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

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FORM 10-Q

(Mark One)

☒ [X]

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000, or

☐ [ ]

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-15827

**VISTEON CORPORATION**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)  
5500 Auto Club Drive, Dearborn, Michigan  
(Address of principal executive offices)

38-3519512  
(I.R.S. Employer  
Identification Number)  
48126  
(Zip code)

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

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☐ No ☒ X

**Applicable Only to Corporate Issuers:** Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: As of June 30, 2000, the Registrant had outstanding 130,798,000 shares of Common Stock, par value \$1.00 per share.

Exhibit index located on page number 20.

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**TABLE OF CONTENTS**

[CONSOLIDATED STATEMENT OF INCOME](#)  
[CONSOLIDATED BALANCE SHEET](#)  
[CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS](#)  
[NOTES TO FINANCIAL STATEMENTS](#)  
[ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS](#)  
[EXHIBIT INDEX](#)  
[Amended and Restated Certificate of Incorporation](#)  
[Amended and Restated By-Laws](#)  
[Indenture](#)  
[Issuing and Paying Agency Agreement](#)  
[Master Note](#)  
[Letter Loan Agreement](#)  
[Statement re Computation of Ratios](#)  
[Letter re unaudited interim financial information](#)  
[Financial Data Schedule](#)  
[Financial Data Schedule](#)

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VISTEON CORPORATION AND SUBSIDIARIES

PART I. FINANCIAL STATEMENTS

ITEM 1. FINANCIAL STATEMENTS

VISTEON CORPORATION AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF INCOME**  
**For the Periods Ended June 30, 2000 and 1999**  
(in millions, except per share amounts)

	Second Quarter		First Half	
	2000	1999	2000	1999
	(unaudited)		(unaudited)	
Sales				
Ford and affiliates	\$4,571	\$4,614	\$ 9,047	\$8,969
Other customers	738	449	1,487	866
Total sales	5,309	5,063	10,534	9,835
Costs and expenses (Note 2)				
Costs of sales	4,849	4,430	9,644	8,771
Selling, administrative and other expenses	192	172	369	305
Total costs and expenses	5,041	4,602	10,013	9,076
Operating income	268	461	521	759
Interest income	18	2	52	24
Interest expense	30	26	87	49
Net interest expense	(12)	(24)	(35)	(25)
Equity in net income of affiliated companies	10	12	17	28
Income before income taxes	266	449	503	762
Provision for income taxes	96	164	182	276
Income before minority interests	170	285	321	486
Minority interests in net income of subsidiaries	8	5	12	1
Net income	\$ 162	\$ 280	\$ 309	\$ 485
Average number of shares of Common Stock outstanding (Note 5)	130	130	130	130
Earnings per share (Note 5)				
Basic and diluted	\$ 1.25	\$ 2.15	\$ 2.38	\$ 3.73

The accompanying notes are part of the financial statements.

[Table of Contents](#)

**VISTEON CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEET**  
(in millions)

	June 30, 2000	December 31, 1999
	(unaudited)	
<b>Assets</b>		
Cash and cash equivalents	\$ 965	\$ 1,849
Accounts and notes receivable — Ford and affiliates	2,367	1,578
Accounts receivable — other customers	1,002	613
Total receivables	3,369	2,191
Inventories (Note 6)	781	751
Deferred income taxes	72	110
Prepaid expenses and other current assets	41	295
Total current assets	5,228	5,196
Equity in net assets of affiliated companies	216	205
Net property	5,796	5,789
Deferred income taxes	—	362
Other assets	455	897
Total assets	\$11,695	\$12,449
<b>Liabilities and Stockholders' Equity</b>		
Trade payables	\$ 2,270	\$ 3,150
Accrued liabilities	1,221	1,211
Income taxes payable	43	153
Debt payable within one year (Note 3)	906	961
Total current liabilities	4,440	5,475
Long-term debt (Note 3)	1,174	1,358
Other liabilities (Note 4)	2,438	3,964
Deferred income taxes	29	153
Total liabilities	8,081	10,950
Stockholders' equity (Note 8)		
Capital stock		

Preferred Stock, par value \$1.00, 50 million shares authorized, none outstanding	—	—
Common Stock, par value \$1.00, 500 million shares authorized, 131 million shares issued and outstanding	131	—
Capital in excess of par value of stock	3,309	—
Prior owner's net investment	—	1,566
Accumulated other comprehensive income	(125)	(67)
Other	(10)	—
Earnings retained for use in business	309	—
	<hr/>	<hr/>
Total stockholders' equity	3,614	1,499
	<hr/>	<hr/>
Total liabilities and stockholders' equity	\$11,695	\$12,449
	<hr/>	<hr/>

The accompanying notes are part of the financial statements.

[Table of Contents](#)

## VISTEON CORPORATION AND SUBSIDIARIES

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS For the Periods Ended June 30, 2000 and 1999 (in millions)

	First Half 2000	First Half 1999
	<hr/>	
	(unaudited)	
<b>Cash and cash equivalents at January 1</b>	\$ 1,849	\$ 542
Cash flows (used in)/provided by operating activities	(1,619)	1,234
Cash flows from investing activities		
Capital expenditures	(284)	(384)
Acquisitions and investments in joint ventures, net	(3)	(508)
Other	(10)	(35)
	<hr/>	<hr/>
Net cash used in investing activities	(297)	(927)
Cash flows from financing activities		
Cash distributions from/(to) prior owner	85	(232)
Commercial paper issuances, net	410	—
Payments of short-term debt, net	(509)	(18)
Proceeds from issuance of short-term debt	1,200	—
Proceeds from issuance of other debt	14	1,054
Principal payments on other debt	(200)	(84)
Other	21	5
	<hr/>	<hr/>
Net cash provided by financing activities	1,021	725
Effect of exchange rate changes on cash	11	(10)
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(884)	1,022
	<hr/>	<hr/>
<b>Cash and cash equivalents at June 30</b>	\$ 965	\$1,564
	<hr/>	<hr/>

The accompanying notes are part of the financial statements.

[Table of Contents](#)

## VISTEON CORPORATION AND SUBSIDIARIES

### NOTES TO FINANCIAL STATEMENTS (unaudited)

**1. Financial Statements** — The financial data presented herein are unaudited, but in the opinion of management reflect those adjustments necessary for a fair presentation of such information. Results for interim periods should not be considered indicative of results for a full year. Reference should be made to the financial statements contained in the registrant's prospectus dated June 13, 2000 as filed with the Securities and Exchange Commission on June 14, 2000. For purposes of Notes to Financial Statements, "Visteon" or the "Company" means Visteon Corporation and its majority owned subsidiaries unless the context requires otherwise.

Visteon is the world's second largest supplier of automotive systems, modules and components to global vehicle manufacturers. Ford Motor Company ("Ford") established Visteon as a wholly-owned subsidiary in January 2000, and subsequently contributed or otherwise transferred to Visteon the assets and liabilities comprising Ford's automotive components and systems business. Visteon became an independent company when Ford distributed all of the shares (130 million) of Visteon common stock to the holders of record on June 12, 2000 of Ford common and Class B stock (the "spin-off").

**2. Selected costs and expenses** are summarized as follows (in millions):

	Second Quarter		First Half	
	2000	1999	2000	1999
Depreciation	\$155	\$132	\$299	\$263
Amortization	21	19	43	37

Visteon recorded a pre-tax charge of approximately \$13 million (\$8 million after-tax) in the second quarter of 2000 for Visteon-designated employees that are part of special voluntary retirement and separation programs announced previously by Visteon.

**3. Debt** — During the second quarter of 2000, Visteon established a commercial paper program under which, at June 30, 2000, about \$410 million was outstanding with maturities ranging up to 35 days and a weighted average interest rate of 6.9%. In addition, Visteon entered into financing arrangements with third-party lenders to provide up to a total of \$2.0 billion of contractually committed, unsecured revolving credit facilities. The revolving credit facilities are evenly split between 364-day and 5-year commitments, maturing in June 2001 and June 2005, respectively. Borrowings under the revolving credit facilities bear interest based on a variable interest rate option selected at the time of borrowing. No amounts were outstanding under the revolving credit facilities at June 30, 2000.

In June 2000, Visteon borrowed \$1.2 billion under a short-term, unsecured financing arrangement with a third-party lender. Obligations under this arrangement mature in December 2000. Interest is paid based on a variable interest rate option selected at the time of borrowing (approximately 7% at June 30, 2000). Based on management's intent and capability to refinance this obligation through a long-term financing arrangement, \$1.0 billion of this obligation has been classified as long-term debt on the accompanying June 30, 2000 balance sheet.

**4. Pension and Other Postretirement Benefits** — Under the terms of Visteon's separation from Ford, Ford has retained the pension, postretirement health care and postretirement retiree life insurance obligations for most Visteon-designated employees of Ford who retired prior to the spin-off. Ford also retained the related Voluntary Employees' Beneficiary Association assets. The asset and liability transfers between Ford and Visteon postretirement benefit plans reduced Visteon's net postretirement related liabilities by about \$1.5 billion to about \$2 billion at June 30, 2000. Demographic and actuarial assumptions were used in estimating liability transfers at separation.

[Table of Contents](#)

## VISTEON CORPORATION AND SUBSIDIARIES

### NOTES TO FINANCIAL STATEMENTS — (Continued)

(unaudited)

**5. Income Per Share of Common Stock** — Basic income per share of Common Stock is calculated by dividing the income attributable to Common Stock by the average number of shares of Common Stock outstanding during the applicable period, adjusted for restricted stock. For purposes of the earnings per share calculations, 130 million shares of common stock are treated as outstanding for periods prior to our spin-off from Ford. The calculation of diluted income per share of Common Stock takes into account the effect of dilutive potential common stock, such as stock options and other stock-based awards.

Income per share of Common Stock was as follows (in millions, except per share amounts):

	Second Quarter 2000		Second Quarter 1999	
	Income	Shares	Income	Shares
Net income	\$ 162	130	\$ 280	130
Basic income per share	1.25		2.15	
Basic income and shares	162	130	280	130
Net dilutive effect of options	—	—	—	—
	—	—	—	—
Diluted income and shares	162	130	280	130
Diluted income per share	\$1.25		\$2.15	

  

	First Half 2000		First Half 1999	
	Income	Shares	Income	Shares
Net income	\$ 309	130	\$ 485	130
Basic income per share	2.38		3.73	
Basic income and shares	309	130	485	130
Net dilutive effect of options	—	—	—	—
	—	—	—	—
Diluted income and shares	309	130	485	130
Diluted income per share	\$2.38		\$3.73	

Visteon sponsors a stock-based incentive plan ("Long-Term Incentive Compensation Plan" or "LTIP"). Effective at the date of the spin-off, Visteon granted to employees about 800,000 shares of restricted stock and about 2 million stock options with an exercise price equal to the average of the highest and lowest prices at which Visteon common stock was traded on the New York Stock Exchange on that date. The restricted stock will vest on the fifth anniversary of the date of grant. Such stock is considered compensation for services to be provided by employees and the related expense will be recognized over the term of the services provided. Stock options will become exercisable 33% after one year from the date of grant, an additional 33% after two years and in full after three years, and expire after 10 years from the date of grant.

**6. Inventories** are summarized as follows (in millions):

	June 30, 2000	December 31, 1999
Raw materials, work in process and supplies	\$687	\$653
Finished products	94	98
	—	—
Total inventories	\$781	\$751
	—	—
U.S. inventories	\$486	\$434

[Table of Contents](#)

**VISTEON CORPORATION AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS — (Continued)**  
**(unaudited)**

**7. Comprehensive Income** — Other comprehensive income includes foreign currency translation adjustments. Total comprehensive income is summarized as follows (in millions):

	Second Quarter		First Half	
	2000	1999	2000	1999
Net income	\$162	\$280	\$309	\$485
Other comprehensive income	(21)	(18)	(58)	(60)
	—	—	—	—
Total comprehensive income	\$141	\$262	\$251	\$425
	—	—	—	—

**8. Stockholders' Equity** — Changes in stockholders' equity for the first half of 2000 are summarized as follows (in millions):

	Common Stock		Capital in Excess of Par Value	Earnings Retained for Use in Business	Other	Accumulated Other Comprehensive Income	Prior Owner's Net Investment	Total
	Shares	Amount						
Balances at January 1, 2000						\$ (67)	\$ 1,566	\$1,499
Net transfers and settlements of balances with prior owner							1,864	1,864
Capitalization/ reclassification of prior owner's net investment	130	\$130	\$3,300				(3,430)	—
Net income				\$309				309
Issuance of restricted stock	1	1	9		\$(10)			—
Foreign currency translation adjustments						(58)		(58)
	—	—	—	—	—	—	—	—
Balances at June 30, 2000	131	\$131	\$3,309	\$309	\$(10)	\$(125)	\$ —	\$3,614
	—	—	—	—	—	—	—	—

Net transfers and settlements of balances are primarily related to Ford converting \$1,120 million of debt owed to it by Visteon under an intracompany revolving loan arrangement into an equity investment in Visteon, Ford retaining about \$573 million of prepaid health care amounts related to active employees, and asset and liability transfers between Ford and Visteon postretirement benefit plans, net of related deferred taxes.

[Table of Contents](#)

**VISTEON CORPORATION AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS — (Continued)**  
**(unaudited)**

**9. Segment Information** — Visteon's reportable operating segments are Dynamics & Energy Conversion; Comfort, Communication & Safety; and Glass. Financial information for the reportable operating segments is summarized as follows (in millions):

	Dynamics & Energy Conversion	Comfort, Communication & Safety	Glass	Total Visteon
<b>Second Quarter</b>				
<b>2000</b>				
Sales	\$2,455	\$2,650	\$204	\$ 5,309
Income/(loss) before taxes	66	234	(25)	266
Net income/(loss)	42	141	(15)	162

Average assets	5,222	5,912	609	11,743
<b>1999</b>				
Sales	\$2,456	\$2,405	\$202	\$ 5,063
Income before taxes	169	294	10	449
Net income	106	182	8	280
Average assets	4,868	5,113	629	10,610
<b>First Half</b>				
<b>2000</b>				
Sales	\$4,880	\$5,253	\$401	\$10,534
Income/(loss) before taxes	145	418	(31)	503
Net income/(loss)	92	255	(19)	309
Average assets	5,308	6,087	677	12,072
<b>1999</b>				
Sales	\$4,825	\$4,608	\$402	\$ 9,835
Income before taxes	294	476	17	762
Net income	185	303	13	485
Average assets	4,808	4,826	662	10,296

Total income before taxes in the table above includes \$9 million, \$29 million, \$24 million and \$25 million of net interest expense not allocated to the reportable operating segments for the second quarter 2000, first half 2000, second quarter 1999 and first half 1999, respectively. Total net income in the table above includes \$6 million, \$19 million, \$16 million and \$16 million of expense related to net interest expense not allocated to the reportable operating segments for the second quarter 2000, first half 2000, second quarter 1999 and first half 1999, respectively.

**10. Other** — On July 13, 2000, the Board of Directors of Visteon declared a quarterly dividend of \$0.06 per share on the Company's common stock. The dividend is payable on September 1, 2000 to shareholders of record as of August 2, 2000.

On June 2, 2000, Visteon and Ford signed a non-binding letter of intent with Pilkington plc, relating to Visteon's Glass business. The parties have agreed to negotiate the terms of a joint venture, to be owned 80.1% by Pilkington and 19.9% by Visteon, which would acquire Visteon's Glass business for cash consideration and assumption of certain liabilities and would assume operational management of that business.

For the year ended December 31, 1999, the Glass segment represented about 6% of Visteon's average assets, 4% of Visteon's total sales and less than one half of one percent of Visteon's net income. Visteon's Carlite® aftermarket operations would be included in the business to be transferred

7

[Table of Contents](#)

## VISTEON CORPORATION AND SUBSIDIARIES

### NOTES TO FINANCIAL STATEMENTS — (Continued)

(unaudited)

to the joint venture. In connection with the transaction, Ford would enter into a separate supply agreement with the joint venture, which would supersede Ford's supply agreement with Visteon as it relates to the Glass segment. If a definitive agreement is reached, we expect to complete this transaction during 2000. If completed, and dependent upon the terms ultimately agreed to, this transaction would likely result in Visteon incurring a significant charge to earnings. The letter of intent is non-binding, however, there is no assurance that a definitive agreement will be reached, or that it will not differ materially from the description above.

8

[Table of Contents](#)

## REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Stockholders

Visteon Corporation

We have reviewed the accompanying consolidated balance sheet of Visteon Corporation and Subsidiaries as of June 30, 2000, and the related consolidated statement of income for the three-month and six-month periods ended June 30, 2000, and the condensed consolidated statement of cash flows for the six-month period ended June 30, 2000. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated interim financial statements for them to be in conformity with accounting principles generally accepted in the United States.

We have previously audited in accordance with auditing standards generally accepted in the United States, the consolidated balance sheet as of December 31, 1999, and the related consolidated statements of income, stockholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated April 7, 2000, except as to Note 1 for which the date was June 1, 2000, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 1999, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ PricewaterhouseCoopers LLP

July 17, 2000

9

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This report contains forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. Words such as “anticipate,” “expect,” “intend,” “plan,” “believe,” “seek” and “estimate” signify forward-looking statements. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various risks and uncertainties. Some of these risks and uncertainties are and will be identified as “Risk Factors” in our SEC filings. See the “Risk Factors” section of our prospectus dated June 13, 2000 as filed with the SEC on June 14, 2000. The risks and uncertainties so identified are not the only ones facing our company. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial also may adversely affect us. Should any risks and uncertainties develop into actual events, these developments could have material adverse effects on our business, financial condition and results of operations. For these reasons, we caution you not to place undue reliance on our forward-looking statements.

### Overview

Ford Motor Company established Visteon Corporation as a wholly-owned subsidiary in January 2000 and subsequently contributed or otherwise transferred to Visteon the assets and liabilities comprising Ford's automotive components and systems business. On June 28, 2000 Ford completed its spin-off of Visteon by distributing shares of Visteon common stock on a pro rata basis to the holders of Ford common and Class B stock. Visteon is the world's second largest supplier of automotive systems, modules and components to global vehicle manufacturers.

Our worldwide sales were \$5.3 billion in the second quarter of 2000, compared with \$5.1 billion actual and \$4.9 billion pro forma in the second quarter of 1999. The increase compared with 1999 reflects primarily sales gained from the consolidations of Halla Climate Control and Duck Yang (we increased our ownership interest from 35% to 70% in Halla Climate Control, and purchased 51% ownership interest in Duck Yang); the acquisitions of the automotive interiors division of Compagnie Plastic Omnium and Naldec; and higher sales volume for trucks, primarily in North America. Year-over-year price reductions, including a one-time price realignment of 5% that resulted from a joint Ford-Visteon competitive pricing study, are a partial offset.

Worldwide net income was \$162 million in the second quarter of 2000, compared with \$280 million actual and \$170 million pro forma in the second quarter of 1999. The reduction in net income compared with 1999 actual results was more than accounted for by the one-time price realignment, with Ford, of 5%. This year's results also include a charge of \$8 million for employees that are part of special voluntary retirement and separation programs in Europe, and the previously announced closure of the Dearborn Glass Plant.

Worldwide sales totaled \$10.5 billion in the first half of 2000, compared with \$9.8 billion actual and \$9.5 billion pro forma in the first half of 1999. The increase in sales reflects primarily higher volume, primarily in North America, the consolidations of Halla Climate Control and Duck Yang, and the acquisitions of the automotive interiors division of Compagnie Plastic Omnium and Naldec. The year-over-year price reductions, previously referred to, are a partial offset.

Our worldwide net income was \$309 million in the first half of 2000, compared with \$485 million actual and \$252 million pro forma in 1999. The decrease in net income compared with 1999 actual earnings was more than accounted for by the one-time price realignment with Ford, of 5 percent, referred to above. Continued strong sales volume and cost reductions were a partial offset to price reductions.

Unaudited pro forma consolidated financial data for 1999 has been derived from the application of pro forma adjustments to our consolidated financial statements and give effect to our spin-off from Ford. The pro forma financial data has been prepared as if the spin-off from Ford had occurred

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — (Continued)

as of January 1, 1999. The pro forma consolidated financial data do not purport to be indicative of what our operations actually would have been had these events occurred as of that date. For further discussion of these adjustments, please refer to “Pro Forma Second Quarter and First Half 1999 Results” below.

### Pro Forma Second Quarter and First Half 1999 Results

**Second Quarter and First Half 1999.** In connection with the preparation of the unaudited pro forma statement of income for the second quarter and first half of 1999, we made the following significant adjustments:

- Our sales in the second quarter of 1999 would have decreased by \$186 million, to \$4.9 billion, and in the first half of 1999 would have decreased by \$362 million, to \$9.5 billion, had the one-time 5% price reduction effective as of January 1, 2000 been in effect for 1999. The one-time 5% reduction, which was based on a market pricing review conducted by Ford and us, is designed to make Visteon's prices more competitive with third party competitors.
- Our total costs and expenses in the second quarter of 1999 would have decreased by \$21 million, and in the first half of 1999 would have decreased by about \$33 million, as a result of added incremental corporate costs, insurance and risk management costs incurred as a result of operating Visteon as a stand-alone company and for a reduction to profit sharing expense. This profit-sharing adjustment reflects our agreement with Ford that Visteon's liability, for profit sharing payments based on Ford's profits made to Ford workers that are assigned to us, will be limited to \$50 million per year through 2004.
- Our net interest expense in the second quarter of 1999 would have increased by about \$11 million, to \$35 million, and in the first half of 1999 would have increased by about \$45 million to \$70 million as a result of reductions in Visteon's pro forma cash balances and an increase in our average outstanding debt levels.
- As a result of these and other adjustments, our net income in the second quarter of 1999 would have decreased from \$280 million to \$170 million and in the first half of 1999 would have decreased from \$485 million to \$252 million.

### Results of Operations

#### Second Quarter 2000 Compared with Second Quarter 1999

The following table shows the change in sales attributable to each of our segments for the period indicated, both in dollars and in percentage terms:

	Quarter Ended June 30,		Second Quarter 2000 over/(under) Second Quarter 1999	
	2000	1999	Amount	Percent
	(in millions, except percentages)			
Comfort, Communication & Safety	\$2,650	\$2,405	\$245	10.2%
Dynamics & Energy Conversion	2,455	2,456	(1)	(*)
Glass	204	202	2	.1
Total sales	\$5,309	\$5,063	\$246	4.9%

\* Less than 0.1%

Sales in the second quarter of 2000 totaled \$5.3 billion compared with \$5.1 billion in the second quarter of 1999, an increase of \$246 million or 4.9%. Sales for our Comfort, Communication & Safety

[Table of Contents](#)

**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — (Continued)**

segment were \$2.7 billion, compared with \$2.4 billion in the second quarter of 1999, an increase of \$245 million or 10.2%. Sales for our Dynamics & Energy Conversion segment were \$2.5 billion, a decrease of \$1 million from the second quarter of 1999. Glass sales were \$204 million in the second quarter of 2000, compared with \$202 million in the second quarter of 1999, an increase of \$2 million. The increase in sales for our Comfort, Communication & Safety segment was more than accounted for by the consolidations of Halla Climate Control and Duck Yang (we increased our ownership interest from 35% to 70% in Halla Climate Control, and purchased 51% ownership interest in Duck Yang), and the acquisition of the automotive interiors division of Compagnie Plastic Omnium. Sales for our Comfort, Communications and Safety segment also increased as a result of higher sales volume to Ford and our other customers; price reductions granted to Ford and our other customers were a partial offset. Sales for our Dynamics and Energy Conversion segment reflect primarily higher sales volume to Ford and our other customers. Sales for our Dynamics and Energy Conversion segment also increased reflecting the acquisition of Naldec. These increases were offset by price reductions granted to Ford and our other customers. Total sales from consolidations and acquisitions increased second quarter sales by about \$380 million. The increase in sales for our Glass segment reflects higher sales volume, and to a lesser extent customer product content changes, offset largely by price reductions granted to Ford and our other customers.

The following table shows the change in net income (loss) for each of our segments, both in dollars and in percentage terms:

	Quarter Ended June 30,		Second Quarter 2000 (under) Second Quarter 1999	
	2000	1999	Amount	Percent
	(in millions, except percentages)			
Comfort, Communication & Safety	\$141	\$182	\$ (41)	(22.5)%
Dynamics & Energy Conversion	42	106	(64)	(60.4)
Glass	(15)	8	(23)	(287.5)
Total net income (including unallocated interest)	\$162	\$280	\$(118)	(42.1)%

Net income for our Comfort, Communication & Safety segment was \$141 million in the second quarter of 2000, down \$41 million from the second quarter of 1999. The reduction was primarily a result of price reductions, offset partially by higher sales volume and lower costs. Net income for our Dynamics & Energy Conversion segment was \$42 million in the second quarter of 2000, a decrease of \$64 million. This decrease reflected primarily price reductions and, to a lesser extent, premiums associated with continued higher operating volumes and employee separation costs for a voluntary retirement program in Europe, offset partially by lower costs. Net loss for Glass was \$15 million compared with net income of \$8 million in the second quarter of 1999, a decline of \$23 million. The decrease reflected costs associated with the previously announced closure of the Dearborn Glass Plant and price reductions.

[Table of Contents](#)

**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — (Continued)**

**First Half 2000 Compared with First Half 1999**

The following table shows the change in sales attributable to each of our segments for the period indicated, both in dollars and in percentage terms:

	First Half		First Half 2000 over/(under) First Half 1999	
	2000	1999	Amount	Percent
	(in millions, except percentages)			



Comfort, Communication & Safety	\$ 5,253	\$4,608	\$645	14.0%
Dynamics & Energy Conversion	4,880	4,825	55	1.1
Glass	401	402	(1)	(.2)
Total sales	\$10,534	\$9,835	\$699	7.1%

Sales in the first half of 2000 totaled \$10.5 billion compared with \$9.8 billion in the first half of 1999, an increase of \$699 million or 7.1%. Sales for our Comfort, Communication & Safety segment were \$5.3 billion, compared with \$4.6 billion in the first half of 1999, an increase of \$645 million or 14.0%. Sales for our Dynamics & Energy Conversion segment were \$4.9 billion, up \$55 million or 1.1% from the first half of 1999. Glass sales were \$401 million in the first half of 2000, compared with \$402 million in the first half of 1999, a decrease of \$1 million. Sales for our Comfort, Communication & Safety segment increased due to the consolidations of Halla Climate Control and Duck Yang and the acquisition of the automotive interiors division of Compagnie Plastic Omnium. Sales for our Comfort, Communication & Safety segment also increased as a result of higher sales volumes to Ford and our other customers. The increase in sales for our Dynamics and Energy Conversion segment reflects primarily higher sales volume to Ford and our other customers and the acquisition of Naldec. Total sales from consolidations and acquisitions increased first half sales by about \$640 million. The increases for both segments were offset partially by price reductions granted to Ford and our other customers. The decrease in sales for our Glass segment reflects price reductions granted to Ford and our other customers, offset by higher sales volume, and to a lesser extent customer product content changes.

The following table shows the change in net income (loss) for each of our segments, both in dollars and in percentage terms:

	First Half		First Half 2000 (under) First Half 1999	
	2000	1999	Amount	Percent
	(in millions, except percentages)			
Comfort, Communication & Safety	\$255	\$303	\$ (48)	(15.8)%
Dynamics & Energy Conversion	92	185	(93)	(50.3)
Glass	(19)	13	(32)	(246.2)
Total net income (including unallocated interest)	\$309	\$485	\$(176)	(36.3)%

Net income for our Comfort, Communication & Safety segment was \$255 million in the first half of 2000, down \$48 million from the first half of 1999. The reduction was primarily a result of price reductions, offset partially by higher sales volume and lower costs. Net income for our Dynamics & Energy Conversion segment was \$92 million in the first half of 2000, a decrease of \$93 million. This decrease was primarily a result of price reductions and premiums associated with continued higher operating volumes; partially offset by higher sales volume, and lower costs. Net loss for Glass was \$(19) million as compared with net income of \$13 million in the first half of 1999, a decline of

## [Table of Contents](#)

## ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — (Continued)

\$32 million. The decrease reflected costs associated with the previously announced closure of the Dearborn Glass Plant and price reductions.

### Liquidity and Capital Resources

Our historical balance sheet reflects cash and cash equivalents of \$965 million and short-term and long-term debt of \$2.1 billion at June 30, 2000 and cash and cash equivalents of \$1.8 billion and short-term and long-term debt of \$2.3 billion at December 31, 1999. All short-term and long-term debt at June 30, 2000 was owed to third parties. The short-term and long-term debt at December 31, 1999 consisted of \$1.1 billion owed to Ford under an intracompany revolving loan agreement, about \$800 million owed by Visteon subsidiaries to Ford subsidiaries, and the remainder was owed to third parties.

Our debt exceeded our cash and cash equivalents by \$1.1 billion at June 30, 2000 and by \$470 million at December 31, 1999. Our ratio of total debt to total capital, which consists of total debt plus equity, was 37% at June 30, 2000 and 61% at December 31, 1999.

During the second quarter of 2000, we entered into various financing arrangements totaling \$5.2 billion in available credit. We entered into financing agreements with third-party lenders to provide up to a total of \$2.0 billion of contractually committed, unsecured revolving credit facilities. These facilities are evenly split between 364-day and 5-year commitments, maturing in June, 2001 and June, 2005, respectively. As of June 30, 2000 we had no borrowings under these global credit facilities. In the second quarter we also entered into a short-term, unsecured credit agreement with a lender providing up to \$1.2 billion for general corporate purposes. As of June 30, 2000, we had borrowed all \$1.2 billion available under this facility. This short-term facility matures in December 2000 and is expected to be repaid in full with the proceeds from long-term financing and other available funds. We also have entered into a commercial paper program providing up to \$2.0 billion of borrowing ability. As of June 30, 2000, the outstanding balance under our commercial paper program was \$410 million with maturities ranging up to 35 days and a weighted average interest rate of 6.9%, we intend not to exceed \$3.2 billion of borrowing under these facilities as we view the unsecured revolving credit facilities and the commercial paper program as substitutes for one another.

We expect cash flow from operations and borrowings to satisfy future working capital, capital expenditures, research and development, pension funding, dividend and debt service requirements for at least the next year.

### Cash Flows

#### Operating Activities

Cash flows used in operating activities during the first six months of 2000 totaled about \$1.6 billion, compared with cash flows provided by operating activities of about \$1.2 billion for the same period in 1999. The decrease in 2000 was caused primarily by changes in receivables, payables and other working capital items resulting primarily from effects associated with our spin-off from Ford, including payments totaling about \$570 million to Ford to prepay certain healthcare costs for active employees.

#### Investing Activities

Cash used in investing activities was \$297 million during the first six months of 2000 compared with \$927 million for the same period in 1999. During the first half of 1999, we acquired the automotive interiors division of Compagnie Plastic Omnium, headquartered in France, for about

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[Table of Contents](#)

**ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — (Continued)**

\$479 million and increased our ownership in Halla Climate Control to 70% by purchasing an additional 35% interest for \$84 million.

Our capital expenditures were \$284 million during the first six months of 2000, compared to \$384 million for the same period in 1999. The decrease in capital spending in 2000 reflects timing of product programs, investment projects and equipment receipts. We currently expect about \$930 million in capital expenditures in 2000.

*Financing Activities*

Cash provided by financing activities totaled \$1.0 billion in the first six months of 2000 compared with \$725 million in the first six months of 1999. For the first half of 2000, cash provided by financing activities reflects proceeds from issuances of commercial paper and borrowings under a \$1.2 billion short-term unsecured financing arrangement with a third-party lender, net of payments of debt primarily from Ford. For the first half of 1999, cash provided by financing activities reflects additional debt associated with acquisition activities. Our cash balance will be reduced by \$100 million after June 30, 2000 for a scheduled payment to Ford as part of our separation arrangements.

On July 13, 2000, the Visteon Board of Directors declared a quarterly dividend on Visteon common stock of \$0.06 per share, payable on September 1, 2000 to holders of record on August 2, 2000.

**Strategic Initiatives**

Through the course of the second quarter we initiated a number of actions that will further improve our business prospects. First was the announcement of a Letter of Intent outlining terms of a joint venture regarding our Glass business. On June 2, 2000, Visteon and Ford signed a non-binding letter of intent with Pilkington plc, relating to Visteon’s Glass business. The parties have agreed to negotiate the terms of a joint venture, to be owned 80.1% by Pilkington and 19.9% by Visteon, which would acquire Visteon’s Glass business for cash consideration and assumption of certain liabilities and would assume operational management of that business. We are targeting to complete the transaction by the end of 2000. Secondly, to strengthen our telematics business, we have agreed to establish a joint venture with Lernout and Hauspie to enable us to further strengthen our position as a leader in automotive voice technologies, we formed an affiliation with Samsung Electronics, Co., Ltd. to develop fully integrated high-quality telematics products, and we established a relationship with Sirius Satellite Radio to combine Visteon’s multimedia expertise with Sirius’ 100-channel audio entertainment service. A third action planned is an investment in a new A/C compressor plant in Eastern Europe to provide a fuel-efficient air conditioning system to meet the growing demand in Europe. A fourth action planned is the agreement to work with PSA Peugeot-Citroën to develop a next generation climate control system. This will allow us to develop a system aimed at improving passenger comfort and optimizing in-vehicle global thermal system management.

**Quantitative and Qualitative Disclosures About Market Risk**

We are exposed to a variety of market risks, including foreign currency exchange rates, interest rates and commodity prices, which could impact our financial results. The effect of changes in exchange rates, interest rates and commodity prices on our earnings generally have been small relative to other factors that also affect earnings, such as unit sales and operating margins.

We use derivative financial instruments as part of an overall risk management program in order to reduce the potentially adverse impact from these financial risks. Derivative instruments are not used for speculative purposes, as per clearly defined risk management policies.

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[Table of Contents](#)

**ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS — (Continued)**

*Foreign Currency Risk*

Our net cash inflows and outflows exposed to the risk of changes in exchange rates arise from the sale of products in countries other than the manufacturing source, foreign currency denominated supplier payments, debt and other payables, subsidiary dividends and investments in subsidiaries. Our ongoing solution is to reduce the exposure through operating actions. In the near-term, we use foreign exchange forward contracts to manage our exposure.

Our primary foreign exchange exposure includes the euro, Brazilian Real, Mexican Peso and the Canadian Dollar. Because of the mix between our costs and revenues in various regions, we are generally exposed to weakening of the euro and to strengthening of the Brazilian Real, Mexican Peso and Canadian Dollar. For transactions in these currencies, we utilize a strategy of partial coverage. As of June 30, 2000, our coverage for projected transactions in these currencies for the remainder of 2000 ranged from 0% to about 70%. As of June 30, 2000, a 10% adverse change in exchange rates from prevailing rates for all of these currencies would result in an adverse impact on net income of about \$25 million on an annual basis.

*Interest Rate Risk*

At June 30, 2000 most of our borrowings were on a variable rate basis. As discussed in Note 3, of Notes to Financial Statements, we intend to refinance an obligation under a short-term, unsecured financing arrangement with a third party lender through a long-term financing arrangement. This long-term financing arrangement is likely to bear interest at a fixed rate, reducing Visteon’s exposure to changes in interest rates.

*Commodity Risk*

We have entered into fixed price contracts with some of our key suppliers to protect us from changes in market prices for the non-ferrous metals used in the manufacturing of automotive components. As a result, we have no need presently to enter into financial derivatives to hedge these potential exposures. The risk to these exposures may be managed with the use of financial derivatives if in the future we enter into floating price contracts with our key suppliers.

**New Accounting Standards**

Statement of Financial Accounting Standards No. 133 (“SFAS 133”), “Accounting for Derivative Instruments and Hedging Activities,” was issued by the Financial Accounting Standards Board in June 1998. SFAS 133 provides a comprehensive and consistent standard for the recognition and measurement of derivatives and hedging activities. We have not adopted SFAS 133 based on the May 1999 announcement by the Financial Accounting Standards Board to delay by one year the implementation date of SFAS 133 until January 1, 2001. We have not yet determined the effect of adopting SFAS 133.

Other Financial Information

PricewaterhouseCoopers LLP, our independent public accountants, performed a limited review of the financial data presented on pages 1 through 8 inclusive. The review was performed in accordance with standards for such reviews established by the American Institute of Certified Public Accountants. The review did not constitute an audit; accordingly, PricewaterhouseCoopers LLP did not express an opinion on the aforementioned data. Their review report included herein is not a “report” within the meaning of Sections 7 and 11 of the 1933 Act and the independent accountant’s liability under Section 11 does not extend to it. The financial data includes any material adjustments or disclosures proposed by PricewaterhouseCoopers LLP as a result of their review.

[Table of Contents](#)

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are involved in routine litigation incidental to the conduct of our business. We do not believe that any litigation to which we are currently a party will have a material adverse effect on our financial condition.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

On June 28, 2000, Ford completed its spin-off of Visteon by distributing shares of Visteon common stock on a pro rata basis to the holders of Ford common and Class B stock. This offering was effected pursuant to a Registration Statement on Form S-1 of the Registrant (Registration No. 333-38388), declared effective by the SEC on June 7, 2000. The offering commenced on the effective date of the Registration Statement and terminated with the distribution of all of the securities that had been registered, consisting of 130 million shares of the Registrant’s common stock. Since this was not an offering for cash, there were no proceeds from the spin-off. The total expenses incurred by the Registrant relative to issuance and distribution of its common stock from the effective date of the Registration Statement through June 30, 2000 are estimated at \$750,000. Of this amount, no amount consisted of direct or indirect payments to directors or officers of Visteon or their associates, to Ford, or to other affiliates of Visteon, and \$750,000 consisted of direct or indirect payments to others.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF STOCKHOLDERS

On June 28, 2000, Ford, as the owner and holder of all issued and outstanding capital stock of Visteon, and acting by written consent, (a) approved the Amended and Restated Certificate of Incorporation of Visteon, (b) elected as directors of Visteon the following persons:

Peter J. Pestillo

William H. Gray, II  
Robert H. Jenkins  
Robert M. Teeter

to serve until the next annual meeting of stockholders and until their successors are elected and qualified, and (c) specified that such written consent was in lieu of the annual meeting of stockholders of Visteon for the year 2000.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

Exhibit Number	Exhibit Name
3.1	Amended and Restated Certificate of Incorporation
3.2	Amended and Restated By-laws
4.1	Indenture dated as of June 23, 2000 with Bank One Trust Company, N.A., as Trustee
4.2	Form of Visteon Common Stock Certificate(1)
10.1	Master Transfer Agreement(2)
10.2	Purchase and Supply Agreement(2)
10.3	Letter Relating to Price Reductions(2)
10.4	Master Separation Agreement(3)
10.5	Aftermarket Relationship Agreement(1)
10.6	Hourly Employee Assignment Agreement(1)

[Table of Contents](#)

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K — (Continued)

Exhibit Number	Exhibit Name
10.7	Employee Transition Agreement(1)
10.8	Tax Sharing Agreement(2)
10.9	Long-Term Incentive Plan(2)
10.10	Form of Change in Control Agreement(2)

10.11	Issuing and Paying Agency Agreement
10.12	Master Note
10.13	Letter Loan Agreement
12.1	Statement re Computation of Ratios
15	Letter of PricewaterhouseCoopers LLP, Independent Accountants, dated July 21, 2000, relating to Financial Information
27.1	Financial Data Schedule for the Six Months ended June 30, 1999
27.2	Financial Data Schedule for the Six Months ended June 30, 2000

- (1) Incorporated by reference to the exhibit of the same name filed with Amendment No. 1 to Visteon's Registration Statement on Form 10, filed May 19, 2000 (File No. 001-15827).
- (2) Incorporated by reference to the exhibit of the same name filed with Visteon's Registration Statement on Form S-1, filed June 2, 2000 (File No. 333-38388).
- (3) Incorporated by reference to the exhibit of the same name filed with Amendment No. 1 to Visteon's Registration Statement on Form S-1, filed June 6, 2000 (Registration No. 333-38388).

(b) Reports on Form 8-K

Visteon filed no Current Reports on Form 8-K during its quarter ended June 30, 2000.

[Table of Contents](#)

**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 thereunto duly authorized.

VISTEON CORPORATION

By: /s/ PHILIP G. PFEFFERLE

Philip G. Pfefferle  
Vice President, Controller and  
Chief Accounting Officer  
(Principal Accounting Officer)

Date: July 24, 2000

[Table of Contents](#)

**EXHIBIT INDEX**

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AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION

-----  
Pursuant to Sections 242 and 245 of the  
Delaware General Corporation Law  
-----

Visteon Corporation (the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware (the "GCL"), does hereby certify as follows:

(1) The name of the Corporation is Visteon Corporation. The Corporation was originally incorporated under the name Visteon Automotive Systems, Inc. The original certificate of incorporation of the Corporation was filed with the office of the Secretary of State of the State of Delaware on January 5, 2000.

(2) This Amended and Restated Certificate of Incorporation was duly adopted by the Board of Directors of the Corporation (the "Board of Directors") and by the stockholder of the Corporation in accordance with Sections 228, 242 and 245 of the GCL.

(3) This Amended and Restated Certificate of Incorporation restates and integrates and further amends the certificate of incorporation of the Corporation, as heretofore amended or supplemented.

(4) The text of the Certificate of Incorporation is amended and restated in its entirety as follows:

FIRST: The name of the Corporation is Visteon Corporation (the "Corporation").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at that address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware (the "GCL").

FOURTH: (a) Authorized Capital Stock. The total number of shares of stock which the Corporation shall have authority to issue is five hundred fifty million (550,000,000) shares of capital stock, consisting of (i) five hundred million (500,000,000) shares of common stock, par value \$1.00 per share (the "Common Stock") and (ii) fifty million (50,000,000) shares of preferred stock, par value \$1.00 per share (the "Preferred Stock"). The holders of shares of Common Stock shall not have cumulative voting rights. No holder of shares of Common Stock shall be entitled to preemptive or subscription rights.

(b) Preferred Stock. The Board of Directors is hereby expressly authorized to provide for the issuance of all or any shares of the Preferred Stock in one or more classes or series, and to fix for each such class or series such voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issuance of such class or series, including, without limitation, the authority to provide that any such class or series may be (i) subject to redemption at such time or times and at such price or prices; (ii) entitled to receive dividends (which may be cumulative or non-cumulative) at such rates, on such conditions, and at such times, and payable in preference to, or in such relation to, the dividends payable on any other class or classes or any other series; (iii) entitled to such rights upon the dissolution of, or upon any distribution of the assets of, the Corporation; or (iv) convertible into, or exchangeable for, shares of any other class or classes of stock, or of any other series of the same or any other class or classes of stock, of the Corporation at such price or prices or at such rates of exchange and with such adjustments; all as may be stated in such resolution or resolutions.

(c) Power to Sell and Purchase Shares. Subject to the requirements of applicable law, the Corporation shall have the power to issue and sell all or any part of any shares of any class of stock herein or hereafter authorized to such persons, and for such consideration, as the Board of Directors shall from time to time, in its discretion, determine, whether or not greater consideration could be received upon the issue or sale of the same number of shares of another class, and as otherwise permitted by law. Subject to the requirements of applicable law, the Corporation shall have the power to purchase any shares of any class of stock herein or hereafter authorized from such persons, and for such consideration, as the Board of Directors shall from time to time, in its discretion, determine, whether or not less consideration could be paid upon the purchase of the same number of shares of another class, and as otherwise permitted by law.

FIFTH: The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and stockholders:

(a) The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.



(b) The Board of Directors shall consist of not less than one nor more than fifteen members, the exact number of which shall be fixed from time to time by resolution adopted by the affirmative vote of a majority of the active Board of Directors.

(c) The directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. The initial division of the Board of Directors into classes shall be made by the decision of the affirmative vote of a majority of the entire Board of Directors. The term of the initial Class I directors shall terminate on the date of the 2001 annual meeting; the term of the initial Class II directors shall terminate on the date of the 2002 annual meeting; and the term of the initial Class III directors shall terminate on the date of the 2003 annual meeting. At each succeeding annual meeting of stockholders beginning in 2001, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and

any additional director of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director.

(d) A director shall hold office until the annual meeting for the year in which his or her term expires and until his or her successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

(e) Subject to the terms of any one or more classes or series of Preferred Stock, any vacancy on the Board of Directors that results from an increase in the number of directors may be filled by a majority of the Board of Directors then in office, provided that a quorum is present, and any other vacancy occurring on the Board of Directors may be filled by a majority of the Board of Directors then in office, even if less than a quorum, or by a sole remaining director. Any director of any class elected to fill a vacancy resulting from an increase in the number of directors of such class shall hold office for a term that shall coincide with the remaining term of

that class. Any director elected to fill a vacancy not resulting from an increase in the number of directors shall have the same remaining term as that of his predecessor. Subject to the rights, if any, of the holders of shares of Preferred Stock then outstanding, any or all of the directors of the Corporation may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding capital stock entitled to vote generally in the election of directors. Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Amended and Restated Certificate of Incorporation applicable thereto, and such directors so elected shall not be divided into classes pursuant to this Article FIFTH unless expressly provided by such terms.

(f) In addition to the powers and authority hereinbefore or by statute expressly conferred upon them, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done

by the Corporation, subject, nevertheless, to the provisions of the GCL, this Amended and Restated Certificate of Incorporation, and any By-Laws adopted by the stockholders; provided, however, that no By-Laws hereafter adopted by the stockholders shall invalidate any prior act of the directors which would have been valid if such By-Laws had not been adopted.

SIXTH: No director shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the GCL as the same exists or may hereafter be amended. If the GCL is amended hereafter to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent authorized by the GCL, as so amended. Any repeal or modification of this Article SIXTH by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification.

SEVENTH: The Corporation shall indemnify its directors and officers

to the fullest extent authorized or permitted by law, as now or hereafter in effect, and such right to indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of his or her heirs, executors and personal and legal representatives; provided, however, that, except for proceedings to enforce rights to indemnification, the Corporation shall not be obligated to indemnify any director or officer (or his or her heirs, executors or personal or legal representatives) in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors. The right to indemnification conferred by this Article SEVENTH shall include the right to be paid by the Corporation the expenses incurred in defending or otherwise participating in any proceeding in advance of its final disposition.

The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation similar to those conferred in this Article SEVENTH to directors and officers of the Corporation. The rights to indemnification and to the advance of expenses conferred

in this Article SEVENTH shall not be exclusive of any other right which any person may have or hereafter acquire under this Amended and Restated Certificate of Incorporation, the By-Laws of the Corporation, any statute, agreement, vote of stockholders or disinterested directors or otherwise.

Any repeal or modification of this Article SEVENTH by the stockholders of the Corporation shall not adversely affect any rights to indemnification and to the advancement of expenses of a director or officer of the Corporation existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

EIGHTH: Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation, and the ability of the stockholders to consent in writing to the taking of any action is hereby specifically denied.

NINTH: Meetings of stockholders may be held within or without the State of Delaware, as the By-Laws may provide. The books of the Corporation may be kept (subject to any provision contained in the GCL) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the By-Laws of the Corporation.

TENTH: In furtherance and not in limitation of the powers conferred upon it by the laws of the State of Delaware, the Board of Directors shall have the power to adopt, amend, alter or repeal the Corporation's By-Laws. The affirmative vote of at least a majority of the entire Board of Directors shall be required to adopt, amend, alter or repeal the Corporation's By-Laws. The Corporation's By-Laws also may be adopted, amended, altered or repealed by the affirmative vote of the holders of at least fifty percent (50%) of the voting power of the shares entitled to vote at an election of directors.

ELEVENTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation in the manner now or hereafter prescribed in this Amended and Restated Certificate of Incorporation, the Corporation's By-Laws or the GCL, and all rights herein conferred upon stockholders are granted subject to such reservation.

IN WITNESS WHEREOF, the Corporation has caused this Amended and Restated Certificate of Incorporation to be executed on its behalf this 28th day of June, 2000.

VISTEON CORPORATION

By: /s/ Stacy L. Fox

-----  
Name: Stacy L. Fox

Title: Secretary



AMENDED AND RESTATED  
BY-LAWS  
of  
VISTEON CORPORATION  
A Delaware Corporation  
Effective June 28th, 2000

## TABLE OF CONTENTS

ARTICLE I OFFICES.....	1
Section 1. Registered Office.....	1
Section 2. Other Offices.....	1
ARTICLE II - MEETINGS OF STOCKHOLDERS.....	1
Section 1. Place of Meetings.....	1
Section 2. Annual Meetings.....	2
Section 3. Special Meetings.....	2
Section 4. Quorum.....	3
Section 5. Proxies.....	4
Section 6. Voting.....	6
Section 7. Nature of Business at Meetings of Stockholders.....	6
Section 8. List of Stockholders Entitled to Vote.....	9
Section 9. Stock Ledger.....	10
Section 10. Record Date.....	10
Section 11. Inspectors of Election.....	11
ARTICLE III - DIRECTORS.....	12
Section 1. Number and Election of Directors.....	12
Section 2. Nomination of Directors.....	13
Section 3. Vacancies.....	16
Section 4. Duties and Powers.....	17
Section 5. Organization.....	17
Section 6. Resignations and Removals of Directors.....	18
Section 7. Meetings.....	19
Section 8. Quorum.....	19
Section 9. Actions of Board.....	20
Section 10. Meetings by Means of Conference Telephone.....	20
Section 11. Committees.....	21
Section 12. Compensation.....	22
Section 13. Interested Directors.....	22
ARTICLE IV - OFFICERS.....	24
Section 1. General.....	24
Section 2. Election.....	24
Section 3. Voting Securities Owned by the Corporation.....	25
Section 4. Chairman of the Board of Directors.....	25

Section 5.	President.....	26
Section 6.	Vice Presidents.....	27
Section 7.	Secretary.....	28
Section 8.	Treasurer.....	29
Section 9.	Assistant Secretaries.....	30
Section 10.	Assistant Treasurers.....	30
Section 11.	Other Officers.....	31
ARTICLE V - STOCK.....		32
Section 1.	Form of Certificates.....	32
Section 2.	Signatures.....	32
Section 3.	Lost, Destroyed, Stolen or Mutilated Certificates.....	32
Section 4.	Transfers.....	33
Section 5.	Transfer and Registry Agents.....	34
Section 6.	Beneficial Owners.....	34
ARTICLE VI - NOTICES.....		35
Section 1.	Notices.....	35
Section 2.	Waivers of Notice.....	35
ARTICLE VII - GENERAL PROVISIONS.....		36
Section 1.	Dividends.....	36
Section 2.	Disbursements.....	37
Section 3.	Fiscal Year.....	37
Section 4.	Corporate Seal.....	37
ARTICLE VIII - INDEMNIFICATION.....		38
Section 1.	Power to Indemnify in Actions, Suits or Proceedings Other Than Those by or in the Right of the Corporation.....	38
Section 2.	Power to Indemnify in Actions, Suits or Proceedings by or in the Right of the Corporation.....	39
Section 3.	Authorization of Indemnification.....	40
Section 4.	Good Faith Defined.....	41
Section 5.	Indemnification by a Court.....	42
Section 6.	Expenses Payable in Advance.....	43
Section 7.	Nonexclusivity of	

	Indemnification and	
	Advancement of Expenses.....	44
Section 8.	Insurance.....	45
Section 9.	Certain Definitions.....	45
Section 10.	Survival of Indemnification	
	and Advancement of Expenses.....	47
Section 11.	Limitation on	
	Indemnification.....	47
Section 12.	Indemnification of	
	Employees and Agents.....	47
ARTICLE IX - AMENDMENTS.....		48
Section 1.	Amendments.....	48
Section 2.	Entire Board of Directors.....	48

### III

AMENDED AND RESTATED  
BY-LAWS  
OF  
VISTEON CORPORATION  
(hereinafter called the "Corporation")

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of the Corporation shall be in the City of Wilmington, County of New Castle, State of Delaware.

Section 2. Other Offices. The Corporation may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. Place of Meetings. Meetings of the stockholders for the election of directors or for any other purpose shall be held at such time and place,

either within or without the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 2. Annual Meetings. The annual meetings of stockholders shall be held on such date and at such time as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting, at which meetings the stockholders shall elect directors, and transact such other business as may properly be brought before the meeting. Written notice of the annual meeting stating the place, date and hour of the meeting shall be given to each stockholder entitled to vote at such meeting not less than ten nor more than sixty days before the date of the meeting.

Section 3. Special Meetings. Unless otherwise prescribed by law or by the certificate of incorporation of the Corporation, as amended and restated from time to time (the "Certificate of Incorporation"), special meetings of stockholders, for any purpose or purposes, may be called by either (i) the Chairman of the Board of Directors, (ii) the President, or (iii) the Board of

Directors. Such request shall state the purpose or purposes of the proposed meeting. At a special meeting of the stockholders, only such business shall be conducted as shall be specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors. Written notice of a special meeting stating the place, date and hour of the meeting and the purpose or purposes for which the meeting is called shall be given not less than ten nor more than sixty days before the date of the meeting to each stockholder entitled to vote at such meeting.

Section 4. Quorum. Except as otherwise required by law or by the Certificate of Incorporation, the holders of a majority of the capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business. A quorum, once established, shall not be broken by the withdrawal of enough votes to leave less than a quorum. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat,

present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder entitled to vote at the meeting not less than ten nor more than sixty days before the date of the meeting.

Section 5. Proxies. Any stockholder entitled to vote may do so in person or by his or her proxy appointed by an instrument in writing subscribed by such stockholder or by his or her attorney thereunto authorized, delivered to the Secretary of the meeting; provided, however, that no proxy shall be voted or acted upon after three years from its date, unless said proxy provides for a longer period. Without limiting the manner in which a stockholder may authorize another person or persons to act for him or her as proxy, either



of the following shall constitute a valid means by which a stockholder may grant such authority:

(i) A stockholder may execute a writing authorizing another person or persons to act for him or her as proxy. Execution may be accomplished by the stockholder or his or her authorized officer, director, employee or agent signing such writing or causing his or her signature to be affixed to such writing by any reasonable means, including, but not limited to, by facsimile signature.

(ii) A stockholder may authorize another person or persons to act for him or her as proxy by transmitting or authorizing the transmission of a telegram or other means of electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such telegram or other means of electronic transmission must either set forth or be submitted with information from which it can be determined that the

telegram or other electronic transmission was authorized by the stockholder.

Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission authorizing another person or persons to act as proxy for a stockholder may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used; provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

Section 6. Voting. At all meetings of the stockholders at which a quorum is present, except as otherwise required by law, the Certificate of Incorporation or these By-Laws, any question brought before any meeting of stockholders shall be decided by the affirmative vote of the holders of a majority of the total number of votes of the capital stock present in person or represented by proxy and entitled to vote on such question, voting as a single class. The Board of Directors, in its discretion, or the officer of the

Corporation presiding at a meeting of stockholders, in his or her discretion, may require that any votes cast at such meeting shall be cast by written ballot.

Section 7. Nature of Business at Meetings of Stockholders. No business may be transacted at an annual meeting of stockholders, other than business that is either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (c) otherwise properly brought before the annual meeting by any stockholder of the Company (i) who is a stockholder of record on the date of the giving of the notice provided for in this Section 7 and on the record date for the determination of stockholders entitled to vote at such annual meeting and (ii) who complies with the notice procedures set forth in this Section 7.

In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder, such stockholder must

have given timely notice thereof in proper written form to the Secretary of the Company.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Company not less than sixty (60) days nor more than ninety (90) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs.

To be in proper written form, a stockholder's notice to the Secretary must set forth as to each matter such stockholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii)

the name and record address of such stockholder, (iii) the class or series and number of shares of capital stock of the Company which are owned beneficially or of record by such stockholder, (iv) a description of all arrangements or understandings between such stockholder and any other person or persons (including their names) in connection with the proposal of such business by such stockholder and any material interest of such stockholder in such business and (v) a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

No business shall be conducted at the annual meeting of stockholders except business brought before the annual meeting in accordance with the procedures set forth in this Section 7, provided, however, that, once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Section 7 shall be deemed to preclude discussion by any stockholder of any such business. If the Chairman of an annual meeting determines that business was not properly brought before the annual meeting in accordance

with the foregoing procedures, the Chairman shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

Section 8. List of Stockholders Entitled to Vote. The officer of the Corporation who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder of the Corporation who is present.

Section 9. Stock Ledger. The stock ledger of the Corporation shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by Section 8 of this Article II or the books of the Corporation, or to vote in person or by proxy at any meeting of stockholders.

Section 10. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors and which record date: (1) in the case of determination of stockholders entitled to vote at any meeting of stockholders or adjournment thereof, shall not be more than sixty nor less than ten days before the date of such

meeting; and (2) in the case of any other action, shall not be more than sixty days prior to such other action. If no record date is fixed: (1) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; and (2) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 11. Inspectors of Election. In advance of any meeting of stockholders, the Board by resolution or the Chairman or President shall appoint one or more inspectors of election to act at the meeting and make a written report thereof. One or more other persons



may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is present, ready and willing to act at a meeting of stockholders, the Chairman of the meeting shall appoint one or more inspectors to act at the meeting. Unless otherwise required by law, inspectors may be officers, employees or agents of the Corporation. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector shall have the duties prescribed by law and shall take charge of the polls and, when the vote is completed, shall make a certificate of the result of the vote taken and of such other facts as may be required by law.

### ARTICLE III

#### DIRECTORS

Section 1. Number and Election of Directors. The Board of Directors shall consist of not less than one nor more than fifteen members, the exact number of which

shall be determined from time to time by resolution adopted by the Board of Directors. Except as provided in Section 3 of this Article III, directors shall be elected by the stockholders at the annual meetings of stockholders, and each director so elected shall hold office until such director's successor is duly elected and qualified, or until such director's death, or until such director's earlier resignation or removal. Directors need not be stockholders.

Section 2. Nomination of Directors. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company, except as may be otherwise provided in the Certificate of Incorporation with respect to the right of holders of preferred stock of the Corporation to nominate and elect a specified number of directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors, (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (b) by any stockholder of the Company (i) who

is a stockholder of record on the date of the giving of the notice provided for in this Section 2 and on the record date for the determination of stockholders entitled to vote at such meeting and (ii) who complies with the notice procedures set forth in this Section 2.

In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Company.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Company (a) in the case of an annual meeting, not less than sixty (60) days nor more than ninety (90) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business

on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs; and (b) in the case of a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the tenth (10th) day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs.

To be in proper written form, a stockholder's notice to the Secretary must set forth (a) as to each person whom the stockholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares of capital stock of the Company which are owned beneficially or of record by the person and (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of

directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder; and (b) as to the stockholder giving the notice (i) the name and record address of such stockholder, (ii) the class or series and number of shares of capital stock of the Company which are owned beneficially or of record by such stockholder, (iii) a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder, (iv) a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (v) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

No person shall be eligible for election as a director of the Company unless nominated in accordance with the procedures set forth in this Section 2. If the Chairman of the meeting determines that a nomination was not made in accordance with the foregoing procedures, the Chairman shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

Section 3. Vacancies. Subject to the terms of any one or more classes or series of preferred stock, any vacancy on the Board of Directors that results from an increase in the number of directors may be filled by a majority of the directors then in office, provided that a quorum is present, and any other vacancy occurring on the Board of Directors may be filled by a majority of the Board of Directors then in office, even if less than a quorum, or by a sole remaining director. Notwithstanding the foregoing, whenever the holders of any one or more class or classes or series of preferred stock of the Corporation shall have the right, voting separately as a class, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of

vacancies and other features of such directorships shall be governed by the Certificate of Incorporation.

Section 4. Duties and Powers. The business of the Corporation shall be managed by or under the direction of the Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation or by these By-Laws required to be exercised or done by the stockholders.

Section 5. Organization. At each meeting of the Board of Directors, the Chairman of the Board of Directors, or, in his or her absence, a director chosen by a majority of the directors present, shall act as Chairman. The Secretary of the Corporation shall act as Secretary at each meeting of the Board of Directors. In case the Secretary shall be absent from any meeting of the Board of Directors, an Assistant Secretary shall perform the duties of Secretary at such meeting; and in the absence from any such meeting of the Secretary and all the Assistant Secretaries, the Chairman of the meeting may appoint any person to act as Secretary of the meeting.

Section 6. Resignations and Removals of Directors. Any director of the Corporation may resign at any time, by giving written notice to the Chairman of the Board of Directors, the President or the Secretary of the Corporation. Such resignation shall take effect at the time therein specified or, if no time is specified, immediately; and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective. Except as otherwise required by law and subject to the rights, if any, of the holders of shares of preferred stock then outstanding, any director or the entire Board of Directors may be removed from office at any time, but only for cause, and only by the affirmative vote of the holders of at least a majority in voting power of the issued and outstanding capital stock of the Corporation entitled to vote in the election of directors.

Section 7. Meetings. The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Delaware. Regular meetings of the Board of Directors may be held at such time and at such place as may from time to time be



determined by the Board of Directors and, unless required by resolution of the Board of Directors, without notice. Special meetings of the Board of Directors may be called by the Chairman of the Board of Directors, the Vice Chairman, if there be one, or a majority of the directors then in office. Notice thereof stating the place, date and hour of the meeting shall be given to each director either by mail not less than forty-eight (48) hours before the date of the meeting, by telephone, facsimile or telegram on twenty-four (24) hours' notice, or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances.

Section 8. Quorum. Except as may be otherwise required by law, the Certificate of Incorporation or these By-Laws, at all meetings of the Board of Directors, a majority of the entire Board of Directors shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the directors

present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting of the time and place of the adjourned meeting, until a quorum shall be present.

Section 9. Actions of Board. Unless otherwise provided by the Certificate of Incorporation or these By-Laws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all the members of the Board of Directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee.

Section 10. Meetings by Means of Conference Telephone. Unless otherwise provided by the Certificate of Incorporation or these By-Laws, members of the Board of Directors of the Corporation, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a

meeting pursuant to this Section 10 shall constitute presence in person at such meeting.

Section 11. Committees. The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. In the absence or disqualification of a member of a committee, and in the absence of a designation by the Board of Directors of an alternate member to replace the absent or disqualified member, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any absent or disqualified member. Any committee, to the extent permitted by law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in

the management of the business and affairs of the Corporation. Each committee shall keep regular minutes and report to the Board of Directors when required.

Section 12. Compensation. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary, or such other emoluments as the Board of Directors shall from time to time determine. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 13. Interested Directors. No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is

present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because such person's or their votes are counted for such purpose if (i) the material facts as to such person's or their relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (ii) the material facts as to such person's or their relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

## ARTICLE IV

## OFFICERS

Section 1. General. The officers of the Corporation shall be chosen by the Board of Directors and shall be a President, a Secretary and a Treasurer. The Board of Directors, in its discretion, may also choose a Chairman of the Board of Directors (who must be a director) and one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers. Any number of offices may be held by the same person, unless otherwise prohibited by law, the Certificate of Incorporation or these By-Laws. The officers of the Corporation need not be stockholders of the Corporation nor, except in the case of the Chairman of the Board of Directors, need such officers be directors of the Corporation.

Section 2. Election. The Board of Directors at its first meeting held after each Annual Meeting of Stockholders shall elect the officers of the Corporation

who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors; and all officers of the Corporation shall hold office until their successors are chosen and qualified, or until their earlier resignation or removal. Any officer elected by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors.

Section 3. Voting Securities Owned by the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the President or any Vice President and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and power incident to the ownership of such securities

and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

Section 4. Chairman of the Board of Directors. The Chairman of the Board of Directors, if there be one, shall preside at all meetings of the stockholders and of the Board of Directors. Except where by law the signature of the President is required, the Chairman of the Board of Directors shall possess the same power as the President to sign all contracts, certificates and other instruments of the Corporation which may be authorized by the Board of Directors. During the absence or disability of the President, the Chairman of the Board of Directors shall exercise all the powers and discharge all the duties of the President. The Chairman of the Board of Directors shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him or her by these By-Laws or by the Board of Directors.



Section 5. President. The President shall, subject to the control of the Board of Directors and, if there be one, the Chairman of the Board of Directors, have general supervision of the business of the Corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall execute all bonds, mortgages, contracts and other instruments of the Corporation requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except that the other officers of the Corporation may sign and execute documents when so authorized by these By-Laws, the Board of Directors or the President. In the absence or disability of the Chairman of the Board of Directors, or if there be none, the President shall preside at all meetings of the stockholders and the Board of Directors. The President shall be the Chief Executive Officer of the Corporation. The President shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him or her by these By-Laws or by the Board of Directors.

Section 6. Vice Presidents. At the request of the President or in his or her absence or in the event of his or her inability or refusal to act (and if there be no Chairman of the Board of Directors), the Vice President or the Vice Presidents if there is more than one (in the order designated by the Board of Directors) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Each Vice President shall perform such other duties and have such other powers as the Board of Directors from time to time may prescribe. If there be no Chairman of the Board of Directors and no Vice President, the Board of Directors shall designate the officer of the Corporation who, in the absence of the President or in the event of the inability or refusal of the President to act, shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President.

Section 7. Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of stockholders and record all the proceedings thereat in a book or books to be kept for that purpose;

the Secretary shall also perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision the Secretary shall be. If the Secretary shall be unable or shall refuse to cause to be given notice of all meetings of the stockholders and special meetings of the Board of Directors, and if there be no Assistant Secretary, then either the Board of Directors or the President may choose another officer to cause such notice to be given. The Secretary shall have custody of the seal of the Corporation and the Secretary or any Assistant Secretary, if there be one, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by the signature of the Secretary or by the signature of any such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his or her signature. The Secretary shall see that all books, reports, statements, certificates and other

documents and records required by law to be kept or filed are properly kept or filed, as the case may be.

Section 8. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the office of Treasurer and for the restoration to the Corporation, in case of the Treasurer's death,

resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the Treasurer's possession or under control of the Treasurer belonging to the Corporation.

Section 9. Assistant Secretaries. Except as may be otherwise provided in these By-Laws, Assistant Secretaries, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the President, any Vice President, if there be one, or the Secretary, and in the absence of the Secretary or in the event of his or her disability or refusal to act, shall perform the duties of the Secretary, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Secretary.

Section 10. Assistant Treasurers. Assistant Treasurers, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the President, any Vice President, if there be one, or the Treasurer, and in the absence of the Treasurer or in the event of the Treasurer's disability or refusal to act, shall perform

the duties of the Treasurer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Treasurer. If required by the Board of Directors, an Assistant Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the office of Assistant Treasurer and for the restoration to the Corporation, in case of the Assistant Treasurer's death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the Assistant Treasurer's possession or under control of the Assistant Treasurer belonging to the Corporation.

Section 11. Other Officers. Such other officers as the Board of Directors may choose shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors. The Board of Directors may delegate to any other officer of the Corporation the power to choose such other officers and to prescribe their respective duties and powers.

## ARTICLE V

## STOCK

Section 1. Form of Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate signed, in the name of the Corporation, (i) by the Chairman of the Board of Directors, the President or a Vice President and (ii) by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by such holder of stock in the Corporation.

Section 2. Signatures. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Section 3. Lost, Destroyed, Stolen or Mutilated Certificates. The Board of Directors may

direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or such person's legal representative, to advertise the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 4. Transfers. Stock of the Corporation shall be transferable in the manner prescribed by law and in these By-Laws. Transfers of stock shall be made on the books of the Corporation only by the person named in the certificate or by such person's attorney lawfully constituted in writing and



upon the surrender of the certificate therefor, properly endorsed for transfer and payment of all necessary transfer taxes; provided, however, that such surrender and endorsement or payment of taxes shall not be required in any case in which the officers of the Corporation shall determine to waive such requirement. Every certificate exchanged, returned or surrendered to the Corporation shall be marked "Cancelled," with the date of cancellation, by the Secretary or Assistant Secretary of the Corporation or the transfer agent thereof. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing from and to whom transferred.

Section 5. Transfer and Registry Agents. The Corporation may from time to time maintain one or more transfer offices or agencies and registry offices or agencies at such place or places as may be determined from time to time by the Board of Directors.

Section 6. Beneficial Owners. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to

receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

#### ARTICLE VI

##### NOTICES

Section 1. Notices. Whenever written notice is required by law, the Certificate of Incorporation or these By-Laws, to be given to any director, member of a committee or stockholder, such notice may be given by mail, addressed to such director, member of a committee or stockholder, at such person's address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Written notice may also be given personally or by telegram, facsimile, telex or cable.

## Section 2. Waivers of Notice.

(a) Whenever any notice is required by law, the Certificate of Incorporation or these By-Laws, to be given to any director, member of a committee or stockholder, a waiver thereof in writing, signed, by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting, present by person or represented by proxy, shall constitute a waiver of notice of such meeting, except where the person attends the meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

(b) Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors or members of a committee of directors need be specified in any written waiver of notice unless so required by law, the Certificate of Incorporation or these By-Laws.

## ARTICLE VII

## GENERAL PROVISIONS

Section 1. Dividends. Subject to the requirements of the GCL and the provisions of the Certificate of Incorporation, dividends upon the capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting of the Board of Directors, and may be paid in cash, in property, or in shares of the Corporation's capital stock. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, deems proper as a reserve or reserves to meet contingencies, or for purchasing any of the shares of capital stock, warrants, rights, options, bonds, debentures, notes, scrip or other securities or evidences of indebtedness of the Corporation, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for any other proper purpose, and the Board of Directors may modify or abolish any such reserve.

Section 2. Disbursements. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 3. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 4. Corporate Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

#### ARTICLE VIII

##### INDEMNIFICATION

Section 1. Power to Indemnify in Actions, Suits or Proceedings Other than Those by or in the Right of the Corporation. Subject to Section 3 of this Article VIII, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that such person

is or was a director, officer or employee of the Corporation, or is or was a director, officer or employee of the Corporation serving at the request of the Corporation as a director or officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that such person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 2. Power to Indemnify in Actions, Suits or Proceedings by or in the Right of the Corporation. Subject to Section 3 of this Article VIII, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a director, officer or employee of the Corporation, or is or was a director, officer or employee of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person

shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Section 3. Authorization of Indemnification. Any indemnification under this Article VIII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer or employee is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 1 or Section 2 of this Article VIII, as the case may be. Such determination shall be made (i) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (ii) if there are no such directors, or if such directors so direct, by independent legal counsel in



a written opinion, or (iii) by the stockholders. To the extent, however, that a director, officer or employee of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith, without the necessity of authorization in the specific case.

Section 4. Good Faith Defined. For purposes of any determination under Section 3 of this Article VIII, a person shall be deemed to have acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe his or her conduct was unlawful, if such person's action is based on the records or books of account of the Corporation or another enterprise, or on information supplied to such person by the officers of the Corporation or another enterprise in the course of their

duties, or on the advice of legal counsel for the Corporation or another enterprise or on information or records given or reports made to the Corporation or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Corporation or another enterprise. The term "another enterprise" as used in this Section 4 shall mean any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the Corporation as a director, officer, employee or agent. The provisions of this Section 4 shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in Section 1 or 2 of this Article VIII, as the case may be.

Section 5. Indemnification by a Court. Notwithstanding any contrary determination in the specific case under Section 3 of this Article VIII, and notwithstanding the absence of any determination thereunder, any director, officer or employee may apply

to the Court of Chancery of the State of Delaware or any other court of competent jurisdiction in the State of Delaware for indemnification to the extent otherwise permissible under Sections 1 and 2 of this Article VIII. The basis of such indemnification by a court shall be a determination by such court that indemnification of the director, officer or employee is proper in the circumstances because such person has met the applicable standards of conduct set forth in Section 1 or 2 of this Article VIII, as the case may be. Neither a contrary determination in the specific case under Section 3 of this Article VIII nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the director, officer or employee seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 5 shall be given to the Corporation promptly upon the filing of such application. If successful, in whole or in part, the director or officer seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

Section 6. Expenses Payable in Advance. Expenses incurred by a director, officer or employee in defending or investigating a threatened or pending action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director, officer or employee to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized in this Article VIII.

Section 7. Nonexclusivity of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by or granted pursuant to this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Certificate of Incorporation or any By-Law, agreement, contract, vote of stockholders or disinterested directors or pursuant to the direction (howsoever embodied) of any court of competent jurisdiction or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, it

being the policy of the Corporation that indemnification of the persons specified in Section 1 and 2 of this Article VIII shall be made to the fullest extent permitted by law. The provisions of this Article VIII shall not be deemed to preclude the indemnification of any person who is not specified in Section 1 or 2 of this Article VIII but whom the Corporation has the power or obligation to indemnify under the provisions of the GCL, or otherwise.

Section 8. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer or employee of the Corporation, or is or was a director, officer or employee of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power or the obligation to indemnify such person against such liability under the provisions of this Article VIII.

Section 9. Certain Definitions. For purposes of this Article VIII, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers or employees, so that any person who is or was a director, officer or employee of such constituent corporation, or is or was a director, officer or employee of such constituent corporation serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article VIII, references to "fines" shall include any excise taxes assessed on a person with respect to an

employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer or employee with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article VIII.

Section 10. Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer or employee and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 11. Limitation on Indemnification. Notwithstanding anything contained in this Article VIII to the contrary, except for proceedings to enforce rights

to indemnification (which shall be governed by Section 5 hereof), the Corporation shall not be obligated to indemnify any director, officer or employee (or his or her heirs, executors or personal or legal representatives) or advance expenses in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

Section 12. Indemnification of Agents. The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to agents of the Corporation similar to those conferred in this Article VIII to directors, officers and employees of the Corporation.

#### ARTICLE IX

##### AMENDMENTS

Section 1. Amendments. These By-Laws may be altered, amended or repealed, in whole or in part, or new By-Laws may be adopted by the Board of Directors or by the stockholders as provided in the Certificate of Incorporation.



Section 2. Entire Board of Directors. As used in this Article IX and in these By-Laws generally, the term "entire Board of Directors" means the total number of directors which the Corporation would have if there were no vacancies.

VISTEON CORPORATION

AND

BANK ONE TRUST COMPANY, N.A.,

TRUSTEE

INDENTURE

DATED AS OF JUNE 23, 2000

DEBT SECURITIES

## TABLE OF CONTENTS

## PAGE

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## ARTICLE I. DEFINITIONS

SECTION 1.01.	Definitions	1
SECTION 1.02.	Notice to Securityholders	7

## ARTICLE II. ISSUE, EXECUTION, REGISTRATION AND EXCHANGE OF SECURITIES

SECTION 2.01.	Amount Unlimited; Issuable In Series	7
SECTION 2.02.	Form of Trustee's Certificate of Authentication	10
SECTION 2.03.	Form, Execution, Authentication, Delivery and Dating of Securities	10
SECTION 2.04.	Denominations; Record Date	12
SECTION 2.05.	Exchange and Registration of Transfer of Securities	12
SECTION 2.06.	Temporary Securities	14
SECTION 2.07.	Mutilated, Destroyed, Lost or Stolen Securities	14
SECTION 2.08.	Cancellation	15
SECTION 2.09.	Computation of Interest	15
SECTION 2.10.	Securities in Global Form	15
SECTION 2.11.	Medium-Term Securities	16
SECTION 2.12.	CUSIP Numbers	16

## ARTICLE III. REDEMPTION OF SECURITIES

SECTION 3.01.	Redemption of Securities; Applicability of Article	17
SECTION 3.02.	Notice of Redemption; Selection of Securities	17
SECTION 3.03.	Payment of Securities Called for Redemption	18

## ARTICLE IV. PARTICULAR COVENANTS OF THE CORPORATION

SECTION 4.01.	Payment of Principal, Premium, Interest and Additional Amounts	19
SECTION 4.02.	Offices for Notices and Payments, Etc.	19
SECTION 4.03.	Provisions as to Paying Agent	20
SECTION 4.04.	Luxembourg Publications	21
SECTION 4.05.	Statement by Officers as to Default	21
SECTION 4.06.	Limitations on Liens	21
SECTION 4.07.	Limitation on Sale and Lease-back	22
SECTION 4.08.	Definitions Applicable to Sections 4.06 and 4.07	22

## ARTICLE V. SECURITYHOLDER LISTS AND REPORTS BY THE CORPORATION AND THE TRUSTEE

SECTION 5.01.	Securityholder Lists	24
SECTION 5.02.	Preservation and Disclosure of Lists	25
SECTION 5.03.	Reports by the Corporation	26
SECTION 5.04.	Reports by the Trustee	26

## ARTICLE VI. REMEDIES ON DEFAULT

SECTION 6.01.	Events of Default	27
SECTION 6.02.	Payment of Securities on Default; Suit Therefor	29
SECTION 6.03.	Application of Moneys Collected by Trustee	30
SECTION 6.04.	Proceedings by Securityholders	31
SECTION 6.05.	Remedies Cumulative and Continuing	32
SECTION 6.06.	Direction of Proceedings	32
SECTION 6.07.	Notice of Defaults	33
SECTION 6.08.	Undertaking to Pay Costs	33

## ARTICLE VII. CONCERNING THE TRUSTEE

SECTION 7.01.	Duties and Responsibilities of Trustee	33
SECTION 7.02.	Reliance on Documents, Opinions, Etc.	34
SECTION 7.03.	No Responsibility for Recitals, Etc.	35
SECTION 7.04.	Ownership of Securities or Coupons	35
SECTION 7.05.	Moneys to Be Held in Trust	35
SECTION 7.06.	Compensation and Expenses of Trustee	36
SECTION 7.07.	Officers' Certificate as Evidence	36
SECTION 7.08.	Conflicting Interest of Trustee	36
SECTION 7.09.	Eligibility of Trustee	36
SECTION 7.10.	Resignation or Removal of Trustee	37
SECTION 7.11.	Acceptance by Successor Trustee	38
SECTION 7.12.	Successor by Merger, Etc.	39
SECTION 7.13.	Limitations on Rights of Trustee as Creditor	39

## ARTICLE VIII. CONCERNING THE SECURITYHOLDERS

SECTION 8.01.	Action by Securityholders	39
SECTION 8.02.	Proof of Execution by Securityholders	40
SECTION 8.03.	Who Are Deemed Absolute Owners	40
SECTION 8.04.	Corporation-owned Securities Disregarded	41
SECTION 8.05.	Revocation of Consents; Future Securityholders Bound	41
SECTION 8.06.	Securities in a Foreign Currency	41

## ARTICLE IX. SECURITYHOLDERS' MEETINGS

SECTION 9.01.	Purposes of Meetings	42
SECTION 9.02.	Call of Meetings by Trustee	42
SECTION 9.03.	Call of Meetings by Corporation or Securityholders	43
SECTION 9.04.	Qualification for Voting	43
SECTION 9.05.	Regulations	43
SECTION 9.06.	Voting	44

## ARTICLE X. SUPPLEMENTAL INDENTURES

SECTION 10.01.	Supplemental Indentures Without Consent of Securityholders	44
SECTION 10.02.	Supplemental Indentures with Consent of Securityholders	46
SECTION 10.03.	Compliance with Trust Indenture Act; Effect of Supplemental Indentures	47
SECTION 10.04.	Notation on Securities	47

## ARTICLE XI. CONSOLIDATION, MERGER, SALE OR CONVEYANCE

SECTION 11.01.	Corporation May Consolidate, Etc., on Certain Terms	47
SECTION 11.02.	Successor Corporation Substituted	48
SECTION 11.03.	Certificate to Trustee	48

## ARTICLE XII. SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED MONEYS

SECTION 12.01.	Discharge of Indenture	48
SECTION 12.02.	Satisfaction, Discharge and Defeasance of Securities of Any Series	49
SECTION 12.03.	Deposited Moneys to Be Held in Trust by Trustee	50
SECTION 12.04.	Paying Agent to Repay Moneys Held	50
SECTION 12.05.	Return of Unclaimed Moneys	51

## ARTICLE XIII. IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS

SECTION 13.01.	Indenture And Securities Solely Corporate Obligations	51
----------------	---	----

## ARTICLE XIV. MISCELLANEOUS PROVISIONS

SECTION 14.01.	Benefits of Indenture Restricted to Parties and Securityholders	51
SECTION 14.02.	Provisions Binding on Corporation's Successors	52
SECTION 14.03.	Addresses for Notices, Etc.	52
SECTION 14.04.	Evidence of Compliance with Conditions Precedent	52
SECTION 14.05.	Legal Holidays	52
SECTION 14.06.	Trust Indenture Act to Control	52
SECTION 14.07.	Execution in Counterparts	53
SECTION 14.08.	New York Contract	53
SECTION 14.09.	Judgment Currency	53
SECTION 14.10.	Severability of Provisions	53
SECTION 14.11.	Corporation Released from Indenture Requirements under Certain Circumstances	53

## CROSS-REFERENCE TABLE

SECTION OF ACT	SECTION OF INDENTURE
310(a)(1), (2) and (5)	7.09
310(a)(3) and (4)	Not applicable
310(b)	7.08
310(c)	Not applicable
311(a) and (b)	7.13
311(c)	Not applicable
312(a)	5.01 and 5.02(a)
312(b) and (c)	5.02(b) and (c)
313(a) and (b)	5.04(a)
313(c)	5.04(a)
313(d)	5.04(b)
314(a)	5.03
314(b)	Not applicable
314(c)(1) and (2)	14.04
314(c)(3)	Not applicable
314(d)	Not applicable
314(e)	14.04
315(a), (c) and (d)	7.01
315(b)	6.07
315(e)	6.08
316(a)(1)	6.06
316(a)(2)	Omitted
316(a) last sentence	8.04
316(b)	6.04
316(c)	9.02
317(a)	6.02
317(b)	4.03
318(a)	14.06

This tie-sheet is not part of the Indenture as executed.

THIS INDENTURE, dated as of the 23rd day of June, 2000 between VISTEON CORPORATION, a corporation duly organized and existing under the laws of the State of Delaware (hereinafter sometimes called the "Corporation"), party of the first part, and BANK ONE TRUST COMPANY, N.A., a banking association duly incorporated and existing under the laws of the United States of America, as trustee hereunder (hereinafter sometimes called the "Trustee," which term shall include any successor trustee appointed pursuant to Article Seven),

WITNESSETH:

WHEREAS, the Corporation deems it necessary or appropriate to issue from time to time for its lawful purposes securities (hereinafter called the "Securities" or, in the singular, "Security") evidencing its unsecured indebtedness and has duly authorized the execution and delivery of this Indenture to provide for the issuance of the Securities in one or more series, unlimited as to principal amount, to bear such rates of interest, to mature at such time or times and to have such other provisions as shall be established as hereinafter provided; and

WHEREAS, the Corporation represents that all acts by it necessary to constitute these presents a valid indenture and agreement according to its terms have been done and performed, and the execution of this Indenture has in all respects been duly authorized by the Corporation, and the Corporation, in the exercise of legal rights and power in it vested, is executing this Indenture;

NOW, THEREFORE: in order to declare the terms and conditions upon which the Securities are authenticated, issued and received, and in consideration of the premises, of the purchase and acceptance of the Securities by the Holders thereof and of the sum of one dollar to it duly paid by the Trustee at the execution of these presents, the receipt whereof is hereby acknowledged, the Corporation covenants and agrees with the Trustee, for the equal and proportionate benefit of the respective Holders from time to time of the Securities, as follows:

ARTICLE I.

DEFINITIONS.

SECTION 1.1. Definitions. The terms defined in this Section (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section. All other terms used in this Indenture which are defined in the Trust Indenture Act of 1939 or which are by reference therein defined in the Securities Act of 1933, as amended, shall have the meanings (except as herein otherwise expressly provided or unless the context otherwise clearly requires) assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of this Indenture as originally executed. The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole, including the Exhibits to this instrument, and not to any particular article, Section or other subdivision. Certain terms used wholly or principally within an Article of this Indenture may be defined in that Article.

#### Additional Amounts:

The term "Additional Amounts" shall mean any additional amounts which are required by a Security or by or pursuant to a Board Resolution under circumstances specified therein, to be paid by the Corporation in respect of certain taxes, assessments or governmental charges imposed on certain Holders of Securities and which are owing to such Holders of Securities.

#### Authorized Newspaper:

The term "Authorized Newspaper" shall mean a newspaper in an official language of the country of publication of general circulation in the place in connection with which the term is used. If it shall be impracticable in the opinion of the Trustee to make any publication of any notice required hereby in an Authorized Newspaper, any publication or other notice in lieu thereof which is made or given with the approval of the Trustee shall constitute a sufficient publication of such notice.

#### Board of Directors:

The term "Board of Directors" shall mean the Board of Directors of the Corporation or the Executive Committee or Securities Pricing Committee of the Corporation or any committee established by the Board of Directors.

#### Board Resolution:

The term "Board Resolution" shall mean a resolution certified by the Secretary or an Assistant Secretary of the Corporation to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

#### Business Day:

The term "Business Day" shall mean, with respect to any Security, a day (other than a Saturday or Sunday) that in the city (or in any of the cities, if more than one) in which amounts are payable as specified on the face of the form of such Security, is neither a legal holiday nor a day on which banking institutions are authorized or required by law, regulation or executive order to close.

#### Corporate Trust Office:

The term "Corporate Trust Office" means the office of the Trustee in Chicago, Illinois, at which at any particular time its corporate trust business shall be principally administered, which office at the date hereof is located at 1 Bank One Plaza, Suite IL1-0126, Chicago, IL 60670-0126, except that, with respect to presentation of Securities for payment or registration of transfers and exchanges and the location of the Security Registrar, such term means the office or agency of the Trustee located at 14 Wall Street, 8th Floor, New York, NY 10005.

#### Corporation:

The term "Corporation" shall mean the person named as the "Corporation" in the first



paragraph of this instrument until a successor corporation shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Corporation" shall mean such successor corporation.

Corporation Order:

The term "Corporation Order" shall mean any request, order or confirmation to the Trustee signed by a person designated pursuant to Section 2.03, which may be transmitted by telex, by telecopy or in writing.

Coupon:

The term "Coupon" shall mean any interest coupon appertaining to a Security.

Coupon Security:

The term "Coupon Security" shall mean any Security authenticated and delivered with one or more Coupons appertaining thereto.

Currency:

The term "Currency" means dollars or foreign currency.

Depository:

The term "Depository" shall mean, with respect to the Securities of any series issuable or issued in whole or in part in the form of one or more Global Securities, the Person designated as Depository by the Corporation pursuant to Section 2.01 until a successor Depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Depository" shall mean or include each Person who is then a Depository hereunder, and if at any time there is more than one such Person, "Depository" as used with respect to the Securities of any such series shall mean the Depository with respect to the Securities of that series.

Event of Default:

The term "Event of Default" shall mean any event specified as such in Section 6.01.

Global Security:

The term "Global Security" shall mean a Registered Security or an Unregistered Security evidencing all or part of a series of Securities issued to the Depository for such series in accordance with Section 2.03.

Holder:

The terms "Holder," "Holder of Securities," "Securityholder" or other similar terms, shall mean (a) in the case of any Registered Security, the person in whose name at the time such

Security is registered on the registration books kept for that purpose in accordance with the terms hereof, and (b) in the case of any Unregistered Security, the bearer of such Security.

Indenture:

The term "Indenture" shall mean this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

Interest Payment Date:

The term "Interest Payment Date" when used with respect to any Security, means the stated maturity of an installment of interest on such Security.

Issue Date:

The term "Issue Date" shall mean, with respect to any Security, whether evidenced by a Registered Security or an Unregistered Security, the date such Security is authenticated pursuant to Section 2.03.

Maturity Date:

The term "Maturity Date" when used with respect to any Security, shall mean the stated maturity of the Security.

Officers' Certificate:

The term "Officers' Certificate" shall mean a certificate signed on behalf of the Corporation (and without personal liability), and complying with Section 14.04, by the Chairman of the Board of Directors or the President or any Vice President or the Treasurer and by the Secretary or any Assistant Secretary or, if the other signatory is other than the Treasurer, any Assistant Treasurer of the Corporation.

Opinion of Counsel:

The term "Opinion of Counsel" shall mean an opinion in writing, complying with Section 14.04, signed by legal counsel who may be an employee of or counsel to the Corporation or who may be other counsel acceptable to the Trustee.

Original Issue Discount Securities:

The term "Original Issue Discount Securities" shall mean any Securities that are initially sold at a discount from the principal amount thereof and that provide upon an Event of Default for declaration of an amount less than the principal amount thereof to be due and payable upon acceleration thereof.

Outstanding:

The term "outstanding" when used with reference to Securities, shall, subject to the provisions of Section 8.01, Section 8.04 and Section 8.06, mean, as of any particular time, all Securities authenticated and delivered by the Trustee under this Indenture, except

(a) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(b) Securities, or portions thereof, for the payment or redemption of which moneys in the necessary amount shall have been deposited in trust with the Trustee or with any paying agent (other than the Corporation) or shall have been set aside and segregated in trust by the Corporation (if the Corporation shall act as its own Paying Agent), provided, that if such Securities are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article Three, or provisions satisfactory to the Trustee shall have been made for giving such notice; and

(c) Securities in lieu of and in substitution for which other Securities shall have been authenticated and delivered pursuant to the terms of Article Two, unless proof satisfactory to the Trustee is presented that any such Securities are held by bona fide Holders in due course.

Paying Agent:

The term "Paying Agent" shall mean initially Bank One Trust Company, N.A. and, subsequently, any other paying agent appointed by the Corporation from time to time in respect of the Securities.

Person:

The term "person" shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company trust or other entity, unincorporated organization or government or any agency or political subdivision thereof.

Place of Payment:

The term "Place of Payment," when used with respect to the Securities of any series, means the place or places where the principal of (and premium, if any) and interest, if any, (and Additional Amounts, if any) on the Securities of that series are payable.

Registered Security:

The term "Registered Security" shall mean any Security registered on the Security registration books of the Corporation.

Regular Record Date:

The term "Regular Record Date" for the interest payable on any Interest Payment Date on the Securities of any series means the date specified for that purpose as contemplated by Sections 2.01 and 2.04.

## Responsible Officer:

The term "responsible officer" when used with respect to the Trustee shall mean any officer assigned by the Trustee to administer its corporate trust matters.

## Security Register and Security Registrar:

The term "Security Register" and "Security Registrar" shall have the respective meanings specified in Section 2.05.

## Significant Subsidiary:

The term "Significant Subsidiary" shall mean any Subsidiary of the Corporation that, at any time, has at least 5% of the consolidated revenues of the Corporation and its Subsidiaries at such time as reflected in the most recent annual audited consolidated financial Statements of the Corporation.

## Subsidiary:

The term "Subsidiary" shall mean any corporation or other entity of which at least a majority of the outstanding stock or other beneficial interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other governing body of such corporation or other entity (irrespective of whether or not at the time stock or other beneficial interests of another class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time owned by the Corporation, or by one or more Subsidiaries, or by the Corporation and one or more Subsidiaries.

## Trust Indenture Act of 1939:

The term "Trust Indenture Act of 1939" shall mean the Trust Indenture Act of 1939, as amended.

## United States:

The term "United States" shall mean the United States of America (including the states thereof and the District of Columbia) and its possessions (including the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

## Unregistered Security:

The term "Unregistered Security" shall mean any Security other than a Registered Security.

U.S. Dollar:

The term "U.S. Dollar" or "\$" means a dollar or other equivalent unit in such coin or currency of the United States of America as at the time shall be legal tender for the payment of public and private debts.

SECTION 1.02. Notice to Securityholders. Except as otherwise expressly provided herein, where this Indenture provides for notice to Holders of Securities of any event, such notice shall be sufficiently given if in writing and mailed, first class, postage prepaid, to each Holder at such Holder's address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for such notice.

Neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder of a Security shall affect the sufficiency of such notice with respect to other Holders of Securities.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of Securities shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

## ARTICLE II.

### ISSUE, EXECUTION, REGISTRATION AND EXCHANGE OF SECURITIES.

SECTION 2.01. Amount Unlimited; Issuable In Series. The aggregate principal amount of Securities that may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more series. There shall be established in or pursuant to a Board Resolution, and set forth in an Officers' Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series:

(1) the designation of the Securities of the series (which shall distinguish the Securities of the series from all other Securities);

(2) any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 2.05, 2.06, 2.07, 3.02 or 10.04);

(3) the date or dates on which the principal of the Securities of the series is payable;

(4) the rate or rates, which may be fixed or variable, at which the

Securities of the series shall bear interest, if any, and if the rate or rates are variable, the manner of calculation thereof, the date or dates from which such interest shall accrue, the Interest Payment Dates on which such interest shall be payable and, in the case of Registered Securities, the Regular Record Date for the determination of Holders of such Securities to whom interest is payable on any Interest Payment Date;

(5) the place or places (in addition to such place or places specified in this Indenture) where the principal of (and premium, if any), interest, if any, and Additional Amounts, if any, on Securities of the series shall be payable;

(6) the right, if any, of the Corporation to redeem Securities of the series, in whole or in part, at its option and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series may be redeemed pursuant to any sinking fund or otherwise;

(7) the obligation, if any, of the Corporation to redeem, purchase or repay Securities of the series pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligation;

(8) if other than U.S. Dollars, the currency or currencies, including Euros, in which the Securities of the series shall be denominated and in which payments of principal of (premium, if any), interest, if any, and Additional Amounts, if any, payable with respect to such Securities shall or may be payable; the manner in which such currency or currencies will be determined; and if the principal of (and premium, if any), interest, if any, and Additional Amounts, if any, on the Securities of such series are to be payable, at the election of the Corporation or a Holder thereof, in a currency or currencies, other than that or those in which the Securities are stated to be payable, the currency or currencies in which payment of the principal of (and premium, if any), interest, if any, and Additional Amounts, if any, on Securities of such series as to which such election is made shall be payable, and the periods within which and the terms and conditions upon which such election is to be made;

(9) if the amount of principal of and interest on the Securities of the series may be determined with reference to an index based on a currency or currencies other than that in which the Securities of the series are denominated, the manner in which such amounts shall be determined;

(10) the denominations in which Securities of the series shall be issuable, if other than U.S. \$1,000 or integral multiples thereof, with respect to Registered Securities, and denominations of U.S. \$1,000 and U.S. \$5,000 for Unregistered Securities;

(11) if other than the principal amount thereof, the portion of the principal amount of Securities of the series which shall be payable upon declaration of acceleration of the maturity thereof or which the Trustee shall be entitled to claim pursuant to Section 6.02;

(12) whether the Securities of the series will be issuable as  
Registered

Securities or Unregistered Securities (with or without Coupons), or both, any restrictions applicable to the offer, sale or delivery of Unregistered Securities and, if other than as provided for in Section 2.05, the terms upon which Unregistered Securities of the series may be exchanged for Registered Securities of such series and vice versa; and whether the Securities of the series shall be issued in whole or in part in the form of one or more Global Securities and, in such case, the Depository for such Global Security or Securities and whether any Global Securities of the series are to be issuable initially in temporary form and whether any Global Securities of the series are to be issuable in definitive form with or without Coupons and, if so, whether beneficial owners of interests in any such definitive Global Security may exchange such interests for Securities of such series and of like tenor of any authorized form and denomination, and the circumstances under which and the place or places where any such exchanges may occur, if other than in the manner provided in Section 2.05;

(13) whether and under what circumstances the Corporation will pay Additional Amounts on the Securities of the series in respect of any tax, assessment or governmental charge withheld or deducted and, if so, whether the Corporation will have the option to redeem such Securities rather than pay such Additional Amounts;

(14) the provisions, if any, for the defeasance of the Securities of the series;

(15) if the Securities of such series are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security of such series) only upon receipt of certain certificates or other documents or satisfaction of other conditions, the form and terms of such certificates, documents or conditions;

(16) except as otherwise provided herein, any trustees, depositories, authenticating or paying agents, transfer agents, registrars or any other agents with respect to the Securities of such series;

(17) The percentage of their principal amount at which the Securities will be issued;

(18) any securities exchanges on which the Securities will be listed; and

(19) any other terms of the series (which terms shall not be inconsistent with the provisions of this Indenture);

All Securities of any one series shall be substantially identical except (i) as to denomination, (ii) that Securities of any series may be issuable as either Registered Securities or Unregistered Securities and (iii) as may otherwise be provided in or pursuant to such Board Resolution and set forth in such Officers' Certificate or in any such indenture supplemental hereto.

If any of the terms of the series are established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or any Assistant Secretary of the Corporation and delivered to the Trustee at the same time as or

prior to the delivery of the Officers' Certificate setting forth the terms of the series.

SECTION 2.02. Form of Trustee's Certificate of Authentication. The Trustee's certificate of authentication shall be in the following form:

{FORM OF BANK ONE TRUST COMPANY, N.A.'S CERTIFICATE OF AUTHENTICATION}

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Bank One Trust Company, N.A.,  
as Trustee,

By:

Authorized Signatory

SECTION 2.03. Form, Execution, Authentication, Delivery and Dating of Securities. The Securities of each series and the Coupons, if any, to be attached thereto, shall be in the forms approved from time to time by or pursuant to a Board Resolution, or established in one or more indentures supplemental hereto, and may have such letters, numbers or other marks of identification or designation and such legends or endorsements printed, lithographed or engraved thereon as the Corporation may deem appropriate and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange on which the Securities may be listed, or to conform to usage.

Each Security and Coupon shall be executed on behalf of the Corporation by its Chairman of the Board of Directors or the President or any Vice President or its Treasurer or any Assistant Treasurer and the Secretary or any Assistant Secretary, or, if the other signatory is other than the Treasurer or any Assistant Treasurer, any assistant Treasurer, under its Corporate seal. Such signatures may be the manual or facsimile signatures of the present or any future such officers. The seal of the Corporation may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Securities.

Each Security and Coupon bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Corporation shall bind the Corporation, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Security, or the Security to which such Coupon appertains. At any time and from time to time after the execution and delivery of this Indenture, the Corporation may deliver Securities of any series executed by the Corporation and, in the case of Coupon Securities, having attached thereto appropriate Coupons, to the Trustee for authentication, together with a Corporation Order for the authentication and delivery of such Securities, and the Trustee in accordance with such Corporation Order shall authenticate and deliver such Securities. If the form or terms of the Securities or Coupons of the series have been established in or pursuant to one or more Board Resolutions as permitted by this Section and Section 2.01, in authenticating such Securities and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall



be entitled to receive, and (subject to Section 7.01) shall be fully protected in relying upon, an Opinion of Counsel stating:

(a) if the form of such Securities or Coupons has been established by or pursuant to Board Resolution as permitted by Section 2.01, that such form has been established in conformity with the provisions of this Indenture;

(b) if the terms of such Securities have been established by or pursuant to Board Resolution as permitted by Section 2.01, that such terms have been established in conformity with the provisions of this Indenture; and

(c) that each such Security and Coupon, when authenticated and delivered by the Trustee and issued by the Corporation in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Corporation, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles, whether applied in a proceeding at law or in equity. If such form or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and the Indenture or otherwise in a manner that is not reasonably acceptable to the Trustee.

Every Registered Security shall be dated the date of its authentication. Each Unregistered Security shall be dated as provided in or pursuant to the Board Resolution or supplemental indenture referred to in Section 2.01 or, if no such terms are specified, the date of its original issuance.

No Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. Notwithstanding the foregoing, if any Security shall have been duly authenticated and delivered hereunder but never issued and sold by the Corporation, and the Corporation shall deliver such Security to the Trustee for cancellation as provided in Section 2.08 together with a written statement (which need not comply with Section 14.04 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued and sold by the Corporation, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

If the Corporation shall establish pursuant to Section 2.01 that the Securities of a series are to be issued in whole or in part in the form of a Global Security, then the Corporation shall execute and the Trustee shall in accordance with this Section and the Corporation Order with respect to such series authenticate and deliver the Global Security that (i) shall represent and shall be denominated in an aggregate amount equal to the aggregate principal amount of outstanding Securities of such series to be represented by the Global Security, (ii) shall be

registered, if in registered form, in the name of the Depository for such Global Security or the nominee of such Depository, and (iii) shall be delivered by the Trustee to such Depository or pursuant to such Depository's instructions.

Each Depository designated pursuant to Section 2.01 for a Global Security in registered form must, at the time of its designation and at all times while it serves as Depository, be a clearing agency registered under the Securities Exchange Act of 1934, as amended, and any other applicable statute or regulation.

SECTION 2.04. Denominations; Record Date. The Securities shall be issuable as Registered Securities or Unregistered Securities in such denominations as may be specified as contemplated in Section 2.01. In the absence of any such specification with respect to any series, such Securities shall be issuable in the denomination contemplated by Section 2.01.

The term "record date" as used with respect to an Interest Payment Date (except a date for payment of defaulted interest) shall mean such day or days as shall be specified in the terms of the Registered Securities of any particular series as contemplated by Section 2.01; provided, however, that in the absence of any such provisions with respect to any series, such term shall mean (1) the last day of the calendar month next preceding such Interest Payment Date if such Interest Payment Date is the fifteenth day of a calendar month; or (2) the fifteenth day of a calendar month next preceding such Interest Payment Date if such Interest Payment Date is the first day of the calendar month.

The person in whose name any Registered Security is registered at the close of business on the Regular Record Date with respect to an Interest Payment Date shall be entitled to receive the interest payable and Additional Amounts, if any, payable on such Interest Payment Date notwithstanding the cancellation of such Registered Security upon any transfer or exchange thereof subsequent to such Regular Record Date and prior to such Interest Payment Date; provided, however, that if and to the extent the Corporation shall default in the payment of the interest and Additional Amounts, if any, due on such Interest Payment Date, such defaulted interest and Additional Amounts, if any, shall be paid to the persons in whose names outstanding Registered Securities are registered on a subsequent record date established by notice given by mail by or on behalf of the Corporation to the Holders of Securities of the series in default not less than fifteen days preceding such subsequent record date, such record date to be not less than five days preceding the date of payment of such defaulted interest.

SECTION 2.05. Exchange and Registration of Transfer of Securities. Registered securities of any series may be exchanged for a like aggregate principal amount of Registered Securities of other authorized denominations of such series. Registered Securities to be exchanged shall be surrendered at the office or agency to be designated and maintained by the Corporation for such purpose in the Borough of Manhattan, The City of New York, in accordance with the provisions of Section 4.02, and the Corporation shall execute and register and the Trustee shall authenticate and deliver in exchange therefor the Registered Security or Registered Securities that the Holder making the exchange shall have been entitled to receive.

If the Securities of any series are issued in both registered and unregistered form, except as otherwise specified pursuant to Section 2.01, at the option of the Holder thereof,

Unregistered Securities of any series may be exchanged for Registered Securities of such series of any authorized denominations and of a like aggregate principal amount, upon surrender of such Unregistered Securities to be exchanged at the agency of the Corporation that shall be maintained for such purpose in accordance with Section 4.02, with, in the case of Unregistered Securities that are Coupon Securities, all unmatured Coupons and all matured Coupons in default thereto appertaining. At the option of the Holder thereof, if Unregistered Securities of any series are issued in more than one authorized denomination, except as otherwise specified pursuant to Section 2.01, such Unregistered Securities may be exchanged for Unregistered Securities of such series of other authorized denominations and of a like aggregate principal amount, upon surrender of such Unregistered Securities to be exchanged at the agency of the Corporation that shall be maintained for such purpose in accordance with Section 4.02 or as specified pursuant to Section 2.01, with, in the case of Unregistered Securities that are Coupon Securities, all unmatured Coupons and all matured Coupons in default thereto appertaining. Unless otherwise specified pursuant to Section 2.01, Registered Securities of any series may not be exchanged for Unregistered Securities of such series. Whenever any Securities are so surrendered for exchange the Corporation shall execute, and the Trustee shall authenticate and deliver, the Securities that the Holder making the exchange is entitled to receive.

The Corporation or its designated agent (the "Security Registrar") shall keep, at such office or agency, a Security Register (the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Corporation shall register Securities and shall register the transfer of Registered Securities as provided in this Article Two. The Security Register shall be in written form or in any other form capable of being converted into written form within a reasonable time. At all reasonable times the Security Register shall be open for inspection by the Trustee. Upon due presentment for registration of transfer of any Registered Security of a particular series at such office or agency, the Corporation shall execute and the Corporation or the Security Registrar shall register and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Registered Security or Registered Securities of such series for an equal aggregate principal amount.

Unregistered Securities (except for any temporary bearer Securities) and Coupons shall be transferable by delivery.

All Securities presented for registration of transfer or for exchange, redemption or payment, as the case may be, shall (if so required by the Corporation or the Trustee) be duly endorsed by, or be accompanied by, a written instrument or instruments of transfer in form satisfactory to the Corporation and the Trustee duly executed by the Holder or his, her or its attorney duly authorized in writing.

No service charge shall be made for any exchange or registration of transfer of Registered Securities, but the Corporation may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith.

The Corporation shall not be required to exchange or register a transfer of (a) any Registered Securities of any series for a period of fifteen days next preceding any selection of Registered Securities of such series to be redeemed, or (b) any Security of any such series selected for redemption except in the case of any such series to be redeemed in part, the portion thereof not to be so redeemed.

Notwithstanding anything herein or in the terms of any series of Securities to the contrary, neither the Corporation nor the Trustee (which shall rely on an Officers' Certificate and an Opinion of Counsel) shall be required to exchange any Unregistered Security for a Registered Security if such exchange would result in adverse Federal income tax consequences to the Corporation (including the inability of the Corporation to deduct from its income, as computed for Federal income tax purposes, the interest payable on any Securities) under then applicable United States Federal income tax laws.

SECTION 2.06. Temporary Securities. Pending the preparation of definitive Securities of any series, the Corporation may execute and on receipt of a Corporation Order the Trustee shall authenticate and deliver temporary Securities of such series (printed or lithographed). Temporary Securities of any series shall be issuable in any authorized denominations, and in the form approved from time to time by or pursuant to a Board Resolution but with such omissions, insertions and variations as may be appropriate for temporary Securities, all as may be determined by the Corporation. Every temporary Security shall be executed by the Corporation and authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Securities. Without unnecessary delay the Corporation shall execute and furnish definitive Securities of such series and thereupon any or all temporary Registered Securities of such series may be surrendered in exchange therefor without charge at the office or agency to be designated and maintained by the Corporation for such purpose in the Borough of Manhattan, The City of New York, in accordance with the provisions of Section 4.02 and in the case of Unregistered Securities at any agency maintained by the Corporation for such purpose as specified pursuant to Section 2.01, and the Trustee shall authenticate and deliver in exchange for such temporary Securities an equal aggregate principal amount of definitive Securities of the same series of authorized denominations and in the case of such Securities that are Coupon Securities, having attached thereto the appropriate Coupons. Until so exchanged the temporary Securities of any series shall be entitled to the same benefits under this Indenture as definitive Securities of such series. The provisions of this Section 2.06 are subject to any restrictions or limitations on the issue and delivery of temporary unregistered Securities of any series that may be established pursuant to Section 2.01 (including any provision that Unregistered Securities of such series initially be issued in the form of a single global Unregistered Security to be delivered to a depositary or agency of the Corporation located outside the United States and the procedures pursuant to which definitive Unregistered Securities of such series would be issued in exchange for such temporary global Unregistered Security).

SECTION 2.07. Mutilated, Destroyed, Lost or Stolen Securities. In case any temporary or definitive Security of any series or, in the case of a Coupon Security, any Coupon appertaining thereto, shall become mutilated or be destroyed, lost or stolen, the Corporation in the case of a mutilated Security or Coupon shall, and in the case of a lost, stolen or destroyed Security or Coupon may, in its discretion, execute, and upon receipt of a Corporation Order the Trustee shall authenticate and deliver, a new Security of the same series as the mutilated, destroyed, lost or stolen Security or, in the case of a Coupon Security, a new Coupon Security of the same series as the mutilated, destroyed, lost or stolen Coupon Security or, in the case of a Coupon, a new Coupon of the same series as the Coupon Security to which such

mutilated, destroyed, lost or stolen Coupon appertains, bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated Security, or in lieu of and in substitution for the Security so destroyed, lost or stolen or in exchange for the Coupon Security to which such mutilated, destroyed, lost or stolen Coupon appertains, with all appurtenant Coupons not destroyed, lost or stolen. In every case the applicant for a substituted Security or Coupon shall furnish to the Corporation and to the Trustee such security or indemnity as may be required by them to save each of them harmless, and, in every case of destruction, loss or theft, the applicant shall also furnish to the Corporation and to the Trustee evidence to their satisfaction of the destruction, loss or theft of such Security or Coupon, as the case may be, and of the ownership thereof. Upon the issuance of any substituted Security or Coupon, the Corporation may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith and in addition a further sum not exceeding ten dollars for each Security so issued in substitution. In case any Security or Coupon which has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Corporation may, instead of issuing a substituted Security, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Security or Coupon) if the applicant for such payment shall furnish the corporation and the Trustee with such security or indemnity as they may require to save them harmless and, in case of destruction, loss or theft, evidence to the satisfaction of the Corporation and the Trustee of the destruction, loss or theft of such Security or Coupon and of the ownership thereof.

Every substituted Security with, in the case of any such Security that is a Coupon Security, its Coupons, issued pursuant to the provisions of this Section by virtue of the fact that any Security or Coupon is destroyed, lost or stolen shall, with respect to such Security or Coupon, constitute an additional contractual obligation of the Corporation, whether or not the destroyed, lost or stolen Security or Coupon shall be found at any time, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities, and the Coupons appertaining thereto, duly issued hereunder.

All Securities and any Coupons appertaining thereto shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities and Coupons appertaining thereto and shall, to the extent permitted by law, preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

SECTION 2.08. Cancellation. All Securities surrendered for payment, redemption, exchange or registration of transfer, and all Coupons surrendered for payment as the case may be, shall, if surrendered to the Corporation or any agent of the Corporation or of the Trustee, be delivered to the Trustee and promptly cancelled by it or, if surrendered to the Trustee, be cancelled by it, and no Securities or Coupons, shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Indenture. The Trustee shall destroy cancelled Securities and Coupons and deliver a certificate of destruction to the Corporation.

SECTION 2.09. Computation of Interest. Except as otherwise specified as

contemplated by Section 2.01 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 2.10. Securities in Global Form. If Securities of a series are issuable in global form, as specified as contemplated by Section 2.01, then, notwithstanding clause (9) of Section 2.01 and the provisions of Section 2.04, such Global Security shall represent such of the outstanding Securities of such series as shall be specified therein and may provide that it shall represent the aggregate amount of outstanding Securities from time to time endorsed thereon and that the aggregate amount of outstanding Securities represented thereby may from time to time be reduced to reflect exchanges. Any endorsement of a Security in global form to reflect the amount, or any increase or decrease in the amount, of outstanding Securities represented thereby shall be made by the Trustee in such manner and upon instructions given by such Person or Persons as shall be specified therein or in the Corporation Order to be delivered to the Trustee pursuant to Section 2.03 or Section 2.06. Subject to the provisions of Section 2.03 and, if applicable, Section 2.06, the Trustee shall deliver and redeliver any Security in definitive global bearer form in the manner and upon written instructions given by the Person or Persons specified therein or in the applicable Corporation Order. If a Corporation Order pursuant to Section 2.03 or 2.06 has been, or simultaneously is, delivered, any instructions by the Corporation with respect to endorsement or delivery or redelivery of a Security in global form shall be in writing but need not comply with Section 14.04 and need not be accompanied by an Opinion of Counsel. The beneficial owner of a Security represented by a definitive Global Security in bearer form may, upon no less than 30 days written notice to the Trustee, given by the beneficial owner through a Depository, exchange its interest in such definitive Global Security for a definitive bearer Security or Securities, or a definitive Registered Security or Securities, of any authorized denomination, subject to the rules and regulations of such Depository and its members. No individual definitive bearer Security will be delivered in or to the United States.

The provisions of the last sentence of the third to the last paragraph of Section 2.03 shall apply to any Security represented by a Security in global form if such Security was never issued and sold by the Corporation and the Corporation delivers to the Trustee the Security in global form together with written instructions (which need not comply with Section 14.04 and need not be accompanied by an Opinion of Counsel) with regard to the reduction in the principal amount of Securities represented thereby together with the written statement contemplated by the last sentence of the third to the last paragraph of Section 2.03.

Unless otherwise specified as contemplated by Section 2.01, payment of principal of, and any premium and any interest on, any Security in definitive global form shall be made to the Person or Persons specified therein.

SECTION 2.11. Medium-Term Securities. Notwithstanding any contrary provision herein, if all Securities of a series are not to be originally issued at one time, it shall not be necessary to deliver the Corporation Order, Officers' Certificate, supplemental indenture or Opinion of Counsel otherwise required pursuant to Sections 2.01, 2.03, 2.06, and 14.04 at or prior to the time of authentication of each Security of such series if such documents are delivered at or prior to the authentication upon original issuance of the first Security of such series to be issued.

An Officers' Certificate or supplemental indenture, delivered pursuant to this Section 2.11 in the circumstances set forth in the preceding paragraph may provide that Securities which are the subject thereof will be authenticated and delivered by the Trustee on original issue from time to time upon the written order of persons designated in such Officers' Certificate or supplemental indenture and that such persons are authorized to determine, consistent with such Officers' Certificate or any applicable supplemental indenture such terms and conditions of said Securities as are specified in such Officers' Certificate or supplemental indenture, provided that the foregoing procedure is acceptable to the Trustee.

SECTION 2.12. CUSIP Numbers. The Corporation, in issuing the Securities, may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Corporation will promptly notify the Trustee of any change in the "CUSIP" numbers.

### ARTICLE III.

#### REDEMPTION OF SECURITIES.

SECTION 3.01. Redemption of Securities; Applicability of Article. Redemption of Securities of any series as permitted or required by the terms thereof shall be made in accordance with such terms and this Article; provided, however, that if any provision of any series of Securities shall conflict with any provision of this Article, the provision of such series of Securities shall govern.

The notice date for a redemption of Securities shall mean the date on which notice of such redemption is given in accordance with the provisions of Section 3.02 hereof.

SECTION 3.02. Notice of Redemption; Selection of Securities. The election of the Corporation to redeem any Securities shall be evidenced by an Officers' Certificate. In case the Corporation shall desire to exercise the right to redeem all, or, as the case may be, any part, of a series of Securities pursuant to the terms and provisions applicable to such series, it shall fix a date for redemption and shall mail a notice of such redemption at least thirty and not more than sixty days prior to the date fixed for redemption to the Holders of the Securities of such series that are Registered Securities to be redeemed as a whole or in part, at their last addresses as the same appear on the Security Register. Such mailing shall be by prepaid first class mail. Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the Holder shall have received such notice. In any case, failure to give notice by mail, or any defect in the notice to the Holder of any Security of a series designated for redemption as a whole or in part shall not affect the validity of the proceedings for the redemption of any other Security of such series.

Notice of redemption to the Holders of Unregistered Securities to be redeemed as a whole or in part, who have filed their names and addresses with the Trustee as described in Section 313(c) of the Trust Indenture Act of 1939, shall be given by mailing notice of such

redemption, by first class mail, postage prepaid, at least thirty days and not more than sixty days prior to the date fixed for redemption, to such Holders at such addresses as were so furnished to the Trustee (and, in the case of any such notice given by the Corporation, the Trustee shall make such information available to the Corporation for such purpose). Notice of redemption to any other Holder of an Unregistered Security of such series shall be published in an Authorized Newspaper in the Borough of Manhattan, The City of New York and in an Authorized Newspaper in London (and, if required by Section 4.04, in an Authorized Newspaper in Luxembourg), in each case, once in each of two successive calendar weeks, the first publication to be not less than thirty nor more than sixty days prior to the date fixed for redemption. Any notice that is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the Holder shall have received such notice. In any case, failure to give notice by mail, or any defect in the notice to the Holder of any Security of a series designated for redemption as a whole or in part shall not affect the validity of the proceedings for the redemption of any other Security of such series.

Each such notice of redemption shall specify the provisions of such Securities under which such redemption is made, that the conditions precedent, if any, to such redemption have occurred, shall describe the same and the date fixed for redemption, the redemption price at which such Securities are to be redeemed, the Place of Payment, that payment will be made upon presentation and surrender of such Securities and, in the case of Coupon Securities, of all Coupons appertaining thereto maturing after the date fixed for redemption, that interest and Additional Amounts, if any, accrued to the date fixed for redemption will be paid as specified in said notice, and that on and after said date interest, if any, thereon or on the portions thereof to be redeemed will cease to accrue. If fewer than all of the Securities of a series are to be redeemed any notice of redemption published in an Authorized Newspaper shall specify the numbers of the Securities to be redeemed and, if applicable, the CUSIP Numbers thereof. In case any Security is to be redeemed in part only, the notice of redemption shall state the portion of the principal amount thereof to be redeemed and shall state that upon surrender of such Security, a new Security or Securities in principal amount equal to the unredeemed portion thereof will be issued of the same series.

At least one Business Day prior to the redemption date specified in the notice of redemption given for Unregistered Securities as provided in this Section and on or prior to the redemption date specified in the notice of redemption given for all Securities other than Unregistered Securities, the Corporation will deposit in trust with the Trustee or with one or more Paying Agents an amount of money sufficient to redeem on the redemption date all the Securities or portions of Securities so called for redemption at the appropriate redemption price, together with interest, if any, and Additional Amounts, if any, accrued to the date fixed for redemption. The Corporation will give the Trustee notice of each redemption at least forty-five days prior to the date fixed for redemption (unless a shorter notice is acceptable to the Trustee) as to the aggregate principal amount of Securities to be redeemed.

If fewer than all of the Securities of a series are to be redeemed, the Trustee shall select, pro rata or by lot or in such other manner as it shall deem reasonable and fair, the numbers of the Securities to be redeemed in whole or in part.

SECTION 3.03. Payment of Securities Called for Redemption. If notice of redemption has been given as above provided, the Securities or portions of Securities with



respect to which such notice has been given shall become due and payable on the date and at the Place of Payment stated in such notice at the applicable redemption price, together with interest, if any, and Additional Amounts, if any, accrued to the date fixed for redemption, and on and after said date (unless the Corporation shall default in the payment of such Securities at the redemption price, together with interest, if any, and Additional Amounts, if any, accrued to said date) interest on the Securities or portions of Securities so called for redemption shall cease to accrue. On presentation and surrender of such Securities subject to redemption at said Place of Payment in said notice specified, the said Securities or the specified portions thereof shall be paid and redeemed by the Corporation at the applicable redemption price, together with interest, if any, and Additional Amounts, if any, accrued thereon to the date fixed for redemption. Interest, if any, and Additional Amounts, if any, maturing on or prior to the date fixed for redemption shall continue to be payable (but without interest thereon unless the Corporation shall default in payment thereof) in the case of Coupon Securities to the bearers of the Coupons for such interest upon surrender thereof, and in the case of Registered Securities to the Holders thereof registered as such on the Security Register on the relevant record date subject to the terms and provisions of Section 2.04. At the option of the Corporation payment may be made by check to (or to the order of) the Holders of the Securities or other persons entitled thereto against presentation and surrender of such Securities.

If any Coupon Security surrendered for redemption shall not be accompanied by all appurtenant Coupons maturing after the date fixed for redemption, the surrender of such missing Coupon or Coupons may be waived by the Corporation and the Trustee, if there be furnished to each of them such security or indemnity as they may require to save each of them harmless.

Upon presentation of any Security redeemed in part only, the Corporation shall execute, and the Trustee shall authenticate and deliver to the Holder thereof, at the expense of the Corporation, a new Security or Securities, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Security so presented of the same series.

#### ARTICLE IV.

##### PARTICULAR COVENANTS OF THE CORPORATION.

SECTION 4.01. Payment of Principal, Premium, Interest and Additional Amounts. The Corporation shall duly and punctually pay or cause to be paid the principal of (and premium, if any), interest, if any, and Additional Amounts, if any, on each of the Securities at the place, at the respective times and in the manner provided in the terms of the Securities and in this Indenture. The interest on Coupon Securities (together with any Additional Amounts) shall be payable only upon presentation and surrender of the several Coupons for such interest installments as are evidenced thereby as they severally mature. The interest, if any, on any temporary bearer securities (together with any Additional Amounts) shall be paid, as to the installments of interest evidenced by Coupons attached thereto, if any, only upon presentation and surrender thereof, and, as to the other installments of interest, if any, only upon presentation of such Securities for notation thereon of the payment of such interest. The interest on Registered Securities (together with any Additional Amounts) shall be payable only

to the Holders thereof and at the option of the Corporation may be paid by (i) mailing checks for such interest payable to or upon the order of such Holders at their last addresses as they appear on the Security Register for such Securities or (ii) in the case of Holders of U.S.\$10,000,000 or more in aggregate principal amount of such Registered Securities, by wire transfer of immediately available funds, but only if the Trustee has received wire transfer instructions in writing not less than 15 days prior to the applicable Interest Payment Date.

SECTION 4.02. Offices for Notices and Payments, Etc. As long as any of the Securities of a series remain outstanding, the Corporation shall designate and maintain, in the Borough of Manhattan, The City of New York, an office or agency where the Registered Securities of such series may be presented for registration of transfer and for exchange as provided in this Indenture, an office or agency where notices and demands to or upon the Corporation in respect of the Securities of such series or of this Indenture may be served, and an office or agency where the Securities of such series may be presented for payment. The Corporation shall give to the Trustee notice of the location of each such office or agency and of any change in the location thereof. In case the Corporation shall fail to maintain any such office or agency in the Borough of Manhattan, The City of New York, or shall fail to give such notice of the location or of any change in the location thereof, presentations may be made and notices and demands may be served at the corporate trust office of the Trustee in the Borough of Manhattan, The City of New York, and the Corporation hereby appoints the Trustee as its agent to receive all such presentations, notices and demands.

If Unregistered Securities of any series are outstanding, the Corporation shall maintain or cause the Trustee to maintain one or more agencies in a city or cities located outside the United States (including any city in which such an agency is required to be maintained under the rules of any securities exchange on which the Securities of such series are listed) where such Unregistered Securities, and Coupons, if any, appertaining thereto may be presented for payment. No payment on any Unregistered Security or Coupon will be made upon presentation of such Unregistered Security or Coupon at an agency of the Corporation within the United States nor will any payment be made by transfer to an account in, or by mail to an address in, the United States, except, at the option of the Corporation, if the Corporation shall have determined that, pursuant to applicable United States laws and regulations then in effect such payment can be made without adverse tax consequences to the Corporation. Notwithstanding the foregoing, payments in U.S. Dollars with respect to Unregistered Securities of any series and Coupons appertaining thereto that are payable in U.S. Dollars may be made at an agency of the Corporation maintained in the Borough of Manhattan, The City of New York if such payment in U.S. Dollars at each agency maintained by the Corporation outside the United States for payment on such Unregistered Securities is illegal or is effectively precluded by exchange controls or other similar restrictions.

The Corporation hereby initially designates Bank One Trust Company, N.A., located at its Corporate Trust Office, as the Security Registrar and as the office or agency of the Corporation in the Borough of Manhattan, The City of New York, where the Securities may be presented for payment and, in the case of Registered Securities, for registration of transfer and for exchange as in this Indenture provided and where notices and demands to or upon the Corporation in respect of the Securities of any series or of this Indenture may be served.

SECTION 4.03. Provisions as to Paying Agent. (a) Whenever the Corporation

shall appoint a paying agent other than the Trustee with respect to the Securities of any series, it will cause such paying agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section:

(1) that it will hold sums held by it as such agent for the payment of the principal of (and premium, if any), interest, if any, or Additional Amounts, if any, on the Securities of such series in trust for the benefit of the Holders of the Securities of such series, or Coupons appertaining thereto, as the case may be, entitled thereto and will notify the Trustee of the receipt of sums to be so held,

(2) that it will give the Trustee notice of any failure by the Corporation (or by any other obligor on the Securities of such series) to make a payment of the principal of (or premium, if any), interest, if any, or Additional Amounts, if any, on the Securities of such series when the same shall be due and payable, and

(3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such paying agent.

(b) If the Corporation shall act as its own paying agent, it will, on or before each due date of the principal of (and premium, if any), interest, if any, or Additional Amounts, if any, on the Securities of any series set aside, segregate and hold in trust for the benefit of the Holders of the Securities of such series entitled thereto a sum sufficient to pay such principal (and premium if any), interest, if any, or Additional Amounts, if any, so becoming due. The Corporation will promptly notify the Trustee of any failure to take such action.

(c) Anything in this Section to the contrary notwithstanding, the Corporation may, at any time, for the purpose of obtaining a satisfaction and discharge with respect to one or more or all series of Securities hereunder, or for any other reason, pay or cause to be paid to the Trustee all sums held in trust for such series by it or any paying agent hereunder as required by this Section, such sums to be held by the Trustee upon the trusts herein contained.

(d) Anything in this Section to the contrary notwithstanding, the agreement to hold sums in trust as provided in this Section is subject to the provisions of Sections 12.04 and 12.05.

SECTION 4.04. Luxembourg Publications. In the event of the publication of any notice pursuant to Section 3.02, 6.07, 7.10, 7.11, 9.02, 10.02 or 12.05, the party making such publication shall also, to the extent that notice is required so to be given to Holders of Securities of a series by applicable Luxembourg law or stock exchange regulation, make a similar publication the same number of times in Luxembourg.

SECTION 4.05. Statement by Officers as to Default. The Corporation shall deliver to the Trustee, on or before a date not more than four months after the end of each fiscal year of the Corporation (which, on the date of execution hereof, ends on December 31) ending after the date hereof, commencing with the fiscal year ended in 2000, an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Corporation

is in default in the performance or observance of any of the terms, provisions and conditions of this Indenture to be performed or observed by it and, if the Corporation shall be in default, specifying all such defaults and the nature thereof of which they may have knowledge.

SECTION 4.06. Limitations on Liens. For the benefit of the Securities, the Corporation shall not, nor shall it permit any Manufacturing Subsidiary to, issue or assume any Debt secured by a Mortgage upon any Domestic Manufacturing Property of the Corporation or of any Manufacturing Subsidiary or upon any shares of stock or indebtedness of any Manufacturing Subsidiary (whether such Domestic Manufacturing Property, shares of stock or indebtedness are now owned or hereafter acquired) without in any such case effectively providing concurrently with the issuance or assumption of any such Debt that the Securities (together with, if the Corporation shall so determine, any other indebtedness of the Corporation or such Manufacturing Subsidiary ranking equally with the Securities and then existing or thereafter created) shall be secured equally and ratably with such Debt, unless the aggregate amount of Debt issued or assumed and so secured by Mortgages, together with (i) all other Debt of the Corporation and its Manufacturing Subsidiaries which (if originally issued or assumed at such time) would otherwise be subject to the foregoing restrictions, but not including Debt permitted to be secured under clauses (i) through (v) of the immediately following paragraph and not including Permitted Receivables Financings, and (ii) all Attributable Debt of the Company and its Manufacturing Subsidiaries in respect of sale and lease-back transactions, does not at the time exceed 15% of Consolidated Net Tangible Assets as shown on the audited consolidated financial statements for the most recently completed fiscal year.

The above restrictions shall not apply to: (i) Mortgages on property, shares of stock or indebtedness of any entity existing at the time (a) such entity becomes a Manufacturing Subsidiary or (b) of a sale, lease or other disposition of all or substantially all of the properties of the entity to the Corporation or a Manufacturing Subsidiary; (ii) Mortgages on property existing at the time of acquisition of such property by the Corporation or a Manufacturing Subsidiary, or Mortgages to secure the payment of all or any part of the purchase price of such property upon the acquisition of such property by the Corporation or a Manufacturing Subsidiary or to secure any Debt incurred prior to, at the time of, or within 180 days after, the later of the date of acquisition of such property and the date such property is placed in service, for the purpose of financing all or any part of the purchase price thereof, or Mortgages to secure any Debt incurred for the purpose of financing the cost to the Corporation or a Manufacturing Subsidiary of improvements to such acquired property; (iii) Mortgages securing Debt of a Manufacturing Subsidiary owing to the Corporation or to another Subsidiary; (iv) Mortgages on property of the Corporation or a Manufacturing Subsidiary in favor of the United States of America or any State thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any State thereof, or in favor of any other country, or any political subdivision thereof, in connection with financing arrangements between the Corporation or a Manufacturing Subsidiary and any of the foregoing governmental bodies or agencies, to the extent that Mortgages are required by the governmental programs under which those financing arrangements are made, to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of construction of the property subject to such Mortgages or (v) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part, of any Mortgage referred

to in the foregoing clauses (i) to (v), inclusively; provided however, that the principal amount of Debt secured thereby shall not exceed the principal amount of Debt so secured at the time of such extension, renewal or replacement and that such extension, renewal or replacement shall be limited to all or a part of the property that secured the Mortgage so extended, renewed or replaced (plus improvements on such property).

SECTION 4.07. Limitation on Sale and Lease-back. For the benefit of the Holders of the Securities, the Corporation shall not, nor shall it permit any Manufacturing Subsidiary to, enter into any arrangement with any person providing for the leasing by the Corporation or any Manufacturing Subsidiary of any Domestic Manufacturing Property owned by the Corporation or by any Manufacturing Subsidiary on the date that the Securities are originally issued (except for temporary leases for a term of not more than three years and except for leases between the Corporation and a Manufacturing Subsidiary or between Manufacturing Subsidiaries), which property has been or is to be sold or transferred by the Corporation or such Manufacturing Subsidiary to such person, unless either (i) the Corporation or such Manufacturing Subsidiary would be entitled, pursuant to the provisions of the covenant on limitation on liens described in Section 4.06, to issue, assume, extend, renew or replace Debt secured by a Mortgage upon such Domestic Manufacturing Property equal in amount to the Attributable Debt in respect of such arrangement without equally and ratably securing the Securities; provided, however, that from and after the date on which such arrangement becomes effective the Attributable Debt in respect of such arrangement shall be deemed for all purposes under the covenant on limitation on liens described in Section 4.06 and this covenant on limitation on sale and lease-back to be Debt subject to the provisions of such covenant on limitation on liens (which provisions include the exceptions set forth in clauses (i) through (v) of such covenant), or (ii) the Corporation shall apply an amount in cash equal to the Attributable Debt in respect of such arrangement to the retirement (other than any mandatory retirement or by way of payment at maturity), within 180 days of the effective date of any such arrangement, of Debt of the Corporation or any Manufacturing Subsidiary (other than Debt owned by the Corporation or any Manufacturing Subsidiary) which by its terms matures at, or is extendible or renewable at the option of the obligor to, a date more than twelve months after the date of the creation of such Debt.

SECTION 4.08. Definitions Applicable to Sections 4.06 and 4.07. The following definitions shall be applicable to the covenants contained in Sections 4.06 and 4.07 hereof:

(a) "Attributable Debt" means, at the time of determination as to any lease, the present value (discounted at the actual rate, if stated, or, if no rate is stated, the implicit rate of interest of such lease transaction as determined by the Chairman, President, any Vice Chairman, any Vice President, the Treasurer or any Assistant Treasurer of the Corporation), calculated using the interval of scheduled rental payments under such lease, of the obligation of the lessee for net rental payments during the remaining term of such lease (excluding any subsequent renewal or other extension options held by the lessee). The term "net rental payments" means, with respect to any lease for any period, the sum of the rental and other payments required to be paid in such period by the lessee thereunder, but not including any amounts required to be paid by such lessee (whether or not designated as rental or additional rental) on account of maintenance and repairs, insurance, taxes, assessments, water rates,

indemnities or similar charges required to be paid by such lessee thereunder or any amounts required to be paid by such lessee thereunder contingent upon the amount of sales, earnings or profits or of maintenance and repairs, insurance, taxes, assessments, water rates, indemnities or similar charges; provided, however, that, in the case of any lease which is terminable by the lessee upon the payment of a penalty in an amount which is less than the total discounted net rental payments required to be paid from the later of the first date upon which such lease may be so terminated and the date of the determination of net rental payments, "net rental payments" shall include the then current amount of such penalty from the later of such two dates, and shall exclude the rental payments relating to the remaining period of the lease commencing with the later of such two dates.

(b) "Consolidated Net Tangible Assets" means, as calculated in accordance with GAAP, at any date, all amounts that would be set forth opposite the caption "total assets" (or any like caption) on a consolidated balance sheet of the Company and its consolidated Subsidiaries less (i) all current liabilities and (ii) goodwill, trade names, patents, unamortized debt discount, organization expenses and other like intangibles of the Corporation and its consolidated Subsidiaries.

(c) "Debt" means notes, bonds, debentures or other similar evidences of indebtedness for money borrowed.

(d) "Domestic Manufacturing Property" means any manufacturing plant or facility owned by the Corporation or any Manufacturing Subsidiary which is located within the continental United States of America and, in the opinion of the Board of Directors, is of material importance to the total business conducted by the Corporation and its consolidated affiliates as an entity.

(e) "GAAP" means generally accepted accounting principles in the United States of America as in effect from time to time set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and the statements and pronouncements of the Financial Accounting Standards Board, or in such other statements by any successor entity as may be in general use by significant segments of the accounting professions, which are applicable to the circumstances as of the date of determination.

(f) "Manufacturing Subsidiary" means any Subsidiary (A) substantially all the property of which is located within the continental United States of America, (B) that owns a Domestic Manufacturing Property and (C) in which the Corporation's investment, direct or indirect and whether in the form of equity, debt, advances or otherwise, is in excess of U.S. \$1 billion as shown on the books of the Corporation as of the end of the fiscal year immediately preceding the date of determination; provided, however, that "Manufacturing Subsidiary" shall not include any Subsidiary that is principally engaged in leasing or in financing installment receivables or otherwise providing financial or insurance services to

the Corporation or others or that is principally engaged in financing the Corporation's operations outside the continental United States of America.

(g) "Mortgage" means any mortgage, pledge, lien, security interest, conditional sale or other title retention agreement or other similar encumbrance.

(h) "Non-Recourse Debt" means all Debt which, in accordance with GAAP, is not required to be recognized on a consolidated balance sheet of the Corporation as a liability.

(i) "Permitted Receivables Financings" means, at any date of determination, the aggregate amount of any Non-Recourse Debt outstanding on such date relating to securitizations or other similar off-balance sheet financings of accounts receivable of the Corporation or any of its Subsidiaries.

(j) "Subsidiary" means any corporation or other entity of which at least a majority of the outstanding stock or other beneficial interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other governing body of such corporation or other entity (irrespective of whether or not at the time stock or other beneficial interests of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by the Corporation, or by one or more Subsidiaries, or by the Corporation and one or more Subsidiaries.

#### ARTICLE V.

##### SECURITYHOLDER LISTS AND REPORTS BY THE CORPORATION AND THE TRUSTEE.

SECTION 5.01. Securityholder Lists. The Corporation covenants and agrees that it will furnish or cause to be furnished to the Trustee with respect to the Securities of each series:

(a) semiannually, not later than each Interest Payment Date (in the case of any series having semiannual Interest Payment Dates) or not later than the dates determined pursuant to Section 2.01 (in the case of any series not having semiannual Interest Payment Dates) a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Securities of such series as of the Regular Record Date (or as of such other date as may be determined pursuant to Section 2.01 for such series) therefor, and

(b) at such other times as the Trustee may request in writing within thirty days after receipt by the Corporation of any such request, a list in such form as the Trustee may reasonably require of the names and addresses of the Holders of Securities of a particular series specified by the Trustee as of a date not more than fifteen days prior to the time such information is furnished; provided, however, that if and so long as the Trustee shall be the Security Registrar any such list shall exclude names and addresses received by the Trustee in its capacity as Security Registrar, and if and so long as all of the Securities of any series are Registered Securities, such list shall not be required to be furnished.

SECTION 5.02. Preservation and Disclosure of Lists. (a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders of each series of Securities (i) contained in the most recent list furnished to it as provided in Section 5.01, (ii) received by the Trustee in its capacity as Security Registrar or Paying Agent, or (iii) filed with it within the preceding two years pursuant to Section 313(c) of the Trust Indenture Act of 1939. The Trustee may destroy any list furnished to it as provided in Section 5.01 upon receipt of a new list so furnished.

(b) In case three or more Holders of Securities (hereinafter referred to as

"applicants") apply in writing to the Trustee and furnish to the Trustee reasonable proof that each such applicant has owned a Security of such series for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Holders of Securities of a particular series (in which case the applicants must hold Securities of such series) or with Holders of all Securities with respect to their rights under this Indenture or under such Securities and it is accompanied by a copy of the form of proxy or other communication that such applicants propose to transmit, then the Trustee shall, within five business days after the receipt of such application, at its election, either:

(1) afford to such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of subsection (a) of this Section, or

(2) inform such applicants as to the approximate number of Holders of Securities of such series or all Securities, as the case may be, whose names and addresses appear in the information preserved at the time by the Trustee, in accordance with the provisions of subsection (a) of this Section, and as to the approximate cost of mailing to such Securityholders the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford to such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each Holder of such series or all Securities, as the case may be, whose name and address appear in the information preserved at the time by the Trustee in accordance with the provisions of subsection (a) of this Section, a copy of the form of proxy or other communication that is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing, unless within five days after such tender, the Trustee shall mail to such applicants and file with the Securities and Exchange Commission, together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the Holders of Securities of such series or all Securities, as the case may be, or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If said Commission, after opportunity for appearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections or if, after the entry of an order sustaining one or more of such objections, said Commission shall find, after notice and opportunity for hearing, that all the objections so sustained have been met, and shall enter an order so declaring, the Trustee shall mail copies of such material to all such Holders with reasonable promptness after the entry of such order and the renewal of such tender; otherwise the Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

(c) Each and every Holder of Securities, by receiving and holding the same, agrees with the Corporation and the Trustee that neither the Corporation nor the Trustee nor any agent of the Corporation or of the Trustee shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders of Securities in accordance with the provisions of subsection (b) of this Section, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under said subsection (b).



## SECTION 5.03. Reports by the Corporation. The Corporation

covenants:

(a) to file with the Trustee within fifteen days after the Corporation is required to file the same with the Securities and Exchange Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as said Commission may from time to time by rules and regulations prescribe) which the Corporation may be required to file with said Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Corporation is not required to file information, documents or reports pursuant to either of such sections, then to file with the Trustee and said Commission, in accordance with rules and regulations prescribed from time to time by said Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations.

(b) to file with the Trustee and the Securities and Exchange Commission, in accordance with the rules and regulations prescribed from time to time by said Commission, such additional information, documents, and reports with respect to compliance by the Corporation with the conditions and covenants provided for in this Indenture as may be required from time to time by such rules and regulations;

(c) to transmit by mail to all the Holders of Securities of each series, as the names and addresses of such Holders appear on the Security Register, within thirty days after the filing thereof with the Trustee, such summaries of any information, documents and reports required to be filed by the Corporation with respect to each such series pursuant to subsections (a) and (b) of this Section as may be required by rules and regulations prescribed from time to time by the Securities and Exchange Commission; and

(d) If Unregistered Securities of any series are outstanding, to file with the listing agent of the Corporation with respect to such series such documents and reports of the Corporation as may be required from time to time by the rules and regulations of any stock exchange on which such Unregistered Securities are listed.

SECTION 5.04. Reports by the Trustee. (a) On or before May 15, 2001 and on or before May 15, of each year thereafter, so long as any Securities of any series are outstanding hereunder, the Trustee shall transmit to the Holders of Securities of such series, in the manner provided by Section 313(c) of the Trust Indenture Act of 1939, a brief report dated as of the preceding February 15, as may be required by Sections 313(a) and (b) of the Trust Indenture Act of 1939.

(b) A copy of each such report shall, at the time of such transmission to Holders of Securities of a particular series, be filed by the Trustee with each stock exchange upon which the Securities of such series are listed and also with the Securities and Exchange Commission. The Corporation agrees to notify the Trustee when and as the Securities of any series become listed on any stock exchange.

## ARTICLE VI.

## REMEDIES ON DEFAULT.

SECTION 6.01. Events of Default. In case one or more of the following Events of Default with respect to a particular series of Securities shall have occurred and be continuing, that is to say:

(a) default in the payment of the principal of (or premium, if any, on) any of the Securities of such series as and when the same shall become due and payable either at maturity, upon redemption, by declaration or otherwise, and continuance of such default for a period of five business days after written notice from the trustee; or

(b) default in the payment of any installment of interest, if any, or in the payment of any Additional Amounts upon any of the Securities of such series as and when the same shall become due and payable, and continuance of such default for a period of thirty days after written notice from the Trustee; or

(c) failure on the part of the Corporation duly to observe or perform any other of the covenants or agreements on the part of the Corporation applicable to such series of the Securities or contained in this Indenture for a period of ninety days after the date on which written notice of such failure, requiring the Corporation to remedy the same, shall have been given to the Corporation by the Trustee, or to the Corporation and the Trustee by the Holders of at least twenty-five percent in aggregate principal amount of the Securities of such series at the time outstanding; or

(d) default by the Corporation or any Significant Subsidiary in any payment of \$25,000,000 or more of principal of or interest on any Debt or in the payment of \$25,000,000 or more on account of any guarantee in respect of Debt, beyond any period of grace that may be provided in the instrument or agreement under which such Debt or guarantee was created.

(e) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Corporation in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoint a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Corporation or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs, and such decree or order shall remain unstayed, undismissed and unbonded and in effect for a period of ninety days; or

(f) the Corporation shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Corporation or for a substantial part of its property, or shall make any general assignment for the benefit of creditors;

then if an Event of Default described in clause (a), (b), (c) or (d) shall have occurred and be continuing, and in each and every such case, unless the principal amount of all the Securities of such series shall have already become due and payable, either the Trustee or the Holders

of not less than twenty-five percent in aggregate principal amount of the Securities of all series affected thereby then outstanding hereunder, by notice in writing to the Corporation (and to the Trustee if given by Holders of such Securities) may declare the principal amount of all the Securities (or, with respect to Original Issue Discount Securities, such lesser amount as may be specified in the terms of such Securities) of the series affected thereby to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, any provision of this Indenture or the Securities of such series to the contrary notwithstanding, or, if an Event of Default described in clause (e) or (f) shall have occurred and be continuing, and in each and every such case, either the Trustee or the Holders of not less than twenty-five percent in aggregate principal amount of all the Securities then outstanding hereunder (voting as one class), by notice in writing to the Corporation (and to the Trustee if given by Holders of securities), may declare the principal of all the Securities not already due and payable (or, with respect to Original Issue Discount Securities, such lesser amount as may be specified in the terms of such Securities) to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, any provision in this Indenture or in the Securities to the contrary notwithstanding. The foregoing provisions, however, are subject to the conditions that if, at any time after the principal of the Securities of any one or more or all series, as the case may be, shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, the Corporation shall pay or shall deposit with the Trustee a sum sufficient to pay all matured installments of interest, if any, and all Additional Amounts, if any, due upon all the Securities of such series or of all the Securities, as the case may be, and the principal of (and premium, if any, on) all Securities of such series or of all the Securities, as the case may be (or, with respect to Original Issue Discount Securities, such lesser amount as may be specified in the terms of such Securities), which shall have become due otherwise than by acceleration (with interest, if any, upon such principal and premium, if any, and, to the extent that payment of such interest is enforceable under applicable law, on overdue installments of interest and Additional Amounts, if any, at the same rate as the rate of interest specified in the Securities of such series, as the case may be (or, with respect to Original Issue Discount Securities, at the rate specified in the terms of such Securities for interest on overdue principal thereof upon maturity, redemption or acceleration of such series, as the case may be), to the date of such payment or deposit), and such amount as shall be payable to the Trustee pursuant to Section 7.06, and any and all defaults under the Indenture shall have been remedied, then and in every such case the Holders of a majority in aggregate principal amount of the Securities of such series (or of all the Securities, as the case may be) then outstanding, by written notice to the Corporation and to the Trustee, may waive all defaults with respect to that series or with respect to all Securities, as the case may be, and rescind and annul such declaration and its consequences; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon. If the principal of all Securities shall have been declared to be payable pursuant to this Section 6.01, in determining whether the Holders of a majority in aggregate principal amount thereof have waived all defaults and rescinded and annulled such declaration, all series of Securities shall be treated as a single class and the principal amount of Original Issue Discount Securities shall be deemed to be the amount declared payable under the terms applicable to such Original Issue Discount Securities.

In case the Trustee shall have proceeded to enforce any right under this Indenture and

such proceedings shall have been discontinued or abandoned because of such rescission and annulment or for any other reason or shall have been determined adversely to the Trustee, then and in every such case the Corporation, Trustee and the Holders of Securities, as the case may be, shall be restored respectively to their former positions and rights hereunder, and all rights, remedies and powers of the Corporation, the Trustee and the Holders of Securities, as the case may be, shall continue as though no such proceedings had been taken.

SECTION 6.02. Payment of Securities on Default; Suit Therefor.

The Corporation covenants that (1) in case default shall be made in the payment of any installment of interest, if any, on any of the Securities of any series or any Additional Amounts payable in respect of any of the Securities of any series, as and when the same shall become due and payable, and such default shall have continued for a period of thirty days or (2) in case default shall be made in the payment of the principal of (or premium, if any, on) any of the Securities of any series, as and when the same shall have become due and payable, whether upon maturity of such series or upon redemption or upon declaration or otherwise, then upon demand of the Trustee, the Corporation shall pay to the Trustee, for the benefit of the Holders of the Securities of such series, and the Coupons, if any, appertaining to such Securities, the whole amount that then shall have become due and payable on all such Securities of such series and such Coupons, for principal ( and premium, if any) or interest, if any, or Additional Amounts, if any as the case may be, with interest upon the overdue principal (and premium, if any) and (to the extent that payment of such interest is enforceable under applicable law) upon overdue installments of interest, if any, and Additional Amounts, if any, at the same rate as the rate of interest specified in the Securities of such series (or, with respect to Original Issue Discount Securities, at the rate specified in the terms of such Securities for interest on overdue principal thereof upon maturity, redemption or acceleration); and, in addition thereto, such further amounts as shall be payable pursuant to Section 7.06.

In case the Corporation shall fail forthwith to pay such amounts upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Corporation or other obligor upon such Securities and collect in the manner provided by law out of the property of the Corporation or other obligor upon such Securities wherever situated the moneys adjudged or decreed to be payable.

In case there shall be pending proceedings for the bankruptcy or for the reorganization of the Corporation or any other obligor upon Securities of any series under Title 11 of the United States Code or any other applicable law, or in case a receiver or trustee shall have been appointed for the property of the Corporation or such other obligor, or in case of any other judicial proceedings relative to the Corporation or such other obligor, or to the creditors or property of the Corporation or such other obligor, the Trustee, irrespective of whether the principal of the Securities of such series shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount of principal (or, with respect to Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of that series), and premium, if any, interest,

if any, and Additional Amounts, if any, owing and unpaid in respect of the Securities of such series, and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee under Section 7.06 and of the Holders of the Securities and Coupons of such series allowed in any such judicial proceedings relative to the Corporation or other obligor upon the Securities of such series, or to the creditors or property of the Corporation or such other obligor, and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the Securityholders of such series and of the Trustee on their behalf; and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of the Holders of the Securities and Coupons of such series to make payments to the Trustee and, in the event that the Trustee shall consent to the making of payments directly to the Securityholders of such series, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other reasonable expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

All rights of action and of asserting claims under this Indenture, or under any of the Securities, may be enforced by the Trustee without the possession of any of the Securities or Coupons appertaining to such Securities, or the production thereof in any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Trustee shall be brought in its own name and as trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the Holders of the Securities or Coupons appertaining thereto.

In case of a default hereunder the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

SECTION 6.03. Application of Moneys Collected by Trustee. Any moneys collected by the Trustee pursuant to Section 6.02 shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such moneys on account of principal (or premium, if any) or interest, if any, upon presentation of the several Securities and Coupons in respect of which moneys have been collected, and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

FIRST: To the payment of the amounts payable to the Trustee pursuant to Section 7.06;

SECOND: In case the principal of the Securities in respect of which moneys have been

collected shall not have become due, to the payment of interest, if any, and Additional Amounts, if any, on the Securities of such series in the order of the maturity of the installments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue installments of interest and Additional Amounts, if any, at the same rate as the rate of interest, if any, specified in the Securities of such series (or, with respect to Original Issue Discount Securities, at the rate specified in the terms of such Securities for interest on overdue principal thereof upon maturity, redemption or acceleration), such payments to be made ratably to the persons entitled thereto, without discrimination or preference; and

THIRD: In case the principal of the Securities in respect of which moneys have been collected shall have become due, by declaration or otherwise, to the payment of the whole amount then owing and unpaid upon the Securities of such series for principal (and premium, if any), interest, if any, and Additional Amounts, if any, and (to the extent that such interest has been collected by the Trustee) upon overdue installments of interest, if any, and Additional Amounts, if any, at the same rate as the rate of interest specified in the Securities of such series (or, with respect to Original Issue Discount Securities, at the rate specified in the terms of such Securities for interest on overdue principal thereof upon maturity, redemption or acceleration); and in case such moneys shall be insufficient to pay in full the whole amount so due and unpaid upon the Securities of such series, then to the payment of such principal (and premium, if any), interest, if any, and Additional Amounts, if any, without preference or priority of principal (and premium, if any), over interest, if any, and Additional Amounts, if any, or of interest, if any, and Additional Amounts, if any, over principal (and premium, if any), or of any installment of interest, if any, or Additional Amounts, if any, over any other installment of interest, if any, or Additional Amounts, if any, or of any Security of such series over any other Security of such series, ratably to the aggregate of such principal (and premium, if any), and accrued and unpaid interest, if any, and Additional Amounts, if any.

SECTION 6.04. Proceedings by Securityholders. No Holder of any Security of any series or of any Coupon appertaining thereto shall have any right by virtue or by availing of any provision of this Indenture to institute any action or proceedings at law or in equity or in bankruptcy or otherwise, upon or under or with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless such Holder previously shall have given to the Trustee written notice of default and of the continuance thereof, as hereinbefore provided, and unless also the Holders of not less than twenty-five percent in aggregate principal amount of the Securities of such series then outstanding or, in the case of any Event of Default described in clause (d) or (e) of Section 6.01, twenty-five per cent in aggregate principal amount of all the Securities at the time outstanding (voting as one class) shall have made written request upon the Trustee to institute such action or proceedings in its own name as Trustee hereunder and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee for sixty days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceedings and no direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 6.06; it being understood and intended and being expressly covenanted by the taker and Holder of every Security with every other taker and Holder and the Trustee, that no one or more Holders of Securities or Coupons appertaining to such Securities shall have any right in any manner whatever by virtue of or by availing himself, herself or itself of any provision of this

Indenture to affect, disturb or prejudice the rights of any other Holder of Securities or Coupons appertaining to such Securities, or to obtain or seek to obtain priority over or preference to any other such Holder or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all Holders of Securities and Coupons. For the protection and enforcement of the revisions of this Section, each and every Securityholder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Notwithstanding any other provisions in this Indenture, however, the right of any Holder of any Security to receive payment of the principal of (and premium, if any) and interest, if any, and Additional Amounts, if any, on such Security or Coupon, on or after the respective due dates expressed in such Security or Coupon, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder. With respect to original Issue Discount Securities, principal shall mean such amount as shall be due and payable as may be specified in the terms of such Securities.

SECTION 6.05. Remedies Cumulative and Continuing. All powers and remedies given by this Article Six to the Trustee or to the Holders of Securities or Coupons shall, to the extent permitted by law, be deemed cumulative and not exclusive of any thereof or of any other powers and remedies available to the Trustee or the Holders of Securities or Coupons, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements contained in this Indenture, and no delay or omission of the Trustee or of any Holder of any of the Securities or Coupons to exercise any right or power accruing upon any default occurring and continuing as aforesaid shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and, subject to the provisions of Section 6.04, every power and remedy given by this Article Six or by law to the Trustee or to the Holders of Securities or Coupons may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Holders of Securities or Coupons, as the case may be.

SECTION 6.06. Direction of Proceedings. The Holders of a majority in aggregate principal amount of the Securities of any or all series affected (voting as one class) at the time outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; provided, however, that (i) such direction shall not be in conflict with any rule of law or with this Indenture, (ii) the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction and (iii) the Trustee shall have the right to decline to follow any such direction if the Trustee, being advised by counsel, determines that the action or proceedings so directed would be prejudicial to the Holders not joining in such direction or may not lawfully be taken or if the Trustee in good faith by its board of directors or executive committee or a trust committee of directors or trustees and/or responsible officers shall determine that the action or proceedings so directed would involve the Trustee in personal liability.

Prior to any declaration accelerating the maturity of the Securities of any series, the holders of a majority in aggregate principal amount of the Securities of such series at the time outstanding may on behalf of the Holders of all of the Securities of such series waive any past default or Event of Default hereunder and its consequences, except a default in the payment

of principal of (premium, if any) or interest, if any, or Additional Amounts, if any, on any Securities of such series or in respect of a covenant or provision hereof that may not be modified or amended without the consent of the Holders of each outstanding Security of such series affected. Upon any such waiver the Corporation, the Trustee and the Holders of the Securities of such series shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon. Whenever any default or Event of Default hereunder shall have been waived as permitted by this Section 6.06, said default or Event of Default shall for all purposes of the Securities of such series and this Indenture be deemed to have been cured and to be not continuing.

SECTION 6.07. Notice of Defaults. The Trustee shall, within ninety days after the occurrence of a default with respect to the Securities of any series, give notice of all defaults with respect to that series known to the Trustee (i) if any Unregistered Securities of that series are then outstanding, to the Holders thereof, by publication at least once in an Authorized Newspaper in the Borough of Manhattan, The City of New York and at least once in an Authorized Newspaper in London (and, if required by Section 4.04, at least once in an Authorized Newspaper in Luxembourg), (ii) if any Unregistered Securities of that series are then outstanding, to all Holders thereof who have filed their names and addresses with the Trustee as described in Section 313(c) of the Trust Indenture Act of 1939, by mailing such notice to such Holders at such addresses and (iii) to all Holders of then outstanding Registered Securities of that series, by mailing such notice to such Holders at their addresses as they shall appear on the Security Register, unless in each case such defaults shall have been cured before the mailing or publication of such notice (the term "defaults" for the purpose of this Section being hereby defined to be the events specified in Sections 6.01(a), (b), (c), (d), (e) and (f) and any additional events specified in the terms of any series of Securities pursuant to Section 2.01, not including periods of grace, if any, provided for therein, and irrespective of the giving of written notice specified in Section 6.01 (c) or in the terms of any Securities established pursuant to Section 2.01); and provided that, except in the case of default in the payment of the principal of (premium, if any), interest, if any, or Additional Amounts, if any, on any of the Securities of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors or responsible officers of the Trustee in good faith determines that the withholding of such notice is in the interests of the Holders of the Securities of such series.

SECTION 6.08. Undertaking to Pay Costs. All parties to this Indenture agree, and each Holder of any Security by his, her or its acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; provided that, the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Securityholders of any series, or group of such Securityholders, holding in the aggregate more than ten percent in aggregate principal amount of all Securities (voting as one class) or to any suit instituted by any Securityholders for the enforcement of the payment of the principal of (or premium, if any), interest, if any, or Additional Amounts, if any, on any Security on or after the due date expressed in such Security.



## ARTICLE VII.

## CONCERNING THE TRUSTEE.

SECTION 7.01. Duties and Responsibilities of Trustee. The Trustee, prior to the occurrence of an Event of Default of a particular series and after the curing of all Events of Default of such series that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default with respect to a particular series has occurred (which has not been cured) the Trustee shall exercise such of the rights and powers vested in it, by this Indenture, and use the same degree of care and skill in its exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) prior to the occurrence of an Event of Default with respect to a particular series and after the curing of all Events of Default with respect to such series that may have occurred:

(1) the duties and obligations of the Trustee with respect to such series shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture;

(b) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer or officers, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of Securities pursuant to Section 6.06 relating to the time, method and place, of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

No provision of this Indenture shall be construed as requiring the Trustee to expend or

risk its own funds or otherwise to incur any personal financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there shall be reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

SECTION 7.02. Reliance on Documents, Opinions, Etc. Subject to the provisions of Section 7.01:

(a) the Trustee may rely, and shall be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, note, Coupon or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request, direction, order or demand of the Corporation mentioned herein shall be sufficiently evidenced by an instrument signed in the name of the Corporation by the Chairman of the Board of Directors or any Vice Chairman of the Board of Directors or the President or any Vice President or the Treasurer and by the Secretary or any Assistant Secretary or, if the other signatory is other than the Treasurer, any Assistant Treasurer (unless other evidence in respect thereof be herein specifically prescribed); and a Board Resolution may be evidenced to the Trustee by a copy thereof certified by the Secretary or any Assistant Secretary of the Corporation;

(c) the Trustee may consult with counsel and any advice or Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(d) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Securityholders, pursuant to the provisions of this Indenture, unless such Securityholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses, and liabilities which might be incurred therein or thereby;

(e) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, coupon or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the relevant books, records and premises of the Corporation, personally or by agent or attorney;

(f) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys, provided, however, that the Trustee shall be responsible for any misconduct or negligence on the part of any agent or attorney appointed by it hereunder; and

(g) the Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture.

SECTION 7.03. No Responsibility for Recitals, Etc. The recitals contained herein and in the Securities, other than the Trustee's certificate of authentication, shall be taken as the statements of the Corporation, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities, provided that the Trustee shall not be relieved of its duty to authenticate Securities only as authorized by this Indenture. The Trustee shall not be accountable for the use or application by the Corporation of Securities or the proceeds thereof.

SECTION 7.04. Ownership of Securities or Coupons. The Trustee or any agent of the Corporation or of the Trustee, in its individual or any other capacity, may become the owner or pledgee of Securities or Coupons with the same rights it would have if it were not Trustee, or an agent of the Corporation or of the Trustee.

SECTION 7.05. Moneys to Be Held in Trust. Subject to the provisions of Sections 12.04 and 12.05 hereof, all moneys received by the Trustee or any paying agent shall, until used or applied as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received by it hereunder except such as it may agree with the Corporation to pay thereon. So long as no Event of Default shall have occurred and be continuing, all interest allowed on any such moneys shall be paid from time to time upon the written order of the Corporation, signed by its Chairman of the Board of Directors or any Vice Chairman of the Board of Directors or its President or any Vice President or its Treasurer or any Assistant Treasurer.

SECTION 7.06. Compensation and Expenses of Trustee. The Corporation covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, reasonable compensation, and, except as otherwise expressly provided, the Corporation will pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Indenture (including the reasonable compensation, expenses and disbursements of its counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence or bad faith. If any property other than cash shall at any time be subject to the lien of this Indenture, the Trustee, if and to the extent authorized by a receivership or bankruptcy court of competent jurisdiction or by the supplemental instrument subjecting such property to such lien, shall be entitled to make advances for the purpose of preserving such property or of discharging tax liens or other prior liens or encumbrances hereon. The Corporation also covenants to indemnify the Trustee for, and to hold it harmless against, any loss, liability or reasonable expense incurred without negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, including the reasonable costs and expenses of defending itself against any claim of liability in the premises. The obligations of the Corporation under this Section to compensate the Trustee and to pay or reimburse the Trustee for reasonable expenses, disbursements and advances shall constitute additional indebtedness hereunder. Such additional indebtedness shall be secured by a lien prior to that of the Securities upon all property and funds held or

collected by the Trustee as such, except funds held in trust for the benefit of the Holders of particular Securities or Coupons.

SECTION 7.07. Officers' Certificate as Evidence. Subject to the provisions of Section 7.01, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action to be taken hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee, and such Certificate, in the absence of negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted by it under the provisions of this Indenture upon the faith thereof.

SECTION 7.08. Conflicting Interest of Trustee. The Trustee shall comply with Section 310(b) of the Trust Indenture Act of 1939.

SECTION 7.09. Eligibility of Trustee. There shall at all times be a trustee hereunder which shall be a corporation organized and doing business under the laws of the United States or of any State or Territory thereof or of the District of Columbia, which (a) is authorized under such laws to exercise corporate trust powers and (b) is subject to supervision or examination by Federal, State, Territorial or District of Columbia authority and (c) shall have at all times a combined capital and surplus of not less than U.S. \$50 million. If such corporation publishes reports of condition at least annually, pursuant to law, or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation at any time shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, the Trustee shall resign immediately in the manner and with the effect specified in Section 7.10.

SECTION 7.10. Resignation or Removal of Trustee. (a) The Trustee, or any trustee or trustees hereafter appointed, may, upon sixty days written notice to the Corporation, at any time resign with respect to one or more or all series by giving written notice of resignation to the Corporation (i) if any Unregistered Securities of a series affected are then outstanding, by giving notice of such resignation to the Holders thereof, by publication at least once in an Authorized Newspaper in London (and, if required by Section 4.04, at least once in an Authorized Newspaper in Luxembourg), (ii) if any Unregistered Securities of a series affected are then outstanding, by mailing notice of such resignation to the Holders thereof who have filed their names and addresses with the Trustee as described in Section 313(c) of the Trust Indenture Act of 1939 at such addresses as were so furnished to the Trustee and (iii) by mailing notice of such resignation to the Holders of then outstanding Registered Securities of each series affected at their addresses as they shall appear on the Security Register. Upon receiving such notice of resignation the Corporation shall promptly appoint a successor trustee with respect to the applicable series by written instrument, in duplicate, executed by order of the Board of Directors of the Corporation, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted appointment within thirty days after the mailing of such notice of resignation to the Securityholders, the resigning Trustee may petition any court

of competent jurisdiction for the appointment of a successor trustee, or any Securityholder who has been a bona fide Holder of a Security or Securities of the applicable series for at least six months may, subject to the provisions of Section 6.08, on behalf of himself, herself or itself and all others similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) In case at any time any of the following shall occur:

(i) the Trustee shall fail to comply with Section 7.08 with respect to any series of Securities after written request therefor by the Corporation or by any Securityholder who has been a bona fide Holder of a Security or Securities of such series for at least six months, or

(ii) the Trustee shall cease to be eligible in accordance with the provision of Section 7.09 with respect to any series of Securities and shall fail to resign after written request therefor by the Corporation or by any such Securityholder, or

(iii) the Trustee shall become incapable of acting with respect to any series of Securities, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, the Corporation may remove the Trustee with respect to the applicable series of Securities and appoint a successor trustee with respect to such series by written instrument, in duplicate, executed by order of the Board of Directors of the Corporation, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee, or, subject to the provisions of Section 6.08, any Securityholder of such series who has been a bona fide Holder of a Security or Securities of the applicable series for at least six months may, on behalf of himself, herself or itself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee with respect to such series. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(c) The Holders of a majority in aggregate principal amount of the Securities of all series (voting as one class) at the time outstanding may at any time remove the Trustee with respect to Securities of all series and appoint a successor trustee with respect to the Securities of all series.

(d) Any resignation or removal of the Trustee and any appointment of a successor trustee pursuant to any of the provisions of this Section shall become effective upon acceptance of appointment by the successor trustee as provided in Section 7.11.

SECTION 7.11. Acceptance by Successor Trustee. Any successor trustee appointed as provided in Section 7.10 shall execute, acknowledge and deliver to the Corporation and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal the predecessor trustee with respect to

all or any applicable series shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations with respect to such series of its predecessor hereunder, with like effect as if originally named as trustee herein; but, on the written request of the Corporation or of the successor trustee, the trustee ceasing to act shall, upon payment of any amounts then due it pursuant to the provisions of Section 7.06, execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon request of any such successor trustee, the Corporation shall execute any and all instruments in writing in order more fully and certainly to vest in and confirm to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Section 7.06.

In case of the appointment hereunder of a successor trustee with respect to the Securities of one or more (but not all) series, the Corporation, the predecessor Trustee and each successor trustee with respect to the Securities of any applicable series shall execute and deliver an indenture supplemental hereto that shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the predecessor Trustee with respect to the Securities of any series as to which the predecessor Trustee is not retiring shall continue to be vested in the predecessor Trustee, and shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such trustees co-trustees of the same trust and that each such trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such trustee.

No successor trustee shall accept appointment as provided in this Section unless at the time of such acceptance such successor trustee shall be qualified under the provisions of Section 7.08 and eligible under the provisions of Section 7.09.

Upon acceptance of appointment by a successor trustee as provided in this Section, the Corporation shall give notice of the succession of such trustee hereunder (a) if any Unregistered Securities of a series affected are then outstanding, to the Holders thereof by publication of such notice at least once in an Authorized Newspaper in the Borough of Manhattan, The City of New York and at least once in an Authorized Newspaper in London (and, if required by Section 4.04, at least once in an Authorized Newspaper in Luxembourg), (b) if any Unregistered Securities of a series affected are then outstanding, to the Holders thereof who have filed their names and addresses with the Trustee pursuant to Section 313(c) of the Trust Indenture Act, by mailing such notice to such Holders at such addresses as were so furnished to the Trustee (and the Trustee shall make such information available to the Corporation for such purpose) and (c) to the Holders of Registered Securities of each series affected, by mailing such notice to such Holders at their addresses as they shall appear on the Security Register. If the Corporation fails to mail such notice in the prescribed manner within ten days after the acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be so given at the expense of the Corporation.

SECTION 7.12. Successor by Merger, Etc. Any corporation into which the

Trustee 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 Trustee shall be a party, or any corporation succeeding to the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be qualified under the provisions of Section 7.08 and eligible under the provisions of Section 7.09, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 7.13. Limitations on Rights of Trustee as Creditor. The Trustee shall comply with Section 311(a) of the Trust Indenture Act of 1939.

#### ARTICLE VIII.

##### CONCERNING THE SECURITYHOLDERS.

SECTION 8.01. Action by Securityholders. Whenever in this Indenture it is provided that the Holders of a specified percentage in aggregate principal amount of the Securities of any or all series may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the Holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of similar tenor executed by Securityholders in person or by agent or proxy appointed in writing, or (b) by the record of the Holders of Securities voting in favor thereof at any meeting of Securityholders duly called and held in accordance with the provisions of Article Nine, or (c) by a combination of such instrument or instruments and any such record of such a meeting of Securityholders.

In determining whether the Holders of a specified percentage in aggregate principal amount of the Securities have taken any action (including the making of any demand or request, the waiving of any notice, consent or waiver or the taking of any other action), the principal amount of any Original Issue Discount Security that may be counted in making such determination and that shall be deemed to be outstanding for such purposes shall be equal to the amount of the principal thereof that could be declared to be due and payable upon an Event of Default pursuant to the terms of such Original Issue Discount Security at the time the taking of such action is evidence to the Trustee.

SECTION 8.02. Proof of Execution by Securityholders. Subject to the provisions of Sections 7.01, 7.02 and 9.05, proof of the execution of any instrument by a Securityholder or its agent or proxy shall be sufficient if made in the following manner:

(a) In the case of Holders of Unregistered Securities, the fact and date of the execution by any such person of any instrument may be proved by the certificate of any notary public or other officer of any jurisdiction authorized to take acknowledgments of deeds or administer oaths that the person executing such instruments acknowledged to him the execution thereof or by an affidavit of a witness to such execution sworn to before any such notary or other such officer. Where such execution is by or on behalf of any legal entity other than an individual, such certificate or affidavit shall also constitute sufficient proof of the authority of the person executing the same. The fact of the holding by any Holder of a Security of any series, and the identifying number of such Security and the date of his holding

the same, may be proved by the production of such Security or by a certificate executed by any trust company, bank, banker or recognized securities dealer wherever situated satisfactory to the Trustee, if such certificate shall be deemed by the Trustee to be satisfactory. Each such certificate shall be dated and shall state that on the date thereof a Security of such series bearing a specified identifying number was deposited with or exhibited to such trust company, bank, banker or recognized securities dealer by the person named in such certificate. Any such certificate may be issued in respect of one or more Securities of one or more series specified therein. The holding by the person named in any such certificate of any Securities of any series specified therein shall be presumed to continue for a period of one year from the date of such certificate unless at the time of any determination of such holding (1) another certificate bearing a later date issued in respect of the same Securities shall be produced, or (2) the Security of such series specified in such certificate shall be produced by some other person, or (3) the Security of such series specified in such certificates shall have ceased to be outstanding. Subject to Sections 7.01, 7.02 and 9.05, the fact and date of the execution of any such instrument and the amount and numbers of Securities of any series held by the person so executing such instrument and the amount and numbers of any Security or Securities for such series may also be proven in accordance with such reasonable rules and regulations as may be prescribed by the Trustee for such series or in any other manner that the Trustee for such series may deem sufficient.

(b) In the case of Registered Securities, the ownership of such Securities shall be proved by the Security Register or by a certificate of the Security Registrar.

SECTION 8.03. Who Are Deemed Absolute Owners. The Corporation, the Trustee, any paying agent, any transfer agent and any Security Registrar may treat the Holder of any Unregistered Security and the Holder of any Coupon as the absolute owner of such Unregistered Security or Coupon (whether or not such Unregistered Security or Coupon shall be overdue) for the purpose of receiving payment thereof or on account thereof and for all other purposes and neither the Corporation, the Trustee, any paying agent, any transfer agent nor any Security Registrar shall be affected by any notice to the contrary. The Corporation, the Trustee, any paying agent, any transfer agent and any Security Registrar may, subject to Section 2.04 hereof, treat the person in whose name a Registered Security shall be registered upon the Security Register as the absolute owner of such Registered Security (whether or not such Registered Security shall be overdue) for the purpose of receiving payment thereof or on account thereof and for all other purposes and neither the Corporation, the Trustee, any paying agent, any transfer agent nor any Security Registrar shall be affected by any notice to the contrary.

SECTION 8.04. Corporation-owned Securities Disregarded. In determining whether the Holders of the required aggregate principal amount of Securities have concurred in any direction, consent or waiver under this Indenture, Securities that are owned by the Corporation or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Corporation, shall be disregarded and deemed not to be outstanding for the purpose of any such determination, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, consent or waiver only Securities that the Trustee knows are so owned shall be disregarded. Securities so owned that have been pledged in good faith may be regarded as outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Trustee the



pledgee's right to vote such Securities and that the pledgee is not a person directly or indirectly controlling or controlled by or under direct or indirect common control with the Corporation. In the case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

**SECTION 8.05. Revocation of Consents; Future Securityholders Bound.** At any time prior to the taking of any action by the Holders of the percentage in aggregate principal amount of the Securities specified in this Indenture in connection with such action, any Holder of a Security the identifying number of which is shown by the evidence to be included in the Securities the Holders of which have consented to such action may, by filing written notice with the Trustee at its office and upon proof of holding as provided in Section 8.02, revoke such action so far as concerns such Security. Except as aforesaid any such action taken by the Holder of any Security shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Security and of any Security issued in exchange or substitution therefor irrespective of whether or not any notation in regard thereto is made upon such Security. Any action taken by the Holders of the percentage in aggregate principal amount of the Securities specified in this Indenture in connection with such action shall be conclusively binding upon the Corporation, the Trustee and the Holders of all the Securities of each series intended to be affected thereby.

**SECTION 8.06. Securities in a Foreign Currency.** Unless otherwise specified in an Officers' Certificate delivered pursuant to Section 2.01 of this Indenture or in an indenture supplemental hereto with respect to a particular series of Securities, on any day when for purposes of this Indenture any action may be taken by the Holders of a specified percentage in aggregate principal amount of two or more series of outstanding Securities and, at such time, there are outstanding Securities of at least one such series that are denominated in a coin or currency other than that of at least one other such series, then the principal amount of Securities of each such series (other than any such series denominated in U.S. Dollars) that shall be deemed to be outstanding for the purpose of taking such action shall be that amount of U.S. Dollars that could be obtained for such amount at the Market Exchange Rate. For purposes of this Section 8.06, "Market Exchange Rate" shall mean (i) for any conversion involving a Currency unit on the one hand and dollars or any foreign currency on the other, the exchange rate between the relevant Currency unit and dollars or such foreign currency, (ii) for any conversion of dollars into any foreign currency, the noon U.S. Dollar buying rate for such foreign currency for cable transfers quoted in The City of New York on such day as certified for customs purposes by the Federal Reserve Bank of New York and (iii) for any conversion of one foreign currency into dollars or another foreign currency, the spot rate at noon local time in the relevant market at which, in accordance with normal banking procedures, the dollars or foreign currency into which conversion is being made could be purchased with the foreign currency from which conversion is being made from major banks located in either New York City, London or any other principal market for dollars or such purchased foreign currency. In the event of the unavailability of any of the exchange rates provided for in the foregoing clauses (i), (ii) and (iii) the Trustee shall use, in its sole discretion and without liability on its part, such quotation of the Federal Reserve Bank of New York as of the most recent available date, or quotations from one or more major banks in New York City, London or other principal market for such Currency or Currency unit in question, or such other quotations as the Trustee shall deem appropriate. Unless otherwise specified by the Trustee, if there is more than one market for dealing in any Currency or Currency unit by reason of foreign exchange regulations

or otherwise, the market to be used in respect of such Currency or Currency unit shall be that upon which a nonresident issuer of securities designated in such Currency or Currency unit would purchase such Currency or Currency unit in order to make payments in respect of such securities. The provisions of this paragraph shall apply in determining the equivalent number of votes that each Securityholder or proxy shall be entitled to pursuant to Section 9.05, in respect of Securities of a series denominated in a currency other than U.S. Dollars.

All decisions and determinations of the Corporation regarding the Market Exchange Rate shall be in its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and irrevocably binding upon the Corporation and all Holders.

#### ARTICLE IX.

##### SECURITYHOLDERS' MEETINGS.

SECTION 9.01. Purposes of Meetings. A meeting of Securityholders of any or all series may be called at any time and from time to time pursuant to the provisions of this Article for any of the following purposes:

(1) to give any notice to the Corporation or to the Trustee, or to give any directions to the Trustee, or to waive any default hereunder and its consequences, or to take any other action authorized to be taken by Securityholders pursuant to any of the provisions of Article Six;

(2) to remove the Trustee and appoint a successor trustee pursuant to the provisions of Article Seven;

(3) to consent to the execution of an indenture or indentures supplemental hereto pursuant to the provisions of Section 10.02; or

(4) to take any other action authorized to be taken by or on behalf of the Holders of any specified aggregate principal amount of the Securities of any or all series, as the case may be, under any other provision of this Indenture or under applicable law.

SECTION 9.02. Call of Meetings by Trustee. The Trustee may at any time call a meeting of Holders of Securities of any or all series to take any action specified in Section 9.01, to be held at such time and at such place in the Borough of Manhattan, The City of New York, or in London, as the Trustee shall determine. Notice of every meeting of the Holders of Securities of any or all series, setting forth the time and place of such meeting and in general terms the action proposed to be taken at such meeting, shall be given (i) if any Unregistered Securities of a series that may be affected by the action proposed to be taken at such meeting are then outstanding, to all Holders thereof, by publication at least twice in an Authorized Newspaper in the Borough of Manhattan, The City of New York and at least twice in an Authorized Newspaper in London (and, if required by Section 4.04, at least once in an Authorized Newspaper in Luxembourg) prior to the date fixed for the meeting, the first publication, in each case, to be not less than twenty nor more than one hundred eighty days prior to the date fixed for the meeting and the last publication to be not more than five days

prior to the date fixed for the meeting, (ii) if any Unregistered Securities of a series that may be affected by the action proposed to be taken at such meeting are then outstanding, to all Holders thereof who have filed their names and addresses with the Trustee as described in Section 313(c) of the Trust Indenture Act of 1939, by mailing such notice to such Holders at such addresses, not less than twenty nor more than one hundred eighty days prior to the date fixed for the meeting and (iii) to all Holders of then outstanding Registered Securities of each series that may be affected by the action proposed to be taken at such meeting, by mailing such notice to such Holders at their addresses as they shall appear on the Security Register, not less than twenty nor more than one hundred eighty days prior to the date fixed for the meeting. Failure of any Holder or Holders to receive such notice, or any defect therein, shall in no case affect the validity of any action taken at such meeting. Any meeting of Holders of Securities of all or any series shall be valid without notice if the Holders of all such Securities outstanding, the Corporation and the Trustee are present in person or by proxy or shall have waived notice thereof before or after the meeting. The Trustee may fix, in advance, a date as the record date for determining the Holders entitled to notice of or to vote at any such meeting at not less than twenty or more than one hundred eighty days prior to the date fixed for such meeting.

#### SECTION 9.03. Call of Meetings by Corporation or Securityholders.

In case at any time the Corporation, pursuant to a Board Resolution, or the Holders of at least ten percent in aggregate principal amount of the Securities of any or all series, as the case may be, then outstanding, shall have requested the Trustee to call a meeting of Securityholders of any or all series to take any action authorized in Section 9.01, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have mailed or published, as provided in Section 9.02, the notice of such meeting within thirty days after receipt of such request, then the Corporation or the Holders of such Securities in the amount above specified may determine the time and the place in said Borough of Manhattan, The City of New York or London for such meeting and may call such meeting to take any action authorized in Section 9.01, by mailing notice thereof as provided in Section 9.02.

#### SECTION 9.04. Qualification for Voting. To be entitled to vote at

any meeting of Securityholders a person shall be a Holder of one or more Securities of a series with respect to which a meeting is being held or a person appointed by instrument in writing as proxy by such a Holder. The only persons who shall be entitled to be present or to speak at any meeting of the Securityholders shall be the persons entitled to vote at such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Corporation and its counsel.

#### SECTION 9.05. Regulations. Notwithstanding any other provisions

of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Securityholders, in regard to proof of the holding of Securities and of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit.

The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Corporation or by Securityholders as provided in Section 9.03, in which case the Corporation or the Securityholder calling the

meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Holders of a majority in principal amount of the Securities represented at the meeting and entitled to vote.

Subject to the provisions of Sections 8.01 and 8.04, at any meeting each Securityholder or proxy shall be entitled to one vote for each U.S.\$1,000 principal amount of Securities held or represented by him, her or it; provided, however, that no vote shall be cast or counted at any meeting in respect of any Security challenged as not outstanding and ruled by the chairman of the meeting not to be outstanding. The chairman of the meeting shall have no right to vote except as a Securityholder or proxy. Any meeting of Securityholders duly called pursuant to the provisions of Section 9.02 or 9.03 may be adjourned from time to time, and the meeting may be held as so adjourned without further notice.

SECTION 9.06. Voting. The vote upon any resolution submitted to any meeting of Securityholders shall be by written ballot on which shall be subscribed the signatures of the Securityholders or proxies and on which shall be inscribed the identifying number or numbers or to which shall be attached a list of identifying numbers of the Securities held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of each meeting of Securityholders shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavit by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in Section 9.02 or Section 9.03. The record shall be signed and verified by the permanent chairman and secretary of the meeting and one of the duplicates shall be delivered to the Corporation and the other to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting.

Any record so signed and verified shall be conclusive evidence of the matters therein stated.

#### ARTICLE X.

##### SUPPLEMENTAL INDENTURES.

SECTION 10.01. Supplemental Indentures Without Consent of Securityholders. The Corporation, when authorized by Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act of 1939) for one or more of the following purposes:

(a) to evidence the succession of another entity to the Corporation, or successive successions, and the assumption by any successor entity of the covenants, agreements and obligations of the Corporation pursuant to Article Eleven hereof;

(b) to add to the covenants of the Corporation such further covenants,

restrictions, conditions or provisions as its Board of Directors and the Trustee shall consider to be for the protection of the Holders of Securities of any or all series, or the Coupons appertaining to such Securities, and to make the occurrence, or the occurrence and continuance, of a default in any of such additional covenants, restrictions, conditions or provisions a default or an Event of Default with respect to any or all series permitting the enforcement of all or any of the several remedies provided in this Indenture as herein set forth, with such period of grace, if any, and subject to such conditions as such supplemental indenture may provide;

(c) to add or change any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the issuance of Securities of any series in bearer form, registrable or not registrable as to principal, and with or without interest Coupons, and to provide for exchangeability of such Securities with Securities issued hereunder in fully registered form and to make all appropriate changes for such purpose, and to add or change any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the issuance of uncertificated Securities of any series;

(d) to cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indenture that may be defective or inconsistent with any other provision contained herein or in any supplemental indenture; or to make such other provisions in regard to matters or questions arising under this Indenture as shall not adversely affect the interests of the Holders of any series of Securities or any Coupons appertaining to such Securities;

(e) to convey, transfer, assign, mortgage or pledge any property to or with the Trustee;

(f) to evidence and provide for the acceptance and appointment hereunder by a successor trustee with respect to the Securities of one or more series and to add or change provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one trustee, pursuant to Section 7.11;

(g) to establish the form or terms of Securities of any series as permitted by Sections 2.01 and 2.03; and

(h) to change or eliminate any provision of this Indenture, provided that any such change or elimination (i) shall become effective only when there is no Security outstanding of any series created prior to the execution of such supplemental indenture that is entitled to the benefit of such provision or (ii) shall not apply to any Security outstanding.

The Trustee is hereby authorized to join with the Corporation in the execution of any such supplemental indenture, to make any further appropriate agreements and stipulations that may be therein contained and to accept the conveyance, transfer, assignment, mortgage or pledge of any property thereunder, but the Trustee shall not be obligated to enter into any such supplemental indenture that adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Any supplemental indenture authorized by the provisions of this Section may be

executed by the Corporation and the Trustee without the consent of the Holders of any of the Securities at the time outstanding, notwithstanding any of the provisions of Section 10.02.

SECTION 10.02. Supplemental Indentures with Consent of Securityholders. With the consent (evidenced as provided in Section 8.01) of the Holders of not less than a majority in the aggregate principal amount of the Securities of all series at the time outstanding affected by such supplemental indenture (voting as one class), the Corporation, when authorized by a Board Resolution, and the Trustee may from time to time and at any time enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental indentures or modifying in any manner the rights of the Holders of the Securities of each such series or any Coupons appertaining to such Securities; provided, however, that no such supplemental indenture shall (i) change the fixed maturity of any Securities, or reduce the principal amount thereof (or premium, if any), or reduce the rate or extend the time of payment of any interest or Additional Amounts thereon or reduce the amount due and payable upon acceleration of the maturity thereof or the amount provable in bankruptcy, or make the principal of (premium, if any) or interest, if any, or Additional Amounts, if any, on any Security payable in any coin or currency other than that provided in such Security, (ii) impair the right to institute suit for the enforcement of any such payment on or after the stated maturity thereof (or, in the case of redemption, on or after the redemption date therefor) or (iii) reduce the aforesaid percentage of Securities, the consent of the Holders of which is required for any such supplemental indenture, or the percentage required for the consent of the Holders pursuant to Section 6.01 to waive defaults, without the consent of the Holder of each Security so affected.

Upon the request of the Corporation, accompanied by a copy of a Board Resolution certified by the Secretary or an Assistant Secretary of the Corporation authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee of evidence of the consent of Securityholders as aforesaid, the Trustee shall join with the Corporation in the execution of such supplemental indenture unless such supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such supplemental indenture.

It shall not be necessary for the consent of the Securityholders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the execution and delivery by the Corporation and the Trustee of any supplemental indenture pursuant to the provisions of this Section, the Trustee shall give notice of such supplemental indenture (i) to the Holders of then outstanding Registered Securities of each series affected thereby, by mailing a notice thereof by first-class mail to such Holders at their addresses as they shall appear on the Security Register, (ii) if any Unregistered Securities of a series affected thereby are then outstanding, to the Holders thereof who have filed their names and addresses with the Trustee as described in Section 313(c) of the Trust Indenture Act, by mailing a notice thereof by first-class mail to such Holders at such addresses as were so furnished to the Trustee and (iii) if any Unregistered Securities of a series affected thereby are then outstanding, to all Holders thereof, by Publication of a notice thereof at least once in

an Authorized Newspaper in the Borough of Manhattan, The City of New York and at least once in an Authorized Newspaper in London (and, if required by Section 4.04, at least once in an Authorized Newspaper in Luxembourg), and in each case such notice shall set forth in general terms the substance of such supplemental indenture. Any failure of the Corporation to mail or publish such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

SECTION 10.03. Compliance with Trust Indenture Act; Effect of Supplemental Indentures. Any supplemental indenture executed pursuant to the provisions of this Article Ten shall comply with the Trust Indenture Act of 1939. Upon the execution of any supplemental indenture pursuant to the provisions of this Article Ten, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Corporation and the Holders of Securities shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

The Trustee, subject to the provisions of Sections 7.01 and 7.02, shall be provided an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any such supplemental indenture complies with the provisions of this Article Ten.

SECTION 10.04. Notation on Securities. Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article Ten may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. New Securities of any series so modified as to conform, in the opinion of the Trustee and the Board of Directors of the Corporation, to any modification of this Indenture contained in any such supplemental indenture may be prepared by the Corporation, authenticated by the Trustee and delivered, without charge to the Securityholders, in exchange for the Securities of such series then outstanding.

#### ARTICLE XI.

##### CONSOLIDATION, MERGER, SALE OR CONVEYANCE.

SECTION 11.01. Corporation May Consolidate, Etc., on Certain Terms. The Corporation covenants that it will not merge or consolidate with any other entity or sell or convey all or substantially all of its assets to any person or entity, unless (i) either the Corporation shall be the continuing corporation, or the successor entity (if other than the Corporation) shall be an entity organized and existing under the laws of the United States of America or any State thereof and such successor entity shall expressly assume, by a supplemental indenture in form satisfactory to the Trustee and executed and delivered to the Trustee by such successor entity, the due and punctual payment of the principal of (and premium, if any), interest, if any, and Additional Amounts, if any, on all the Securities and any Coupons, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Indenture to be performed or satisfied by the

Corporation, (ii) immediately after giving effect to such merger or consolidation, or such sale or conveyance, no Event of Default, and no event that, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing and (iii) the Corporation shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating, that such consolidation, merger, sale or conveyance and such supplemental indenture, and any such assumption by the successor entity, complies with the provisions of this Article Eleven.

SECTION 11.02. Successor Corporation Substituted. In case of any such consolidation, merger, sale or conveyance and upon any such assumption by the successor entity, such successor entity shall succeed to and be substituted for the Corporation, with the same effect as if it had been named herein as the party of the first part. Such successor entity thereupon may cause to be signed, and may issue either in its own name or in the name of Visteon Corporation, any or all of the Securities, and any Coupons appertaining thereto, issuable hereunder which theretofore shall not have been signed by the Corporation and delivered to the Trustee; and, upon the order of such successor entity, instead of the Corporation, and subject to all the terms, conditions and limitations prescribed in this Indenture, the Trustee shall authenticate and shall deliver any Securities or Coupons which previously shall have been signed and delivered by the officers of the Corporation to the Trustee for authentication, and any Securities or Coupons that such successor entity thereafter shall cause to be signed and delivered to the Trustee for that purpose. All of the Securities, and any Coupons appertaining thereto, so issued shall in all respects have the same legal rank and benefit under this Indenture as the Securities or Coupons theretofore or thereafter issued in accordance with the terms of this Indenture as though all of such Securities, and any Coupons appertaining thereto, had been issued at the date of the execution hereof.

In case of any such consolidation, merger, sale or conveyance, such changes in phraseology and form (but not in substance) may be made in the Securities and Coupons thereafter to be issued as may be appropriate.

SECTION 11.03. Certificate to Trustee. On or before April 1, 2001, and on or before April 1, in each year thereafter, the Corporation will deliver to the Trustee an Officers' Certificate signed by the Corporation's principal executive officer, principal financial officer or principal accounting officer, as to such Officer's knowledge of the Corporation's compliance with all conditions and covenants under this Indenture (such compliance to be determined without regard to any period of grace or requirement of notice provided under this Indenture), as required by Section 314(a)(4) of the Trust Indenture Act of 1939.

## ARTICLE XII.

### SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED MONEYS.

SECTION 12.01. Discharge of Indenture. If at any time (i) the Corporation shall have delivered to the Trustee for cancellation all Securities of any series theretofore authenticated (other than any Securities of such series and Coupons pertaining thereto that shall have been destroyed, lost or stolen and that shall have been replaced or paid as provided in Section 2.07) or (ii) all Securities of any series and any Coupons appertaining to



such Securities not theretofore delivered to the Trustee for cancellation shall have become due and payable, or are by their terms to become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption, and the Corporation shall deposit or cause to be deposited with the Trustee as trust funds the entire amount (other than moneys repaid by the Trustee or any paying agent to the Corporation in accordance with Sections 12.04 or 12.05) sufficient to pay at maturity or upon redemption all Securities of such series and all Coupons appertaining to such Securities not theretofore delivered to the Trustee for cancellation (other than any Securities of such series and Coupons pertaining thereto that shall have been destroyed, lost or stolen and that shall have been replaced or paid as provided in Section 2.07), including principal (and premium, if any), interest, if any, and Additional Amounts, if any, due or to become due to such date of maturity or date fixed for redemption, as the case may be, and if in either case the Corporation shall also pay or cause to be paid all other sums payable hereunder by the Corporation with respect to such series, then this Indenture shall cease to be of further effect with respect to the Securities of such series or any Coupons appertaining to such Securities, and the Trustee, on demand of and at the cost and expense of the Corporation and subject to Section 14.04, shall execute proper instruments acknowledging satisfaction of and discharging this Indenture with respect to the Securities of such series and all Coupons appertaining to such Securities. The Corporation agrees to reimburse the Trustee for any costs or expenses thereafter reasonably and properly incurred by the Trustee in connection with this Indenture or the Securities of such series or any Coupons appertaining to such Securities.

SECTION 12.02. Satisfaction, Discharge and Defeasance of Securities of Any Series. If pursuant to Section 2.01 provision is made for the defeasance of Securities of a series, then the provisions of this Section 12.02 shall be applicable except as otherwise specified as contemplated by Section 2.01 for Securities of such series. At the Corporation's option, either (a) the Corporation shall be deemed to have paid and discharged the entire indebtedness on all the outstanding Securities of any such series and the Trustee, at the expense of the Corporation, shall execute proper instruments acknowledging satisfaction and discharge of such indebtedness or (b) the Corporation shall cease to be under any obligation to comply with any term, provision, condition or covenant specified as contemplated by Section 2.01, when

(1) either

(A) with respect to all outstanding Securities of such series,

(i) the Corporation has deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose an amount (in such currency in which such outstanding Securities and any related Coupons are then specified as payable at stated maturity) sufficient to pay and discharge the entire indebtedness of all outstanding Securities of such series for principal (and premium, if any), interest, if any, and Additional Amounts, if any, to the stated maturity or any redemption date as contemplated by the last paragraph of this section 12.02, as the case may be; or

(ii) the Corporation has deposited or caused to be deposited with the Trustee as obligations in trust for the purpose such amount of direct noncallable obligations of, or noncallable obligations the payment of principal of and interest on which is fully guaranteed by, the United States of America, or to the payment of which obligations or guarantees the full faith and credit of the United States of America is pledged, maturing as to principal and interest in such amounts and at such times as will, together with the income to accrue thereon (but without reinvesting any proceeds thereof), be sufficient to pay and discharge the entire indebtedness on all outstanding Securities of such series for principal (and premium, if any), interest, if any, and Additional Amounts, if any, to the stated maturity or any redemption date as contemplated by the last paragraph of this Section 12.02, as the case may be; or

(B) the Corporation has properly fulfilled such other terms and conditions of the satisfaction and discharge as is specified, as contemplated by Section 2.01, as applicable to the Securities of such series, and

(2) the Corporation has paid or caused to be paid all other sums payable with respect to the outstanding Securities of such series, and

(3) The Corporation has delivered to the Trustee an Opinion of Counsel stating that (i) the Corporation has received from, or there has been published by, the Internal Revenue Service a ruling or (ii) since the date of execution of this Indenture, there has been a change in the applicable Federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the holders of the outstanding Securities and any related Coupons will not recognize income, gain or loss for Federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to Federal income tax on the same amounts and in the same manner and at the same times, as would have been the case if such deposit, defeasance and discharge had not occurred, and

(4) the Corporation has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of the entire indebtedness on all outstanding Securities of any such series have been complied with.

Any deposits with the Trustee referred to in Section 12.02(1)(A) above shall be irrevocable and shall be made under the terms of an escrow trust agreement in form and substance satisfactory to the Trustee. If any outstanding Securities of such series are to be redeemed prior to their stated maturity, whether pursuant to an optional redemption provision or in accordance with any mandatory sinking fund requirement or otherwise, the applicable escrow trust agreement shall provide therefor and the Corporation shall make such arrangements as are satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Corporation.

SECTION 12.03. Deposited Moneys to Be Held in Trust by Trustee. All moneys deposited with the Trustee pursuant to Section 12.01 or 12.02 shall be held in trust and applied by it to the payment, either directly or through any paying agent (including the Corporation acting as its own paying agent), to the Holders of the particular Securities and of

any Coupons appertaining to such Securities for the payment or redemption of which such moneys have been deposited with the Trustee, of all sums due and to become due thereon for principal (and premium, if any), interest, if any, and Additional Amounts, if any.

SECTION 12.04. Paying Agent to Repay Moneys Held. In connection with the satisfaction and discharge of this Indenture with respect to Securities of any series, all moneys with respect to such Securities then held by any paying agent under the provisions of this Indenture shall, upon demand of the Corporation, be repaid to it or paid to the Trustee and thereupon such paying agent shall be released from any further liability with respect to such moneys.

SECTION 12.05. Return of Unclaimed Moneys. Any moneys deposited with or paid to the Trustee or any paying agent for the payment of the principal of (and premium, if any), interest, if any, and Additional Amounts, if any, on any Security and not applied but remaining unclaimed for two years after the date upon which such principal (and premium, if any), interest, if any, and Additional Amounts, if any, shall have become due and payable, shall, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, be repaid to the Corporation by the Trustee or such paying agent on demand, and the Holder of such Security or any Coupon appertaining to such Security shall, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, thereafter look only to the Corporation for any payment that such Holder may be entitled to collect and all liability of the Trustee or any paying agent with respect to such moneys shall thereupon cease; provided, however, that the Trustee or such paying agent, before being required to make any such repayment with respect to moneys deposited with it or any payment in respect of Unregistered Securities of any series, may at the expense of the Corporation cause to be published once, in an Authorized Newspaper in the Borough of Manhattan, The City of New York and once in an Authorized Newspaper in London (and, if required by Section 4.04, at least once in an Authorized Newspaper in Luxembourg), notice that such moneys remain and that, after a date specified therein, which shall not be less than thirty days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Corporation.

#### ARTICLE XIII.

##### IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS.

SECTION 13.01. Indenture And Securities Solely Corporate Obligations. No recourse under or upon any obligation, covenant or agreement contained in this Indenture or any indenture supplemental hereto, or in any Security, or because or on account of any indebtedness evidenced thereby, shall be had against any past, present or future incorporator, stockholder, officer or director, or other applicable principal, as such, of the Corporation or of any successor entity, either directly or through the Corporation or any successor entity, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of the Securities by the Holders thereof and as part of the consideration for the issue of the Securities and Coupons.

## ARTICLE XIV.

## MISCELLANEOUS PROVISIONS.

SECTION 14.01. Benefits of Indenture Restricted to Parties and Securityholders. Nothing in this Indenture or in the Securities or Coupons, expressed or implied, shall give or be construed to give to any Person, other than the parties hereto and their successors and the Holders of the Securities or Coupons, any legal or equitable right, remedy or claim under this Indenture or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the parties hereto and their successors and of the Holders of the Securities or Coupons.

SECTION 14.02. Provisions Binding on Corporation's Successors. All the covenants, stipulations, promises and agreements contained in this Indenture by or on behalf of the Corporation shall bind its successors and assigns, whether so expressed or not.

SECTION 14.03. Addresses for Notices, Etc. Any notice or demand that by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the Holders of Securities to or on the Corporation may be given or served by being deposited postage prepaid first class mail in a post office letter box addressed (until another address is filed by the Corporation with the Trustee), as follows: Visteon Corporation, [FAIRLANE PLAZA NORTH, 10TH FLOOR, 290 TOWN CENTER DRIVE, DEARBORN MICHIGAN 48126, ATTENTION GENERAL COUNSEL]. Any notice, direction, request or demand by any Securityholder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or made in writing at its Corporate Trust Office, which is, at the date of this Indenture,

SECTION 14.04. Evidence of Compliance with Conditions Precedent. Upon any application or demand by the Corporation to the Trustee to take any action under any of the provisions of this Indenture, the Corporation shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent have been complied with, except that in the case of any such application or demand as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture shall include (1) a statement that the person making such certificate or opinion has read such covenant or condition, (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based, (3) a statement that, in the opinion of such person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been complied with and (4) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with.

SECTION 14.05. Legal Holidays. In any case where the date of maturity of any interest, premium or Additional Amounts on or principal of, the Securities or the date fixed for redemption of any Securities shall not be a Business Day in a city where payment thereof is to be made, then payment of any interest, premium or Additional Amounts on, or principal of, such Securities need not be made on such date in such city but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

SECTION 14.06. Trust Indenture Act to Control. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with another provision included in this Indenture by operation of Sections 310 to 317, inclusive, of the Trust Indenture Act of 1939 (an "incorporated provision"), such incorporated provision shall control.

SECTION 14.07. Execution in Counterparts. This Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute one and the same instrument.

SECTION 14.08. New York Contract. This Indenture and each Security shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be governed by and construed in accordance with the laws of said State, regardless of the laws that might otherwise govern under applicable New York principles of conflicts of law and except as may otherwise be required by mandatory provisions of law. Any claims or proceedings in respect of this Indenture shall be heard in a federal or state court located in the State of New York.

SECTION 14.09. Judgment Currency. The Corporation agrees, to the fullest extent that it may effectively do so under applicable law, that (a) if for the purposes of obtaining judgment in any court it is necessary to convert the sum due in respect of the principal of or interest on the Securities of any series (the "Required Currency") into a currency in which a judgment will be rendered (the "Judgment Currency"), the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Trustee could purchase in the City of New York the Required Currency with the Judgment Currency on the date on which final unappealable judgment is entered, unless such day is not a New York Banking Day, then, to the extent permitted by applicable law, the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Trustee could purchase in The City of New York the Required Currency with the Judgment Currency on the New York Banking Day next preceding the day on which final unappealable judgment is entered and (b) its obligations under this Indenture to make payments in the Required Currency (i) shall not be discharged or satisfied by any tender, or any recovery pursuant to any judgment (whether or not entered in accordance with subsection (a)), in any currency other than the Required Currency, except to the extent that such tender or recovery shall result in the actual receipt, by the payee, of the full amount of the Required Currency expressed to be payable in respect of such payments, (ii) shall be enforceable as an alternative or additional cause of action for the purpose of recovering in the Required Currency the amount, if any, by which such actual receipt shall fall short of the full amount of the Required Currency so expressed to be payable and (iii) shall not be affected by judgment being obtained for any other sum due under this Indenture. For purposes of the foregoing, "New York Banking Day"

means any day except a Saturday, Sunday or a legal holiday in The City of New York or a day on which banking institutions in The City of New York are authorized or required by law or executive order to close.

SECTION 14.10. Severability of Provisions. Any prohibition, invalidity or unenforceability of any provision of this Indenture in any jurisdiction shall not invalidate or render unenforceable the remaining provisions hereto in such jurisdiction and shall not invalidate or render unenforceable such provisions in any other jurisdiction.

SECTION 14.11. Corporation Released from Indenture Requirements under Certain Circumstances. Whenever in this Indenture the Corporation shall be required to do or not to do any thing so long as any of the Securities of any series shall be Outstanding, the Corporation shall, notwithstanding any such provision, not be required to comply with such provisions if it shall be entitled to have this Indenture satisfied and discharged pursuant to the provisions hereof, even though in either case the Holders of any of the Securities of that series shall have failed to present and surrender them for payment pursuant to the terms of this Indenture.

Bank One Trust Company, N.A., the party of the second part, hereby accepts the trusts in this Indenture declared and provided, upon the terms and conditions hereinabove set forth.

IN WITNESS WHEREOF, VISTEON CORPORATION, the party of the first part, has caused this Indenture to be signed and acknowledged by its Chairman of the Board of Directors, its President or any Vice President or its Treasurer, and its corporate seal to be affixed hereunto, and the same to be attested by its Secretary or an Assistant Secretary; and Bank One Trust Company, N.A., the party of the second part, has caused this Indenture to be signed, and its corporate seal to be affixed hereunto, and the same to be attested by its duly authorized officers, all as of the day and year first above written.

{Corporate Seal}

VISTEON CORPORATION

Attest: /s/ Heidi Diebol-Hoorn

By: /s/ Darren R. Wells

-----  
Heidi Diebol-Hoorn  
Assistant Secretary

-----  
Darren R. Wells  
Assistant Treasurer

{Corporate Seal}

BANK ONE TRUST COMPANY, N.A.

Attest:

By: -----



STATE OF MICHIGAN       )  
                              )ss:  
COUNTY OF WAYNE        )

On the day of July 20, 2000 before me personally came Darren R. Wells, to me known, who being by me duly sworn, did depose and say that he/she resides in Michigan, that he/she is the Assistant Treasurer of Visteon Corporation, one of the corporations described in and which executed the foregoing instruments; that he/she knows the seal of said Corporation; that the seal affixed to said instrument is such Corporate seal; that it was so affixed by authority of the Board of Directors of said Corporation, and that he/she signed his/her name thereto by like authority.

[SEAL]

/s/ Gail A. Smith  
- - - - -  
Notary Public

GAIL A. SMITH  
Notary Public, Wayne County, Michigan  
My Commission Expires July 8, 2002

Bank One Trust Company, N.A., the party of the second part, hereby accepts the trusts in this Indenture declared and provided, upon the terms and conditions herein above set forth.

IN WITNESS WHEREOF, VISTEON CORPORATION, the party of the first part, has caused this Indenture to be signed and acknowledged by its Chairman of the Board of Directors, its President or any Vice President or its Treasurer, and its corporate seal to be affixed hereunto, and the same to be attested by its Secretary or an Assistant Secretary; and Bank One Trust Company, N.A., the party of the second part, has caused this Indenture to be signed, and its corporate seal to be affixed hereunto, and the same to be attested by its duly authorized officers, all as of the day and year first above written.

(Corporate Seal)	VISTEON CORPORATION
Attest	By: _____
(Corporate Seal)	BANK ONE TRUST COMPANY, N.A.
Attest: /s/ Janice Ott Rotunno	By: /s/ Larry Kusch
_____	_____
Janice Ott Rotunno	LARRY KUSCH
	Authorized Officer

STATE OF ILLINOIS       )  
                              )ss:  
COUNTY OF COOK         )

On the day of \_\_\_\_\_, 20\_\_\_\_ before me personally came Larry Kusch, to me known, who being by me duly sworn, did depose and say that he/she resides at Chicago, IL, that he/she is an Authorized Officer of Bank One Trust Company, N.A., one of the corporations described in and which executed the foregoing instrument; that he/she knows the seal of said Corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he/she signed his/her name thereto by like authority.

[SEAL]

/s/ Lisa A. Nix  
- -----  
Notary Public

## ISSUING AND PAYING AGENCY AGREEMENT

This Agreement, dated as of June 5, 2000, is by and between Visteon Corporation (the "ISSUER") and The Chase Manhattan Bank ("CHASE").

## 1. APPOINTMENT AND ACCEPTANCE

The Issuer hereby appoints Chase as its issuing and paying agent in connection with the issuance and payment of certain short-term promissory notes of the Issuer (the "NOTES"), as further described herein, and Chase agrees to act as such agent upon the terms and conditions contained in this Agreement.

## 2. COMMERCIAL PAPER PROGRAMS

The Issuer may establish one or more commercial paper programs under this Agreement by delivering to Chase a completed program schedule (the "PROGRAM SCHEDULE"), with respect to each such program. Chase has given the Issuer a copy of the current form of Program Schedule and the Issuer shall complete and return its first Program Schedule to Chase prior to or simultaneously with the execution of this Agreement. In the event that any of the information provided in, or attached to, a Program Schedule shall change, the Issuer shall promptly inform Chase of such change in writing.

## 3. NOTES

All Notes issued by the Issuer under this Agreement shall be short-term promissory notes, exempt from the registration requirements of the Securities Act of 1933, as amended, as indicated on the Program Schedules, and from applicable state securities laws. The Notes may be placed by dealers (the "DEALERS") pursuant to Section 4 hereof. Notes shall be issued in either certificated or book-entry form.

## 4. AUTHORIZED REPRESENTATIVES

The Issuer shall deliver to Chase a duly adopted corporate resolution from the Issuer's Board of Directors (or other governing body) authorizing the issuance of Notes under each program established pursuant to this Agreement and a certificate of incumbency, with specimen signatures attached, of those officers, employees and agents of the Issuer authorized to take certain actions with respect to the Notes as provided in this Agreement (each such person is hereinafter referred to as an "AUTHORIZED REPRESENTATIVE"). Until Chase receives any subsequent incumbency certificates of the Issuer, Chase shall be entitled to rely on the last incumbency certificate delivered to it for the purpose of determining the Authorized Representatives. The Issuer represents and warrants that each Authorized Representative may appoint other officers, employees and agents of the Issuer (the "Delegates"), including without limitation any Dealers, to issue instructions to Chase under this Agreement, and take other actions on the Issuer's behalf hereunder, provided that notice of the appointment of each Delegate is delivered to Chase in writing. Each such appointment shall remain in effect unless and until revoked by the Issuer in a written notice to Chase.

## 5. CERTIFICATED NOTES

If and when the Issuer intends to issue certificated notes ("CERTIFICATED NOTES"), the Issuer and Chase shall agree upon the form of such Notes. Thereafter, the Issuer shall from time to time deliver to Chase adequate supplies of Certificated Notes which will be in bearer form, serially numbered, and shall be executed by the manual or facsimile signature of an Authorized Representative. Chase will acknowledge receipt of any supply of Certificated Notes received from the Issuer, noting any exceptions to the shipping manifest or transmittal letter (if any), and will hold

the Certificated Notes in safekeeping for the Issuer in accordance with Chase's customary practices. Chase shall not have any liability to the Issuer to determine by whom or by what means a facsimile signature may have been affixed on Certificated Notes, or to determine whether any facsimile or manual signature is genuine, if such facsimile or manual signature resembles the specimen signature attached to the Issuer's certificate of incumbency with respect to such Authorized Representative. Any Certificated Note bearing the manual or facsimile signature of a person who is an Authorized Representative on the date such signature was affixed shall bind the Issuer after completion thereof by Chase, notwithstanding that such person shall have ceased to hold his or her office on the date such Note is countersigned or delivered by Chase.

#### 6. BOOK-ENTRY NOTES

The Issuer's book-entry notes ("BOOK-ENTRY NOTES") shall not be issued in physical form, but their aggregate face amount shall be represented by a master note (the "MASTER NOTE") in the form of Exhibit A executed by the Issuer pursuant to the book-entry commercial paper program of The Depository Trust Company ("DTC"). Chase shall maintain the Master Note in safekeeping, in accordance with its customary practices, on behalf of Cede & Co., the registered owner thereof and nominee of DTC. As long as Cede & Co. is the registered owner of the Master Note, the beneficial ownership interest therein shall be shown on, and the transfer of ownership thereof shall be effected through, entries on the books maintained by DTC and the books of its direct and indirect participants. The Master Note and the Book-Entry Notes shall be subject to DTC's rules and procedures, as amended from time to time. Chase shall not be liable or responsible for sending transaction statements of any kind to DTC's participants or the beneficial owners of the Book-Entry Notes, or for maintaining, supervising or reviewing the records of DTC or its participants with respect to such Notes. In connection with DTC's program, the Issuer understands that as one of the conditions of its participation therein, it shall be necessary for the Issuer and Chase to enter into a Letter of Representations, in the form of Exhibit B hereto, and for DTC to receive and accept such Letter of Representations. In accordance with DTC's program, Chase shall obtain from the CUSIP Service Bureau a written list of CUSIP numbers for Issuer's Book-Entry Notes, and Chase shall deliver such list to DTC. The CUSIP Service Bureau shall bill the Issuer directly for the fee or fees payable for the list of CUSIP numbers for the Issuer's Book-Entry Notes.

#### 7. ISSUANCE INSTRUCTIONS TO CHASE; PURCHASE PAYMENTS

The Issuer understands that all instructions under this Agreement are to be directed to Chase's Commercial Paper Operations Department. Chase shall provide the Issuer, or, if applicable, the Issuer's Dealers, with access to Chase's Money Market Issuance System or other electronic means (collectively, the "SYSTEM") in order that Chase may receive electronic instructions for the issuance of Notes. Electronic instructions must be transmitted in accordance with the procedures furnished by Chase to the Issuer or its Dealers in connection with the System. These transmissions shall be the equivalent to the giving of a duly authorized written and signed instruction which Chase may act upon without liability. In the event that the System is inoperable at any time, an Authorized Representative or a Delegate may deliver written, telephone or facsimile instructions to Chase, which instructions shall be verified in accordance with any security procedures agreed upon by the parties. Chase shall incur no liability to the Issuer in acting upon instructions believed by Chase in good faith to have been given by an Authorized Representative or a Delegate. In the event that a discrepancy exists between a telephonic instruction and a written confirmation, the telephonic instruction will be deemed the controlling and proper instruction. Chase may electronically record any conversations made pursuant to this Agreement, and the Issuer hereby consents to such recordings. All issuance instructions regarding the Notes must be received by 1:00 P.M. New York time in order for the Notes to be issued or delivered on the same day.

(a) ISSUANCE AND PURCHASE OF BOOK-ENTRY NOTES. Upon receipt of issuance instructions from the Issuer or its Dealers with respect to Book-Entry

Notes, Chase shall transmit such instructions to DTC and direct DTC to cause appropriate entries of the Book-Entry Notes to be made in accordance with DTC's applicable rules, regulations and procedures for book-entry commercial paper programs. Chase shall assign CUSIP numbers to the Issuer's Book-Entry Notes to identify the Issuer's aggregate principal amount of outstanding Book-Entry Notes in DTC's system, together with the aggregate unpaid interest (if any) on such Notes. Promptly following DTC's established settlement time on each issuance date, Chase shall access DTC's system to verify whether settlement has occurred with respect to the Issuer's Book-Entry Notes. Prior to the close of business on such business day, Chase shall deposit immediately available funds in the amount of the proceeds due the Issuer (if any) to the Issuer's account at Chase and designated in the applicable Program Schedule (the "ACCOUNT"), provided that Chase has received DTC's confirmation that the Book-Entry Notes have settled in accordance with DTC's applicable rules, regulations and procedures. Chase shall have no liability to the Issuer whatsoever if any DTC participant purchasing a Book-Entry Note fails to settle or delays in settling its balance with DTC or if DTC fails to perform in any respect.

(b) ISSUANCE AND PURCHASE OF CERTIFICATED NOTES. Upon receipt of issuance instructions with respect to Certificated Notes, Chase shall:

- (a) complete each Certificated Note as to principal amount, date of issue, maturity date, place of payment, and rate or amount of interest (if such Note is interest bearing) in accordance with such instructions; (b) countersign each Certificated Note; and (c) deliver each Certificated Note in accordance with the Issuer's instructions, except as otherwise set forth below. Whenever Chase is instructed to deliver any Certificated Note by mail, Chase shall strike from the Certificated Note the word "Bearer," insert as payee the name of the person so designated by the Issuer and effect delivery by mail to such payee or to such other person as is specified in such instructions to receive the Certificated Note. The Issuer understands that, in accordance with the custom prevailing in the commercial paper market, delivery of Certificated Notes shall be made before the actual receipt of payment for such Notes in immediately available funds, even if the Issuer instructs Chase to deliver a Certificated Note against payment. Therefore, once Chase has delivered a Certificated Note to the designated recipient, the Issuer shall bear the risk that such recipient may fail to remit payment of such Note or return such Note to Chase. Delivery of Certificated Notes shall be subject to the rules of the New York Clearing House in effect at the time of such delivery. Funds received in payment of Certificated Notes shall be credited to the Account.

#### 8. USE OF SALES PROCEEDS IN ADVANCE OF PAYMENT

Chase shall not be obligated to credit the Issuer's Account unless and until payment of the purchase price of each Note is received by Chase. From time to time, Chase, in its sole discretion, may permit the Issuer to have use of funds payable with respect to a Note prior to Chase's receipt of the sales proceeds of such Note. If Chase makes a deposit, payment or transfer of funds on behalf of the Issuer before Chase receives payment for any Note, such deposit, payment or transfer of funds shall represent an advance by Chase to the Issuer to be repaid promptly, and in any event on the same day as it is made, from the proceeds of the sale of such Note, or by the Issuer if such proceeds are not received by Chase.

#### 9. PAYMENT OF MATURED NOTES

On any day when a Note matures or is prepaid, the Issuer shall transmit, or cause to be transmitted, to the Account, prior to 2:30 P.M. New York time on the same day, an amount of immediately available funds sufficient to pay the aggregate principal amount of such Note and any applicable interest due. Chase shall pay the interest (if any) and principal on a Book-Entry Note to DTC in immediately available funds, which payment shall be by net settlement of Chase's account at DTC. Chase shall pay Certificated Notes upon presentment. Chase shall have no obligation under the Agreement to make any payment for which there is not sufficient, available and collected funds in the Account, and Chase may, without liability to the Issuer, refuse to pay any Note that would result in an overdraft to the Account.

#### 10. OVERDRAFTS

(a) Intraday overdrafts with respect to each Account shall be subject to Chase's policies as in effect from time to time.

(b) An overdraft will exist in an Account if Chase, in its sole discretion, (i) permits an advance to be made pursuant to Section 8 and, notwithstanding the provisions of Section 8, such advance is not repaid in full on the same day as it is made, or (ii) pays a Note pursuant to Section 9 in excess of the available collected balance in such Account. Overdrafts shall be subject to Chase's established banking practices, including, without limitation, the imposition of interest, funds usage charges and administrative fees. The Issuer shall repay any such overdraft, fees and charges no later than the next business day, together with interest on the overdraft at the rate established by Chase for the Account, computed from and including the date of the overdraft to the date of repayment.

#### 11. NO PRIOR COURSE OF DEALING

No prior action or course of dealing on the part of Chase with respect to advances of the purchase price or payments of matured Notes shall give rise to any claim or cause of action by the Issuer against Chase in the event that Chase refuses to pay or settle any Notes for which the Issuer has not timely provided funds as required by this Agreement.

## 12. RETURN OF CERTIFICATED NOTES

Chase will in due course cancel any Certificated Note presented for payment and return such Note to the Issuer. Chase shall also cancel and return to the Issuer any spoiled or voided Certificated Notes. Promptly upon written request of the Issuer or at the termination of this Agreement, Chase shall destroy all blank, unissued Certificated Notes in its possession and furnish a certificate to the Issuer certifying such actions.

## 13. INFORMATION FURNISHED BY CHASE

Upon the reasonable request of the Issuer, Chase shall promptly provide the Issuer with information with respect to any Note issued and paid hereunder, provided, that the Issuer delivers such request in writing and, to the extent applicable, includes the serial number or note number, principal amount, payee, date of issue, maturity date, amount of interest (if any) and place of payment of such Note.

## 14. REPRESENTATIONS AND WARRANTIES

The Issuer represents and warrants that: (i) it has the right, capacity and authority to enter into this Agreement; and (ii) it will comply with all of its obligations and duties under this Agreement. The Issuer further represents and agrees that each Note issued and distributed upon its instruction pursuant to this Agreement shall constitute the Issuer's representation and warranty to Chase that such Note is a legal, valid and binding obligation of the Issuer, and that such Note is being issued in a transaction which is exempt from registration under the Securities Act of 1933, as amended, and any applicable state securities law.

## 15. DISCLAIMERS

Neither Chase nor its directors, officers, employees or agents shall be liable for any act or omission under this Agreement except in the case of gross negligence or willful misconduct. IN NO EVENT SHALL CHASE BE LIABLE FOR SPECIAL, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND WHATSOEVER (INCLUDING BUT NOT LIMITED TO LOST PROFITS), EVEN IF CHASE HAS BEEN ADVISED OF THE LIKELIHOOD OF SUCH LOSS OR DAMAGE AND REGARDLESS OF THE FORM OF ACTION. In no event shall Chase be considered negligent in consequence of complying with DTC's rules, regulations and procedures. The duties and obligations of Chase, its directors, officers, employees or agents shall be determined by the express provisions of this Agreement and they shall not be liable except for the performance of such duties and obligations as are specifically set forth herein and no implied covenants shall be read into this Agreement against them. Neither Chase nor its directors, officers, employees or agents shall be required to ascertain whether any issuance or sale of any Notes (or any amendment or termination of this Agreement) has been duly authorized or is in compliance with any other agreement to which the Issuer is a party (whether or not Chase is also a party to such agreement).

## 16. OPINION OF COUNSEL

The Issuer shall deliver to Chase all documents it may reasonably request relating to the existence of the Issuer and authority of the Issuer for this Agreement, including, without limitation, an opinion of counsel, substantially in the form of Exhibit C hereto.



## 17. NOTICES

All notices, confirmations and other communications hereunder shall (except to the extent otherwise expressly provided) be in writing and shall be sent by first-class mail, postage prepaid, by telecopier or by hand, addressed as follows, or to such other address as the party receiving such notice shall have previously specified to the party sending such notice:

If to the Issuer:           VISTEON Corporation  
                                   5500 Auto Club Drive  
                                   Dearborn, Michigan 48126  
                                   Attention:        Treasurer's Office  
                                   Telephone:       313-594-0104  
                                   Facsimile:       313-390-3322

If to Chase concerning the daily issuance and redemption of Notes:

                                  Attention: Commercial Paper Operations  
                                   55 Water Street, 2nd Floor  
                                   New York NY 10041-2413  
                                   Telephone:       (212) 638-0441  
                                   Facsimile:       (212) 638-7881

All other:                    Attention: Commercial Paper Service Delivery Unit  
                                   450 West 33rd Street, 15th Floor  
                                   New York NY 10001-2697  
                                   Telephone:       (212) 946-3108  
                                   Facsimile:       (212) 946-8181

## 18. COMPENSATION

The Issuer shall pay compensation for services pursuant to this Agreement in accordance with the pricing schedules furnished by Chase to the Issuer from time to time and upon such payment terms as the parties shall determine. The Issuer shall also reimburse Chase for any fees and charges imposed by DTC with respect to services provided in connection with the Book-Entry Notes.

## 19. BENEFIT OF AGREEMENT

This Agreement is solely for the benefit of the parties hereto and no other person shall acquire or have any right under or by virtue hereof.

20. TERMINATION

This Agreement may be terminated at any time by either party by written notice to the other, but such termination shall not affect the respective liabilities of the parties hereunder arising prior to such termination.

21. FORCE MAJEURE

In no event shall either party be liable to the other for any failure or delay in the performance of its obligations hereunder because of circumstances beyond its control, including, but not limited to, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations or the like which restrict or prohibit the providing of the services contemplated by this Agreement, inability to obtain material, equipment, or communications or computer facilities, or the failure of equipment or interruption of communications or computer facilities, and other causes beyond its control whether or not of the same class or kind as specifically named above.

22. ENTIRE AGREEMENT

This Agreement, together with the exhibits attached hereto, constitutes the entire agreement between Chase and the Issuer with respect to the subject matter hereof and supersedes in all respects all prior proposals, negotiations, communications, discussions and agreements between the parties concerning the subject matter of this Agreement.

23. WAIVERS AND AMENDMENTS

No failure or delay on the part of any party in exercising any power or right under this Agreement shall operate as a waiver, nor does any single or partial exercise of any power or right preclude any other or further exercise, or the exercise of any other power or right. Any such waiver shall be effective only in the specific instance and for the purpose for which it is given. No amendment, modification or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the Issuer and Chase.

24. BUSINESS DAY

Whenever any payment to be made hereunder shall be due on a day which is not a business day for Chase, then such payment shall be made on Chase's next succeeding business day.

25. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original and such counterparts together shall constitute but one instrument.

26. HEADINGS

The headings in this Agreement are for purposes of reference only and shall not in any way limit or otherwise affect the meaning or interpretation of any of the terms of this Agreement.

27. GOVERNING LAW

This Agreement and the Notes shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to the conflict of laws provisions thereof.

28. JURISDICTION AND VENUE

Each party hereby irrevocably and unconditionally submits to the jurisdiction of the United States District Court for the Southern District of New York and any New York State court located in the Borough of Manhattan in New York City and of any appellate court from any thereof for the purposes of any legal suit, action or proceeding arising out of or relating to this Agreement (a "PROCEEDING"). Each party hereby irrevocably agrees that all claims in respect of any Proceeding may be heard and determined in such Federal or New York State court and irrevocably waives, to the fullest extent it may effectively do so, any objection it may now or hereafter have to the laying of venue of any Proceeding in any of the aforementioned courts and the defense of an inconvenient forum to the maintenance of any Proceeding.

29. WAIVER OF TRIAL BY JURY

EACH PARTY HEREBY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

30. ACCOUNT CONDITIONS

Each Account shall be subject to Chase's account conditions, as in effect from time to time.

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

THE CHASE MANHATTAN BANK

VISTEON CORPORATION

[NAME OF ISSUER]

By: /s/Michael Abraham  
-----

By: /s/Darren R. Wells  
-----

Name: Michael Abraham  
-----

Name: Darren R. Wells  
-----

Title: Vice President  
-----

Title: Assistant Treasurer  
-----

Date: 6/6/00  
-----

Date: 6/5/00  
-----

## CORPORATE COMMERCIAL PAPER - MASTER NOTE

JUNE 1, 2000

-----  
(Date of Issuance)

VISTEON CORPORATION ("Issuer"), for value received, hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company, or to registered assigns: (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the "Underlying Records") as being evidenced by this Master Note, which Underlying Records are maintained by THE CHASE MANHATTAN BANK ("Paying Agent"); (ii) interest on the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS MASTER NOTE SET FORTH ON THE REVERSE HEREOF.

This Master Note is a valid and binding obligation of Issuer.

Not Valid Unless Countersigned for Authentication by Paying Agent.

THE CHASE MANHATTAN BANK

VISTEON CORPORATION

-----  
(Paying Agent)-----  
(Issuer)

By: /s/Michael Abraham

By: /s/Darren R. Wells

-----  
(Authorized Countersignature)-----  
(Authorized Signature)-----  
(Guarantor)

By:

-----  
(Authorized Signature)

June 12, 2000

Visteon Corporation  
5500 Auto Club Drive  
Dearborn, Michigan 48126

Attention: Treasurer

Ladies and Gentlemen:

The Chase Manhattan Bank (the "Bank") is pleased to confirm that it is prepared to make funds available to Visteon Corporation (the "Borrower") subject to the terms and conditions outlined below.

1. The Commitment:
  - (a) Subject to the terms and conditions of this Agreement and the Note (as defined in Section 6), the Bank agrees to make revolving credit loans (the "Committed Loans") to the Borrower from time to time during the period from and including June 12, 2000 to but excluding July 31, 2000 (the "Commitment Termination Date") in an aggregate principal amount not to exceed at any one time \$1,200,000,000, as such amount (the "Committed Amount") may be reduced from time to time pursuant to Section 3 (the "Commitment"). Until 11:00 a.m. New York City time of the Commitment Termination Date, the Borrower may borrow, repay and reborrow Committed Loans in accordance with the terms of this Agreement and the Note.
  - (b) In addition to the Committed Loans, the Bank may, in its sole discretion, offer to make loans (the "Money Market Loans"; Committed Loans and Money Market Loans are collectively referred to as the "Bridge Loans") to the Borrower on such terms and conditions (including, without limitation, tenor, amount and interest rate) as the Bank may offer and the Borrower shall accept. The aggregate principal amount of Committed Loans and Money Market Loans outstanding at any one time may not exceed the Committed Amount.
2. Purpose:

The proceeds of the Bridge Loans will be used for repayment of loans from the Ford Motor Company and for general corporate purposes. None of such proceeds will be used to purchase or carry margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System.

3. Reduction or Termination of Commitment: (a) The Borrower may, upon at least two Banking Days' (as defined in the Note) notice to the Bank, terminate at any time, or reduce from time to time, the unused amount of the Commitment.
- (b) The Commitment shall automatically terminate on the Commitment Termination Date.
4. Commitment Fee: The Borrower shall pay to the Bank a commitment fee (the "Commitment Fee") equal to .10% per annum of the unused Commitment on the daily amount of the unused Commitment during the period from and including June 12, 2000 to but excluding the Commitment Termination Date. Accrued Commitment Fees shall be payable in arrears on July 31, 2000, shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed.
5. Interest Rate: (a) Each Committed Loan shall bear interest at a rate per annum equal to the sum of (a) the Margin (as defined in the Note) plus (b)(i) the Eurodollar Rate (as defined in the Note) or (ii) the Alternate Base Rate (as defined in the Note).
- (b) Each Money Market Loan shall bear interest at such rate as the Bank may offer and the Borrower shall accept.
6. Note: The Bridge Loans shall be evidenced by a single note substantially in the form of Exhibit A hereto (the "Note").
7. Repayment and Prepayment: (a) Each Committed Loan shall be due and payable on December 1, 2000.
- (b) Each Money Market Loan shall be due and payable on the last day of the Interest Period (as defined in Section 8) applicable to such Money Market Loan.
- (c) Concurrently with the receipt of Net Cash Proceeds from the issuance and public or private sale of indebtedness of the Borrower or any Subsidiary of the Borrower (other than proceeds from the issuance and sale of commercial paper having a tenor of 364 days or less) the Borrower shall prepay Committed Loans having an outstanding aggregate principal amount equal to such Net Cash Proceeds, together with accrued interest on the amount prepaid and any amount required pursuant to Section 14(d) of this Agreement. As used herein, "Net Cash Proceeds" means the gross proceeds received by the Borrower or any Subsidiary thereof from the sale of indebtedness of the Borrower or such Subsidiary less (i) all reasonable fees, commissions and other out-of-pocket expenses incurred by the Borrower or such Subsidiary in connection therewith and (ii) federal, state and local taxes assessed in connection therewith.
- (d) The Borrower may prepay the Bridge Loans at any time or from time to time; provided that (i) the Borrower shall give notice of such prepayment by (x) 12:00 noon, New York City time, at least one Banking Day prior thereto with respect to an Alternate Base Rate Loan (as defined in the Note) and (y) 11:00 a.m., London time, at least two Banking Days prior thereto with respect to a Eurodollar Loan and

(ii) any prepayment of Eurodollar Loans must be accompanied by any amounts payable pursuant to Section 14(d).

(e) All payments of principal, interest and fees to the Bank shall be made in immediately available U.S. Dollars by means of wire transfer to The Chase Manhattan Bank, New York, New York, Account No. 323-1-50403, Account Name: Visteon Corporation Clearing Account, Attn: Jesus Sang.

8. Interest Periods:

(a) Eurodollar Loans shall be available for interest periods ("Eurodollar Interest Periods") of one month; provided, however, that (a) if a Eurodollar Interest Period would end on a day which is not a Banking Day, such Eurodollar Interest Period shall be extended to the next Banking Day, unless such Banking Day would fall in the next calendar month, in which event such Eurodollar Interest Period shall end on the immediately preceding Banking Day; and (b) no Eurodollar Interest Period may extend beyond December 1, 2000 (the "Maturity Date").

(b) Money Market Loans shall be available for such interest periods ("Money Market Interest Periods"; Eurodollar Interest Periods and Money Market Interest Periods are collectively referred as "Interest Periods") as the Bank may offer and the Borrower shall accept.

9. Notice of Borrowing;  
Amount of Borrowing;  
Notice of Continuation  
or Conversion:

(a) The Borrower may request a borrowing by giving the Bank notice in the form of Exhibit B hereto (the "Borrowing Notice") by (i) 11:00 a.m., New York City time, on the same Banking Day as the Bridge Loan requested, if the requested Bridge Loan is an Alternate Base Rate Loan or a Money Market Loan, and (ii) 11:00 a. m. London, England time at least two Banking Days prior to a Eurodollar Loan, if the Bridge Loan requested is a Eurodollar Loan.

(b) The minimum amount of any Committed Loan shall be \$1,000,000 or any multiple of \$1,000,000.

(c) The Borrower may elect to continue any Eurodollar Loan on the last day of the Interest Period applicable thereto or to convert such Eurodollar Loan to an Alternate Base Rate Loan on such date by giving the Bank notice of such continuation or conversion, as the case may be, no later than 11:00 a.m., London, England time, at least two Banking Days prior to the last day of such Interest Period.

(d) If the Borrower fails to deliver a timely notice of continuation of a Eurodollar Loan in accordance with Section 9(c), or if an Event of Default has occurred and is continuing as of the date of such notice, such Eurodollar Loan shall be converted to an Alternate Base Rate Loan on the last day of the Interest Period applicable to such Eurodollar Loan.

(e) The Borrower may elect to convert any Alternate Base Rate Loan to a Eurodollar Loan by giving the Bank notice of such conversion by 11:00 a.m., London, England time, at least two Banking Days prior to the requested date of

conversion (which date shall be a Banking Day in London, England).

10. Conditions to Borrowing:

The obligation of the Bank to make Committed Loans to the Borrower and the willingness of the Bank to consider offering Money Market Loans to the Borrower are subject to the conditions precedent that:

(a) in the case of the initial Bridge Loan, the Bank shall have received (i) the Note duly executed and delivered by the Borrower; (ii) the certificate of incorporation and by-laws of the Borrower certified by the Secretary or Assistant Secretary of the Borrower; (iii) a resolution of the Board of Directors of the Borrower certified by the Secretary or Assistant Secretary of the Borrower authorizing the execution, delivery and performance by the Borrower of this Agreement and the Note; (iv) an incumbency certificate of the Secretary or Assistant Secretary of the Borrower setting forth the names, titles and true signatures of the officers of the Borrower authorized to sign this Agreement and the Note; (v) an opinion of counsel to the Borrower in substantially the form required by Section 4.2(a)(ii) of the Visteon Bank Agreements (as defined in Section 17 of this Agreement), with such changes in such opinion as the Bank may reasonably request; (vi) a certificate signed by a duly authorized officer of the Borrower, dated the date of such Bridge Loan, certifying compliance with the conditions set forth in Section 10(b); and (vii) the unaudited pro forma consolidated balance sheet of the Borrower and its consolidated subsidiaries as at the date of the Spin-Off as defined in the Visteon Bank Agreements (hereinafter, the "Spin-Off Date"), including the notes to such balance sheet (the "Pro Forma Balance Sheet") giving effect (as if such events had occurred on such Date) to (x) all Bridge Loans to be made on or prior to the date of the Spin-Off and the use of proceeds thereof, (y) the Loans (as defined in the Visteon Bank Agreements) to be made on the date of the Spin-Off and the use of proceeds thereof and (z) the payment of fees and expenses, including any guaranty fee, in connection with the foregoing. The Pro Forma Balance Sheet shall be prepared based on the best information available to the Borrower as of the date of delivery and shall present fairly, on a pro forma basis, the estimated financial position of the Borrower and its consolidated Subsidiaries as at the Spin-Off Date, assuming that the events specified in the preceding sentence had actually occurred at such time.

(b) in the case of any Bridge Loan, (i) the Bank shall have received the notice of borrowing required by Section 9; (ii) the representations and warranties made in this Agreement, the Note or any document delivered in connection therewith (except those that expressly relate to a prior date) are true and correct in all material respects on and as of the date of such Loan, (iii) no default under this Agreement or the Note or Event of Default (as defined in Section 12) has occurred and is continuing, or would result from the making of such Loan; (iv)(x) the ratings on the senior, unsecured noncredit-enhanced short term and long term debt (or corporate credit rating if no long term debt is outstanding) of the Company ("Index Debt") by Moody's and S&P (in each case, as defined in the definition of Pricing Grid in Section 1 of the Visteon Bank Agreements) on the date of such Loan are equal to or greater than A2/P2 in the case of short term debt and BBB/Baa2 in the case of long term debt or corporate credit rating, and (y) a negative credit watch with respect to the Company has not been announced by Moody's or S&P during the



period from and including the date hereof to and including the date of such Loan; (v) immediately after giving effect to such Loan, the aggregate outstanding principal amount of the Bridge Loans shall not exceed the amount of the Commitment; and (vi) The Borrower shall have satisfied all other conditions precedent contained in Section 4 of the Visteon Bank Agreements, or if the Borrower has not satisfied such other conditions or the Spin-Off has not taken place on or prior to the date of the requested Bridge Loan, the Bank shall have received a letter from the Borrower and The Ford Motor Company representing and warranting, for the benefit of the Bank, its assigns, and participants in the Bridge Loans, that the Borrower is an "Affiliate" within the meaning of, and as such, is entitled to borrow under, the committed lines of credit currently available to The Ford Motor Company and shall continue to be such, and so entitled, until the Spin-Off has occurred.

The Borrower's request for a Bridge Loan and acceptance of the proceeds thereof shall each constitute a representation and warranty that the statements in this Section 10(b) are true and correct both as of the date of such request and as of the date of such Loan.

11. Representations  
and Warranties;  
Covenants:

(a) The Borrower hereby represents and warrants that: (i) this Agreement is, and the Note when delivered will be, a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms, except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency and other similar laws affecting creditors' rights generally; and (ii) the execution, delivery and performance by the Borrower of this Agreement and the Note have been authorized by all necessary corporate action and do not and will not contravene the Borrower's charter or by-laws or any applicable law or any contractual provision binding on or affecting the Borrower.

(b) Subject to Section 18 of this Agreement, the representations and warranties in Section 5 of the Visteon Bank Agreements (as defined in Section 17) are hereby Incorporated by Reference (as defined in Section 17).

(c) Subject to Section 18 of this Agreement, the covenants in Sections 6 and 9 of the Visteon Bank Agreements are hereby Incorporated by Reference.

12. Default:

Events which may cause the acceleration of the maturity of any Bridge Loan (the "Events of Default") are as specified in the Note. The Bank may terminate the Commitment upon the occurrence of any Event of Default, but the Commitment shall terminate immediately upon the occurrence of any "bankruptcy" or "insolvency" Event of Default.

13. Governing Law;  
Jurisdiction:

THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK. THE BORROWER CONSENTS TO THE NONEXCLUSIVE JURISDICTION AND VENUE OF THE STATE AND FEDERAL COURTS LOCATED IN THE CITY OF NEW YORK. SERVICE OF PROCESS BY THE BANK IN CONNECTION WITH ANY DISPUTE HEREUNDER SHALL BE BINDING ON THE BORROWER IF SENT TO THE BORROWER AT THE

ADDRESS SET FORTH ABOVE. THE BORROWER AND THE BANK EACH WAIVES ANY RIGHT IT MAY HAVE TO JURY TRIAL IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE NOTE OR TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

14. Expenses; Taxes  
Indemnity:

(a) The Borrower shall pay or reimburse the Bank on demand for all reasonable costs, expenses, and charges (including, without limitation, the reasonable fees and charges of external legal counsel for the Bank and reasonable costs recorded by its internal legal department) incurred by the Bank in connection with any amendment or waiver, performance or enforcement of this Agreement or the Note.

(b) The Borrower shall indemnify the Bank against any transfer taxes, documentary taxes, assessments or charges made by any governmental authority by reason of the execution and delivery of this Agreement or the Note.

(c) The Borrower agrees to indemnify the Bank against, and hold the Bank harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for the Bank, incurred by or asserted against the Bank arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, the Note or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the transactions contemplated hereby, (ii) any Bridge Loan or the use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether the Bank is a party thereto; provided that such indemnity shall not be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by final non-appealable order of a court of competent jurisdiction to have been directly and proximately caused by the gross negligence or wilful misconduct of the Bank.

(d) If (i) the Borrower makes any payment or prepayment of a Eurodollar Loan on a day other than the last day of an Interest Period or (ii) the Borrower fails to borrow a Eurodollar Loan or Money Market Loan on the date specified in the notice to borrow such Loan, then the Borrower shall reimburse the Bank within 5 days after demand for any loss incurred in obtaining, liquidating or employing deposits from third parties, but excluding loss of margin for the period after such payment, prepayment or failure to borrow, provided that the Bank shall have delivered to the Borrower a written request as to the amount of such loss or expense, which written request shall set forth in reasonable detail the calculation of such loss or expense and shall be conclusive in the absence of manifest error. Without limiting the effect of the foregoing, such compensation shall include an amount equal to the excess, if any, of (i) the amount of interest that otherwise would have accrued on the principal of the Bridge Loan repaid, prepaid or not borrowed for the period from the date of such payment, prepayment or failure to borrow to the last day of the interest period for such Loan or that would have commenced on the date specified for such Loan at the applicable rate of interest for

such Loan (excluding loss of margin) over (ii) the amount of interest that otherwise would have accrued on such principal amount at a rate per annum equal to the interest component of the amount the Bank would have bid in the London interbank market for U.S. dollar deposits of leading banks in amounts comparable to such principal amount and with maturities comparable to such period (as reasonably determined by the Bank).

15. Amendments and Waivers:

Except as otherwise expressly provided in this Agreement, any provision of this Agreement may be amended, modified or waived only by an instrument in writing signed by the Borrower and the Bank. No failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof or preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

16. Counterparts; Successors and Assigns:

(a) This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing any such counterpart.

(b) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby; provided, however, that (i) except as provided in clause (ii) hereof, neither party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the other party and (ii) the Bank may, without the consent of the Borrower, (x) assign or otherwise transfer to any affiliate or any Federal Reserve Bank all or a portion of the rights and/or obligations of the Bank under this Agreement and (y) sell to any other person or entity participations in all or a portion of its rights and/or obligations under this Agreement, provided, however, that the Bank's obligations under this Agreement shall remain unmodified and fully effective and enforceable against the Bank.

17. Definitions:

(a) "Incorporated by Reference" means, with respect to any provision of the Visteon Bank Agreements to be incorporated by reference in this Agreement or the Note, that such provision and the other sections to which reference is made therein or herein, together with the related definitions and ancillary provisions as of the date of this Agreement, are incorporated in this Agreement or the Note, as the case may be, by reference, mutatis mutandi, and shall be deemed to continue in effect for the benefit of the Bank without giving effect to any amendment, modification, waiver or termination of the Visteon Bank Agreements subsequent to the date of this Agreement.

(b) "Visteon Bank Agreements" means the Five-Year Credit Agreement and 364-Day/2 Year Term-Out Credit Agreement between the Company and The Chase Manhattan Bank, as in effect on the date hereof.

18. Effect of  
Incorporation  
by Reference:

Any provision of the Visteon Bank Agreements that is Incorporated by Reference in this Agreement or the Note shall be subject to the condition that, as incorporated in this Agreement, (a) each reference therein to "the Company" or words of similar import shall be deemed a reference to the Borrower hereunder, (b) each reference therein to "the Bank", "any Bank", "a Bank", the "Bank Group" or words of similar import shall be deemed to be a reference to the Bank, (c) each reference therein to the "Commitment" or "Commitments" shall be deemed a reference to the Commitment hereunder, (d) each reference therein to "this Agreement" or words of similar import shall be deemed a reference to this Agreement, (e) each reference therein to "Loans" (other than the definition thereof) or words of similar import shall be deemed to be reference to Bridge Loans under this Agreement, and (f) each reference therein to "the date of this Agreement" or words of similar import shall be deemed a reference to the date of the Visteon Bank Agreements.

Please evidence your acceptance of the foregoing by signing and returning to the Bank the enclosed copy of this Agreement on or before 5:00 p.m., New York City time, on June 13, 2000, the date on which the Bank's offer to enter into this Agreement (if not accepted prior thereto) will expire.

Very truly yours,

THE CHASE MANHATTAN BANK

By: /s/Julie Long

-----  
Name:

Title:

AGREED AND ACCEPTED:

VISTEON CORPORATION

By: /s/Steven J. Lowden

-----  
Name:

Title:

## EXHIBIT A

## PROMISSORY NOTE

June 12, 2000  
New York, New York

FOR VALUE RECEIVED, VISTEON CORPORATION (the "Borrower") promises to pay to the order of THE CHASE MANHATTAN BANK (the "Bank"), at its principal office, 270 Park Avenue, New York, New York 10017 (the "Principal Office"), for the account of the Lending Office (as hereinafter defined), the principal amount of each loan (a "Loan") made pursuant to the Letter Agreement (as defined below), which may be endorsed on the schedule attached hereto and made a part hereof (including any continuations, the "Schedule") on the maturity date of such Loan as shown on the Schedule, and to pay interest on the unpaid balance of the principal amount of such Loan from and including the date of such Loan (as shown on the Schedule) to such maturity date at a rate per annum equal to (a) the sum of the Margin (as defined below) plus (i) a variable rate equal to: the higher of (x) the Federal Funds Rate (as defined below) plus 1/2 of 1% and (y) the Prime Rate (as defined below) (such higher rate being the "Alternate Base Rate" and such Loan an "Alternate Base Rate Loan"); or (ii) the Eurodollar Rate (as defined below) applicable to such Loan (such Loan a "Eurodollar Loan") or (b) the Money Market Rate (as defined below) applicable to such Loan (such Loan a "Money Market Loan"). Any principal and (to the extent permitted by law) interest or fees not paid when due shall bear interest from the date when due until paid in full at a rate per annum equal to the Default Rate (as defined below). Interest shall be payable on the relevant Interest Payment Date (as defined below). Interest shall be calculated on the basis of a year of 365 or 366 days (in the case of Alternate Base Rate Loans based on the Prime Rate) and 360 days (in the case of Alternate Base Rate Loans based on the Federal Funds Rate, Eurodollar Loans and Money Market Loans) and, in each case, for the actual days elapsed. All payments hereunder shall be made in lawful money of the United States and in immediately available funds without set-off or counterclaim. Any extension of time for the payment of the principal of this Note resulting from the due date falling on a day that is not a Banking Day (as defined below) shall be included in the computation of interest. The date, and Interest Periods (as defined in the Letter Agreement) of, and the interest rates with respect to, the Loans and any payments of principal shall be recorded by the Bank on its books and prior to any transfer of this Note (or, at the discretion of the Bank, at any other time) endorsed by the Bank on the Schedule, which shall be conclusive in the absence of manifest error; provided, however, that the Bank's failure to endorse the Schedule shall not affect the Borrower's obligations hereunder.

1. Certain Definitions. Terms defined in the Letter Agreement (as defined in Section 2 below) are used herein as defined therein. As used herein, the following terms have the meanings indicated below:

(a) "Banking Day" means any day on which commercial banks are not authorized or required to close in New York City and, where such term is used in the definition of "LIBOR Rate" or refers to the Eurodollar Rate, which is also a day on which dealings in U.S. dollar deposits are carried out in the London interbank market.

(b) "Default Rate" means, with respect to any amount not paid when due, a rate per annum during the period commencing on the due date and ending on the date of payment in full, equal to: (i) if an Alternate Base Rate Loan, a floating rate 2% above the rate of interest thereon (including any Margin); or (ii) if a Eurodollar Loan or Money Market Loan, a fixed rate 2% above the rate of

interest in effect thereon (including any Margin) at the time of default until the end of the then current Interest Period therefor and, thereafter, a floating rate 2% above the sum of the Alternate Base Rate and any Margin thereon.

(c) "Eurodollar Rate" means (i) the LIBOR Rate divided by (ii) 1 minus the Reserve Requirement.

(d) "Federal Funds Rate" means, for any day, with respect to (i) an Alternate Base Rate Loan, (x) for the first day of such Loan, the rate per annum at which U.S. Dollar deposits with an overnight maturity and in a comparable principal amount to such Loan are offered by the Bank in the Federal funds market at approximately the time the Borrower requests an Alternate Base Rate Loan on such day, and (y) for each day thereafter that such Loan is outstanding, the rate per annum at which U. S. Dollar deposits with an overnight maturity and in a comparable principal amount to such Loan are offered by the Bank in the Federal funds market at approximately 11:00 a.m., New York City time; and (ii) any other amount hereunder which bears interest at the Alternate Base Rate, the rate per annum at which U. S. Dollar deposits with an overnight maturity and in a comparable amount are offered by the Bank in the Federal funds market at approximately 2:00 p.m., New York City time.

(e) "Interest Payment Date" means (i) for each Alternate Base Rate Loan, June 30, 2000, September 30, 2000 and the Maturity Date; (ii) for each Eurodollar Loan or Money Market Loan, the last day of the Interest Period for such Loan; (iii) for any amount accruing interest at the Default Rate, on demand; and (iv) for each Loan, upon maturity and any repayment or prepayment thereof.

(f) "Lending Office" means the Principal Office or such other office (or affiliate) as the Bank may from time to time specify.

(g) "LIBOR Rate" means the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) quoted by the Bank at approximately 11:00 a.m. London time (or as soon thereafter as practicable) two Banking Days prior to the first day of an Interest Period (as defined in the Letter Agreement) during which the Eurodollar Rate will accrue for the offering by the Bank to leading banks in the London interbank market of U.S. dollar deposits having a term comparable to such Eurodollar Loan and in an amount comparable to the principal amount of such Eurodollar Loan.

(h) "Money Market Rate" means, with respect to any Money Market Loan, such rate per annum as the Bank may offer, and the Borrower shall accept, with respect to such Money Market Loan.

(i) "Margin" means, for any day, (x) 0%, with respect to an Alternate Base Rate Loan or Money Market Loan and (y) .30 % with respect to a Eurodollar Loan if such day is on or prior to the 90th day following the date of the Letter Agreement, and for each day thereafter, .45%; provided, however, that if the aggregate principal amount of Loans made pursuant to Sections 1(a) and (b) of the Letter Agreement on or prior to June 19, 2000 is less than \$500,000,000, the margin for each day of the initial Interest Period of each Eurodollar Loan made on or after June 20, 2000 and prior to July 6, 2000 shall be .45%.

(j) "Prime Rate" means the rate of interest per annum publicly announced from time to time by the Bank as its prime rate in effect at the Principal Office; each such change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

(k) "Regulatory Change" means any change after the date hereof in United States federal, state or foreign laws or regulations (including Regulation D of the Board of Governors of the Federal Reserve System) or the adoption or making after such date of any interpretations, directives or requests applying to a class of banks including the Bank of or under any United States federal or state, or any foreign, laws or regulations (whether or not having the force of law) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

(l) "Reserve Requirement" means, for any Interest Period for any Eurodollar Loan, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period for such Eurodollar Loan under Regulation D of the Board of Governors of the Federal Reserve System by member banks of the Federal Reserve System in New York City with deposits exceeding \$1,000,000,000 against "Eurocurrency liabilities" (as such term is used in Regulation D of the Board of Governors of the Federal Reserve System).

(m) "Visteon Bank Agreements" means the Five-Year Credit Agreement and 364-Day/2 Year Term-Out Credit Agreement between the Company and The Chase Manhattan Bank, as in effect on the date hereof.

2. Related Letter Agreement. Loans evidenced hereby are made pursuant to, and subject to the terms and conditions of, that certain letter agreement dated June 12, 2000 between the Bank and the Borrower (the "Letter Agreement"). The Letter Agreement contains provisions for the mandatory and voluntary prepayment of this Note.

3. Additional Costs. If as a result of any Regulatory Change, the Bank determines that the cost to the Bank of making or maintaining any Eurodollar Loan evidenced hereby is increased, or any amount received or receivable by the Bank hereunder is reduced, or the Bank is required to make any payment in connection with any transaction contemplated hereby, then the Borrower shall pay to the Bank on demand such additional amount or amounts as the Bank determines will compensate the Bank for such increased cost, reduction or payment, which demand shall set forth in reasonable detail the calculation of such additional amounts.

4. Events of Default. Any of the following events shall be "Events of Default":

(a) the Borrower shall fail to pay the principal of the Note, interest on the Note or any other amount due hereunder as and when due and payable and such failure shall continue for five days;

(b) any representation or warranty made or deemed made by the Borrower in this Note or the Letter Agreement (this Note, the Letter Agreement and any other agreement delivered by the Borrower in connection with this Note or the Letter Agreement being the "Facility Documents") or which is contained in any certificate, document, opinion, financial or other statement furnished at any time under or in connection with any Facility Documents, shall prove to have been incorrect in any material respect on or as of the date made or deemed made;

(c) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 6 or Section 9 of the Visteon Bank Agreements, in each case as Incorporated by Reference in Section 11 of the Letter Agreement;

(d) the Borrower shall default in the performance of or compliance with any term (other than the obligations specifically referred to elsewhere in this Section 4) in this Note, the Letter Agreement or any Facility Document (as defined in Section 4(b)) and such failure shall continue for 30 consecutive days after receipt of notice from the Bank of such default;

(e) an Event of Default (as defined in the Visteon Bank Agreements) shall occur; or

(f) the Borrower: (i) shall generally not, or be unable to, or shall admit in writing its inability to, pay its debts as its debts become due; (ii) shall make an assignment for the benefit of creditors; (iii) shall file a petition in bankruptcy or for any relief under any law of any jurisdiction relating to reorganization, arrangement, readjustment of debt, dissolution or liquidation; (iv) shall have any such petition filed against it in which an adjudication is made or order for relief is entered or which shall remain undismissed for a period of 90 days or shall consent or acquiesce thereto; or (v) shall have had a receiver, custodian or trustee appointed for all or a substantial part of its property.

If any Event of Default shall occur and be continuing, the Bank may, by notice to the Borrower, (a) declare the Commitment to be terminated, whereupon the same shall forthwith terminate, and (b) declare the outstanding principal of this Note, all interest thereon and all other amounts payable under the Letter Agreement and this Note to be forthwith due and payable, whereupon this Note, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided that, in the case of an Event of Default arising pursuant to Section 4(f), the Commitment shall be immediately terminated, and this Note, all interest thereon and all other amounts payable under this Note and the Letter Agreement shall be immediately due and payable without notice, presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Borrower.

5. Miscellaneous. (a) The Borrower waives presentment, notice of dishonor, protest and any other formality with respect to this Note and (b) this Note shall be binding on the Borrower and its successors and assigns and shall inure to the benefit of the Bank and its successors and assigns, except that the Borrower may not delegate any obligations hereunder without the prior written consent of the Bank.

VISTEON CORPORATION

By: \_\_\_\_\_

Name:  
Title:



Date	Loan Number Amount and Interest Rate	Maturity Date of Loan	Amount of Payment and Loan Number	Balance Remaining Unpaid	Notation Made By
------	--	-----------------------------	---	--------------------------------	---------------------

## EXHIBIT B

## NOTICE OF BORROWING OR OF EXTENSION

To: THE CHASE MANHATTAN BANK Date: \_\_\_\_\_, 2000  
 270 Park Avenue, 8th Floor  
 New York, New York 10017  
 Attention: Frank Angelico  
 Fax: 212-834-6160  
 Phone: 212-834-4434

With a copy to:  
 The Chase Manhattan Bank  
 Loan and Agency Services Group  
 One Chase Manhattan Plaza, 8th Floor  
 New York, New York 10081  
 Attention: Janet Belden  
 Fax: 212-552-5658  
 Phone: 212-552-7277

Pursuant to Section 9 of the Letter Agreement dated June 12, 2000 between Visteon Corporation and The Chase Manhattan Bank, we hereby confirm the notice of Borrowing or in the case of Eurodollar Loans, of continuation, we gave you by telephone and the interest rate applicable thereto, as follows:

Name and Address of Borrower: Visteon Corporation  
 5500 Auto Club Drive  
 Dearborn, Michigan 48126

Tax I.D. Number of Borrower: 38-3519512

Type of Loan: [ ] Money Market [ ] Eurodollar [ ] ABR

Proposed Date of Borrowing: \_\_\_\_\_

Interest Period \_\_\_\_\_ 30 days N.A.

Amount: \_\_\_\_\_

Please wire proceeds to Comerica Bank,  
 Detroit -

One Detroit Center  
 500 Woodward Avenue  
 Detroit, MI 48243  
 BANK ABA (ROUTING NO.): 072000096  
 ACCOUNT NAME: Visteon Treasurers Account  
 ACCOUNT NUMBER: 1850976125

Sincerely,  
 VISTEON CORPORATION

By: \_\_\_\_\_  
 Title: \_\_\_\_\_

## VISTEON CORPORATION AND SUBSIDIARIES

CALCULATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES  
(dollar amounts in millions)

	First Half 2000	For the Year Ended December 31,				
		1999	1998	1997	1996	1995
<b>Earnings</b>						
-----						
Income before income taxes	\$ 503	\$ 1,172	\$ 1,116	\$ 815	\$ 604	\$ 370
Equity in net (income)/loss of affiliates plus dividends from affiliates	(6)	(23)	(9)	(13)	(31)	(17)
Adjusted fixed charges a/	103	172	104	98	90	105
	-	-	-	-	-	-
Earnings	\$ 600	\$ 1,321	\$ 1,211	\$ 900	\$ 663	\$ 458
	=====	=====	=====	=====	=====	=====
<b>Fixed Charges</b>						
-----						
Interest expense b/	\$ 91	\$ 149	\$ 86	\$ 94	\$ 79	\$ 79
	-	-	-	-	-	-
Interest portion of rental expense c/	14	24	17	12	7	33
	-	-	-	-	-	-
Fixed charges	\$ 105	\$ 173	\$ 103	\$ 106	\$ 86	\$ 112
	=====	=====	=====	=====	=====	=====
<b>Ratios</b>						
-----						
Ratios of earnings to fixed charges	5.7	7.6	11.8	8.5	7.7	4.1

a/ Fixed charges, as shown above, adjusted to exclude the amount of interest  
capitalized during the period.

b/ Includes interest, whether expensed or capitalized, and amortization of debt  
expense and discount or premium relating to any indebtedness.

c/ One-third of all rental expense is deemed to be interest.

July 21, 2000

Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, D.C. 20549

Commissioners:

We are aware that our report dated July 17, 2000 on our review of interim financial information of Visteon Corporation (the "Company") as of and for the period ended June 30, 2000 and included in the Company's quarterly report on Form 10-Q for the quarter then ended is incorporated by reference in its Registration Statements on Form S-3 (No. 333-40034 ) and Form S-8 (Nos. 333-39756, 333-39758, and 333-40202).

Very truly yours,

PricewaterhouseCoopers LLP

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM VISTEON'S  
QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2000 AND IS  
QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

0001111335  
VISTEON CORPORATION  
1,000,000

6-MOS	
	DEC-31-1999
	JAN-01-1999
	JUN-30-1999
	1,564
	0
	2,175
	0
	634
	4,572
	9,911
	4,567
	11,219
	3,553
	2,088
	0
	0
	0
	1,853
11,219	
	9,835
	9,835
	8,771
	9,076
	0
	0
	49
	762
	276
	485
	0
	0
	0
	485
	3.73
	3.73

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM VISTEON'S  
QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2000 AND IS  
QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

0001111335  
VISTEON CORPORATION  
1,000,000

6-MOS	
	DEC-31-2000
	JAN-01-2000
	JUN-30-2000
	965
	0
	3,369
	0
	781
	5,228
	10,684
	4,888
	11,695
4,440	
	2,080
0	
	0
	131
	3,483
11,695	
	10,534
10,534	
	9,644
	10,013
	0
	0
87	
503	
	182
309	
	0
	0
	0
	309
	2.38
	2.38