS" means any Common Stock issued by the Company (i) upon exercise or conversion of any security the issuance of which caused an adjustment under this paragraph 9, (ii) pursuant to employee or director compensation plans or arrangements and (iii) pursuant to a stockholder rights plan adopted by the Company.

(c) In case the Company shall fix a record date for the making of a distribution to holders of Common Stock in their capacities as such (including any such distribution made in connection with a consolidation or merger in which the Company is the continuing corporation) of cash, evidences of indebtedness, assets or other property (other than (i) ordinary dividends payable in cash, (ii) dividends payable in Common Stock, (iii) distributions in connection with a stockholder rights plan adopted by the Company or (iv) rights, options or warrants or convertible securities referred to in, and for which an adjustment is made pursuant to, paragraph 9(b) hereof), the Exercise Price to be in effect after such record date shall be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction, the numerator of which shall be the Current Market Price Per Common Share on such record date, less the fair market value (determined as set forth in paragraph 9(b) hereof) of the portion of the assets, other property or evidence of indebtedness so to be distributed which is applicable to one share of Common Stock, and the denominator of which shall be such Current Market Price Per Common Share. Such adjustments shall be made successively whenever such a record date is fixed; and in the event that such distribution is not so made, the Exercise Price shall again be adjusted to be the Exercise Price which would then be in effect if such record date had not been fixed.

(d) In case at any time or from time to time the Company shall take any action affecting its capital stock as such, other than an action described in any of the foregoing clauses (a) through (c), which the Board of Directors of the Company reasonably determines in good faith will adversely affect the rights of the Holders of the Warrants, the number of shares of Common Stock purchasable upon exercise of each Warrant and/or the Exercise Price shall be adjusted in such manner and at such time as the Board of Directors of the Company may reasonably and in good faith determine to be equitable in the circumstances.

(e) The Company may, at its option, at any time during the term of the Warrants, reduce the then current Exercise Price (but in no event below the par value of a share of Common Stock) or increase the number of shares of Common Stock for which the Warrant may be exercised to any amount deemed appropriate by the Board of Directors; provided, however, that if the Company elects to make such adjustment, such adjustment will remain in effect for at least a 5-day period, after which time the Company may, at its option, reinstate the Exercise Price or number of shares of Common Stock in effect prior to such adjustment, as applicable, subject to any interim adjustments pursuant to this paragraph 9.

(f) No adjustment in the Exercise Price or otherwise pursuant to paragraph 9(a) through (c) shall be required unless such adjustment would require an increase or decrease of at least one percent in such price; provided, that any adjustments which by reason of this paragraph 9(f) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this paragraph 9 shall be made to the nearest \$0.001 or to the nearest hundredth of a share of Common Stock, as the case may be.

(g) In the event that, at any time as a result of the provisions of this paragraph 9, the holder of this Warrant upon subsequent exercise shall become entitled to receive any shares of capital stock of the Company other than Common Stock, the number of such other shares so receivable upon exercise of this Warrant shall thereafter be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions contained herein.

(h) Upon the occurrence of each adjustment or readjustment pursuant to this paragraph 9 or paragraph 10 below, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to the holder of this Warrant a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall, upon the written request, at any time, of the holder, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustments and readjustments, (ii) the Exercise Price at the time in effect and (iii) the number of shares and the amount, if any, of other property that at the time would be received upon exercise of the Warrant.

(i) The Company will not, by any voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all of the provisions of this paragraph 9 and in the taking of all such action necessary or appropriate in order to protect the rights of the holder of this Warrant against impairment.

10. Consolidation, Merger or Sale of Assets. In case of any consolidation of the Company with, or merger of the Company into, any other Person, any merger of another Person into the Company (other than a consolidation or merger which does not result in any reclassification, conversion, exchange or cancellation of outstanding shares of Common Stock) or any sale or transfer of all or substantially all of the assets of the Company or of the Person formed by such consolidation or resulting from such merger or which acquires such assets, as the case may be, the Holder shall have the right thereafter, upon exercise of this Warrant in accordance with and subject to all of the provisions of this Warrant, to receive the kind and amount of securities, cash and other property receivable upon such consolidation, merger, sale or transfer by a holder of the number of shares of Common Stock for which this Warrant may have been exercised (without applying the restrictions set forth in paragraph 3 hereof) immediately prior to such consolidation, merger, sale or transfer, assuming (i) such holder of Common Stock is not a Person with which the Company consolidated or into which the Company merged or which merged into the Company or to which such sale or transfer was made, as the case may be ("CONSTITUENT PERSON"), or an Affiliate of a constituent Person and (ii) in the case of a consolidation, merger, sale or transfer which includes an election as to the consideration to be received by the holders, such holder of Common Stock failed to exercise its rights of election, as to the kind or amount of securities, cash and other property receivable upon such consolidation, merger, sale or transfer (provided that if the kind or amount of securities, cash and other property receivable upon such consolidation, merger, sale or transfer is not the same for each share of Common Stock held immediately prior to such consolidation, merger, sale or transfer by other than a constituent Person or an Affiliate thereof and in respect of which such rights of election shall not have been exercised ("NON-ELECTING SHARE"), then for the purpose of this paragraph 9 the kind and amount of securities, cash and other property receivable upon such consolidation, merger, sale or transfer by each non-electing share shall be deemed to be the kind and amount so receivable per share by a plurality of the non-electing shares). Adjustments for events subsequent to the effective date of such a consolidation, merger and sale of assets shall be as nearly equivalent as may be practicable to the adjustments provided for in this Warrant. In any such event, effective provisions shall be made in the certificate or articles of incorporation of the resulting or surviving corporation, in any contract of sale, conveyance, lease or transfer, or otherwise so that the provisions set forth herein for the protection of the rights of the Holder shall thereafter continue to be applicable; and any such resulting or surviving corporation shall expressly assume the obligation to deliver, upon exercise, such shares of stock, other securities, cash and property. The provisions of this paragraph 10 shall similarly apply to successive consolidations, mergers, sales, leases or transfers.

11. 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 Lehman Brothers, to:

LB I Group, Inc.
c/o Lehman Brothers Inc.
399 Park Avenue, 9th Floor
New York, NY 10022
Attention: Michael Bruynesteyn

Facsimile No.:
E-mail: michael.bruynesteyn@lehman.com

with a copy (which shall not constitute notice) to:

Office of the General Counsel
Lehman Brothers Inc.
399 Park Avenue, 10th Floor
New York, New York 10022
Facsimile No.: 212-520-0421

and

Morrison & Foerster LLP
1290 Avenue of the Americas
New York, New York 10104-0185
Attention: Anna Pinedo
Facsimile No.: (212) 468-7900
E-mail: apinedo@mofo.com

if to the Company, 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 (which shall not constitute notice) to:

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

12. Rights of the Holder. Prior to the exercise of any Warrant, the Holder shall not, by virtue hereof, be entitled to any rights of a shareholder of the Company, including, without limitation, the right to vote, to receive dividends or other distributions, to exercise any

preemptive right or to receive any notice of meetings of shareholders or any notice of any proceedings of the Company except as may be specifically provided for herein.

13. Governing Law. This Warrant shall be governed by and construed in accordance with the law of the State of Delaware, without regard to the conflicts of law rules of such state.

14. Dispute Resolution.

(a) If a dispute arises between the parties relating to this Warrant, 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:

(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 (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. 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.

(iii) Arbitration shall take place in the City of New York, New York unless the parties agree otherwise or the arbitrator selected by the parties orders otherwise. Punitive or exemplary damages shall not be awarded. This paragraph 14 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. Jurisdiction. Subject to paragraph 14, 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 Warrant or the transactions contemplated hereby shall be brought in any federal court sitting in the City of New York or any Chancery Court of the State of Delaware, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding. 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.

16. Amendments; Waivers. Any provision of this Warrant Certificate 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 the Holder and the Company, or in the case of a waiver, by the party against whom the waiver is to be effective; provided that if there shall be more than one Holder of this Warrant, any amendment of this Warrant Certificate approved by the Company and holders of a majority of the Warrant Shares will be binding on each Holder. No failure or delay by either 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.

17. Successors and Assigns. Subject to applicable securities laws and compliance with the terms of this Warrant, (x) this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors of the Company and the successors and permitted assigns and transferees of the Holder and (y) the provisions of this Warrant are intended to be for the benefit of all Holders from time to time of this Warrant and shall be enforceable by any such Holder.

IN WITNESS WHEREOF, the Company has duly caused this Warrant Certificate to be signed by its duly authorized officer and to be dated as of May 17, 2007.

VISTEON CORPORATION

By: /s/ William G. Quigley III
Name: William G. Quigley III
Title: Senior Vice President
and Chief Financial Officer

Acknowledged and Agreed:

LB I GROUP, INC.

By: /s/ Eric C. Salzman
Name: Eric C. Salzman
Title: Managing Director

WARRANT EXERCISE NOTICE

(To be delivered prior to exercise of the Warrant by execution of the Warrant Exercise
Subscription Form)

To: Visteon Corporation

The undersigned hereby notifies you of its intention to exercise the Warrant to purchase shares of Common Stock, par value \$1.00 per share, of Visteon Corporation (the “COMPANY”). The undersigned intends to exercise the Warrant to purchase _____ shares (the “SHARES”) at \$_____ per Share (the Exercise Price currently in effect pursuant to the Warrant). The undersigned requests to pay the aggregate Exercise Price for the Shares (i) by wire transfer of immediately available funds to a bank account designated by the Company or (ii) pursuant to the “cash-less” exercise mechanism described in paragraph 2(e) of the Warrant, as indicated below.

Date: _____

(Signature of Owner)

(Street Address)

(City)

(State)

(Zip Code)

Payment: \$_____ wire transfer

___ “cash-less” exercise pursuant to paragraph 2(e) of the Warrant

WARRANT EXERCISE SUBSCRIPTION FORM

(To be executed only upon exercise of the Warrant after delivery of Warrant Exercise Notice)

To: Visteon Corporation

The undersigned irrevocably exercises the Warrant for the purchase of _____ shares (the “SHARES”) of Common Stock, par value \$1.00 per share, of Visteon Corporation (the “COMPANY”) at \$___ per Share (the Exercise Price currently in effect pursuant to the Warrant) [and herewith makes payment of \$_____ (such payment being made by wire transfer of immediately available funds to a bank account designated by the Company) / pursuant to the “cash-less” exercise mechanism described in Section 2(e) of the Warrant], all on the terms and conditions specified in the within Warrant Certificate, surrenders this Warrant Certificate and all right, title and interest therein to the Company and directs that the Shares deliverable upon the exercise of this Warrant be registered or placed in the name and at the address specified below and delivered thereto.

Date: _____

(Signature of Owner)

(Street Address)

(City)

(State)

(Zip Code)

Securities and/or check to be issued to: _____

Please insert social security or identifying number: _____

Name: _____

Street Address: _____

City, State and Zip Code: _____

Any unexercised portion of the Warrant evidenced by the within Warrant Certificate to be issued to: _____

Please insert social security or identifying number: _____

Name: _____

Street Address: _____

City, State and Zip Code: _____

WARRANT ASSIGNMENT FORM

Dated _____, ____

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers unto _____ (the "ASSIGNEE"),
(please type or print in block letters)

(insert address)

this Warrant for up to [____] shares of Common Stock and does hereby irrevocably constitute and appoint _____ Attorney, to
transfer the same on the books of the Company, with full power of substitution in the premises.

LB I Group, Inc.
399 Park Avenue, 9th Floor
New York, NY 10022

May 17, 2007

Ford Motor Company
Office of the Secretary
One American Road
11th Floor World Headquarters
Dearborn, Michigan 48126
Attention: Peter Sherry

Visteon Corporation
One Village Center Drive
Van Buren Township, Michigan 48111
Attention: Brian Casey

Ladies and Gentlemen:

Reference is made to (i) the Stockholder Agreement, dated as of October 1, 2005 (the “Stockholder Agreement”), between Visteon Corporation (“Visteon”) and Ford Motor Company (“Ford”), (ii) the Warrant issued by Visteon to Ford dated as of October 1, 2005 (the “Warrant”) and (iii) the Warrant Purchase Agreement dated as of May 17, 2007 (the “Purchase Agreement”), by and among LB I Group, Inc. (“Purchaser”), and Ford. Capitalized terms used herein and not otherwise defined in this letter agreement (the “Agreement”) shall have the meanings ascribed to them in the Stockholder Agreement.

Visteon hereby consents to the transfer and assignment by Ford of the Warrant in whole, but not in part, to Purchaser and waives any and all restrictions on such transfer and assignment set forth in Section 6.01 of the Stockholder Agreement. Further, pursuant to the requirement in clause (B) of the penultimate sentence of Section 6.01 of the Stockholder Agreement, this Agreement confirms that in connection with the sale of the Warrant by Ford to Purchaser pursuant to the Purchase Agreement, Purchaser agrees that it shall be bound by all of the terms of the Stockholder Agreement as a Holder upon the closing of such sale, which sale is being consummated simultaneously with the execution of this Agreement. In consideration therefor, Purchaser agrees to exchange the Warrant for a new warrant in the form attached hereto as Exhibit A (the “LB Warrant”) and Visteon agrees to execute and deliver the LB Warrant to Purchaser as soon as practical after the execution of this Agreement and the Purchase Agreement and the consummation of the transactions set forth herein and therein. Visteon acknowledges and agrees that, in accordance with Section 6.01 of the Stockholder Agreement, this Agreement shall serve as written notification from Ford of the transfer of the entire warrant to Purchaser and that, notwithstanding anything to the contrary set forth in the Stockholder Agreement, Purchaser is a Permitted Transferee for purposes of the Stockholder Agreement. Ford and Visteon also agree that, upon execution of this Agreement, neither Ford nor any of its Affiliates will have any registration rights described in Article 2 of the Stockholder Agreement and neither Ford nor its Affiliates will be subject to the provisions of Article 3 of the Stockholder Agreement. In addition, Ford and Visteon agree that, except as expressly set forth in this Agreement, no other

provision of the Stockholder Agreement shall be affected by this Agreement and all other provisions of the Stockholder Agreement shall remain in full force and effect.

Notwithstanding anything to the contrary herein, Purchaser agrees with Visteon on behalf of itself and its Affiliates that: (i) until the date that is the first anniversary of the date hereof, Purchaser and its Affiliates shall not, directly or indirectly, engage in any Hedging Transaction with respect to the shares of common stock, par value \$1.00 per share, of Visteon (the "Common Stock") underlying the Warrant (the "Warrant Shares"); (ii) between the date that is the first anniversary of the date hereof and the date that is the second anniversary of the date hereof, Purchaser and its Affiliates shall not, directly or indirectly, engage in any one or more Hedging Transactions during such one year period with respect to more than an aggregate of 12,500,000 of the shares of Common Stock underlying the Warrant (as adjusted for stock splits, combinations, recapitalizations and the like) and, in connection with such Hedging Transactions, the volume of trading in the Common Stock involved in such transactions during any week within such one year period shall not exceed 25% of the average weekly trading volume of the Common Stock overall for the prior four week period; and (iii) after the second anniversary of the date hereof, neither Purchaser nor its Affiliates will be restricted from engaging in any Hedging Transaction; provided, however, that in connection with any Hedging Transaction effected after the second anniversary of the date hereof, the volume of trading in the Common Stock involved in such transactions during any week shall not exceed 25% of the average weekly trading volume of the Common Stock overall for the prior four week period. Notwithstanding the foregoing, nothing in this Agreement or in the Stockholder Agreement shall prohibit or otherwise inhibit Purchaser or its Affiliates from (i) acting as market makers with respect to any securities of Visteon, (ii) engaging in ordinary course brokerage or trading transactions with respect to Visteon securities on their behalf or on behalf of their customers and (iii) engaging in any transactions in connection with long or short positions in Visteon securities, not including the Warrant and the Warrant Shares, currently held by Purchaser and its Affiliates. For purposes of this Agreement, the term "Hedging Transaction" shall mean, with respect to the Warrant and the Warrant Shares, a short sale with respect to the Warrant or the Warrant Shares, entering into or acquiring an offsetting derivative contract with respect to the Warrant or the Warrant Shares, entering into or acquiring a futures or forward contract to deliver the Warrant or the Warrant Shares or entering into any other hedging or other derivative transaction that has the effect of materially changing the economic benefits and risks of ownership of the Warrant or the Warrant Shares. Purchaser shall, and shall cause its Affiliates to, implement appropriate procedures with respect to their compliance with the matters set forth in this paragraph.

In addition, Visteon hereby acknowledges, confirms and agrees that upon the execution of this Agreement, Purchaser, and any subsequent Holder that is a Permitted Transferee under the Stockholder Agreement and that complies with the terms of the Stockholder Agreement, shall remain entitled to all of the rights of the Holders relating to demand registrations as set forth in Article 2 of the Stockholder Agreement, as amended by the following paragraphs, including, but not limited to, the right to exercise such demand rights on up to three occasions at any time.

Visteon, Purchaser and Ford agree that, upon consummation of the sale of the Warrant contemplated herein and in the Purchase Agreement, Section 2.01(a) of the Stockholder Agreement is hereby amended and restated as follows:

“Section 2.01. *Shelf Registration*. (a) Provided that the Company is eligible to file a registration statement on Form S-3, it shall, not later than March 18, 2009 or, if later, as soon as is reasonably practicable after it becomes eligible to file a registration statement on Form S-3, cause to be filed a Shelf Registration Statement, and shall use its reasonable best efforts to have such Shelf Registration Statement declared effective by the SEC prior to May 17, 2009 or as soon as is reasonably practicable after it becomes eligible to use Form S-3.”

Visteon, Purchaser and Ford further agree that the reference to “the first anniversary of the Closing” in the first sentence of Section 2.02(a) of the Stockholder Agreement is hereby changed to be a reference to “the earlier of March 18, 2009 and a Change Of Control (as defined in the Warrant).”

Visteon represents and warrants to Purchaser as of the date hereof that:

(a) Visteon is a corporation duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation and has all corporate powers required to carry on its business as now conducted. Visteon is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where such qualification is necessary, except for those jurisdictions where failure to be so qualified would not, individually or in the aggregate, have a material adverse effect on the business, properties, financial position or results of operations of Visteon and its subsidiaries considered as a whole (a “Material Adverse Effect”).

(b) The execution, delivery and performance by Visteon of this Agreement and the LB Warrant and the consummation of the transactions contemplated hereby and thereby are within Visteon’s corporate powers and have been duly authorized by all necessary corporate action on the part of Visteon. This Agreement and the LB Warrant constitute or will constitute when executed (assuming the due authorization, execution and delivery by the other parties thereto) a valid and binding agreement of Visteon enforceable against Visteon in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors’ rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

(c) The execution, delivery and performance by Visteon of this Agreement and the LB Warrant and the consummation of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with, any court, administrative agency or commission or other federal, state, local, foreign or supranational governmental or regulatory authority, agency, body, instrumentality or official, other than the filing of a current report on Form 8-K with the Securities and Exchange Commission.

(d) The execution, delivery and performance by Visteon of this Agreement and the LB Warrant and the consummation of the transactions contemplated hereby and thereby do not and will not violate its certificate of incorporation or bylaws or other organizational documents.

Please confirm receipt of this letter by signing a copy where indicated below and returning it to our attention. This letter may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this notice by signing and delivering one or more counterparts.

Very truly yours,

LB I GROUP, INC.

By: /s/ Eric C. Salzman
Name: Eric C. Salzman
Title: Managing Director

ACKNOWLEDGED BY:

FORD MOTOR COMPANY

By: /s/ Neil M. Schloss
Name: Neil M. Schloss
Title: Vice President and Treasurer

VISTEON CORPORATION

By: /s/ William G. Quigley III
Name: William G. Quigley III
Title: SVP & CFO