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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2012, 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	**38-3519512**
(State of incorporation)	(I.R.S. employer identification number)
One Village Center Drive, Van Buren Township, Michigan	**48111**
(Address of principal executive offices)	(Zip code)

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

Indicate by check mark 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 ü No__

Indicate by check mark whether the registrant: has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ü No __

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. Large accelerated filer ü Accelerated filer __ Non-accelerated filer __ Smaller reporting company __

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes __ No ü

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ü No__

As of April 26, 2012, the registrant had outstanding 52,472,395 shares of common stock.

Exhibit index located on page number 41.

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PART I
FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

VISTEON CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited, Dollars in Millions Except Per Share Amounts)

	Three Months Ended March 31	
	2012	**2011**
Sales	$ 1,717	$ 1,850
Cost of sales	1,583	1,707
Gross margin	134	143
Selling, general and administrative expenses	91	96
Restructuring and other expenses	63	2
Operating (loss) income	(20)	45
Interest expense	12	15
Interest income	3	6
Equity in net income of non-consolidated affiliates	42	44
Income from continuing operations before income taxes	13	80
Provision for income taxes	27	28
(Loss) income from continuing operations	(14)	52
Income from discontinued operations, net of tax	3	4
Net (loss) income	(11)	56
Net income attributable to non-controlling interests	18	17
Net (loss) income attributable to Visteon Corporation	$ (29)	$ 39
Basic (loss) earnings per share:		
Continuing operations	$ (0.62)	$ 0.69
Discontinued operations	0.06	0.08
Basic (loss) earnings attributable to Visteon Corporation	$ (0.56)	$ 0.77
Diluted (loss) earnings per share:		
Continuing operations	$ (0.62)	$ 0.67
Discontinued operations	0.06	0.08
Diluted (loss) earnings attributable to Visteon Corporation	$ (0.56)	$ 0.75
Comprehensive income:		
Comprehensive income	$ 36	$ 119
Comprehensive income attributable to Visteon Corporation	$ 11	$ 92

See accompanying notes to the consolidated financial statements.

VISTEON CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Unaudited, Dollars in Millions)

	March 31 2012	December 31 2011
ASSETS		
Cash and equivalents	$ 696	$ 723
Restricted cash	25	23
Accounts receivable, net	1,191	1,063
Inventories, net	381	381
Other current assets	394	304
Total current assets	2,687	2,494
Property and equipment, net	1,384	1,412
Equity in net assets of non-consolidated affiliates	679	644
Intangible assets, net	340	353
Other non-current assets	68	66
Total assets	$ 5,158	$ 4,969
LIABILITIES AND SHAREHOLDERS' EQUITY		
Short-term debt, including current portion of long-term debt	$ 93	$ 87
Accounts payable	1,155	1,010
Accrued employee liabilities	161	189
Other current liabilities	297	267
Total current liabilities	1,706	1,553
Long-term debt	503	512
Employee benefits	417	495
Deferred tax liabilities	196	187
Other non-current liabilities	245	225
Shareholders' equity:		
Preferred stock (par value $0.01, 50 million shares authorized, none outstanding at March 31, 2012 and December 31, 2011)	—	—
Common stock (par value $0.01, 250 million shares authorized, 53 million and 52 million shares issued, 53 million and 52 million shares outstanding at March 31, 2012 and December 31, 2011, respectively)	1	1
Stock warrants	13	13
Additional paid-in capital	1,243	1,165
Retained earnings	137	166
Accumulated other comprehensive income (loss)	15	(25)
Treasury stock	(11)	(13)
Total Visteon Corporation shareholders' equity	1,398	1,307
Non-controlling interests	693	690
Total shareholders' equity	2,091	1,997
Total liabilities and shareholders' equity	$ 5,158	$ 4,969

See accompanying notes to the consolidated financial statements.

VISTEON CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, Dollars in Millions)

	Three Months Ended March 31	
	2012	**2011**
Operating Activities		
Net (loss) income	$ (11)	$ 56
Adjustments to reconcile net (loss) income to net cash provided from (used by) operating activities:		
Depreciation and amortization	65	77
Equity in net income of non-consolidated affiliates, net of dividends remitted	(42)	(44)
Other non-cash items	25	10
Changes in assets and liabilities:		
Accounts receivable	(102)	(122)
Inventories	(21)	(41)
Accounts payable	126	75
Other assets and other liabilities	(21)	(61)
Net cash provided from (used by) operating activities	19	(50)
Investing Activities		
Capital expenditures	(53)	(55)
Other	—	1
Net cash used by investing activities	(53)	(54)
Financing Activities		
Short-term debt, net	—	3
Proceeds from issuance of debt, net of issuance costs	2	—
Principal payments on debt	(4)	(3)
Cash restriction, net	—	4
Other	—	5
Net cash (used by) provided from financing activities	(2)	9
Effect of exchange rate changes on cash and equivalents	9	21
Net decrease in cash and equivalents	(27)	(74)
Cash and equivalents at beginning of period	723	905
Cash and equivalents at end of period	$ 696	$ 831

See accompanying notes to the consolidated financial statements.

VISTEON CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. Basis of Presentation

Description of Business: Visteon Corporation (the “Company” or “Visteon”) is a supplier of climate, interiors and electronics systems, modules and components to global automotive original equipment manufacturers (“OEMs”). Headquartered in Van Buren Township, Michigan, Visteon has a workforce of approximately 25,000 employees and a network of manufacturing operations, technical centers and joint ventures in every major geographic region of the world.

Interim Financial Statements: The unaudited consolidated financial statements of the Company have been prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted pursuant to such rules and regulations. These interim consolidated financial statements include all adjustments (consisting of normal recurring adjustments, except as otherwise disclosed) that management believes are necessary for a fair presentation of the results of operations, financial position and cash flows of the Company for the interim periods presented. Interim results are not necessarily indicative of full-year results.

Use of Estimates: The preparation of the financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect amounts reported herein. Management believes that such estimates, judgments and assumptions are reasonable and appropriate. However, due to the inherent uncertainty involved, actual results may differ from those provided in the Company's consolidated financial statements.

Reclassifications: Certain prior period amounts have been reclassified to conform to current period presentation.

Principles of Consolidation: The consolidated financial statements include the accounts of the Company and all subsidiaries that are more than 50% owned and over which the Company exercises control. Investments in affiliates of greater than 20% and for which the Company exercises significant influence but does not exercise control are accounted for using the equity method.

Revenue Recognition: The Company records revenue when persuasive evidence of an arrangement exists, delivery occurs or services are rendered, the sales price is fixed or determinable and collectibility is reasonably assured. The Company ships product and records revenue pursuant to commercial agreements with its customers generally in the form of an approved purchase order, including the effects of contractual customer price productivity. The Company does negotiate discrete price changes with its customers, which are generally the result of unique commercial issues between the Company and its customers. The Company records amounts associated with discrete price changes as a reduction to revenue when specific facts and circumstances indicate that a price reduction is probable and the amounts are reasonably estimable. The Company records amounts associated with discrete price changes as an increase to revenue upon execution of a legally enforceable contractual agreement and when collectibility is reasonably assured.

Reorganization under Chapter 11 of the U.S. Bankruptcy Code: On May 28, 2009, Visteon and certain of its U.S. subsidiaries (the “Debtors”) filed voluntary petitions for reorganization relief under chapter 11 of the United States Bankruptcy Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Court”) in response to sudden and severe declines in global automotive production during the latter part of 2008 and early 2009 and the resulting adverse impact on the Company’s cash flows and liquidity. On August 31, 2010, the Court entered an order confirming the Debtors’ joint plan of reorganization. On October 1, 2010 (the “Effective Date”), all conditions precedent to the effectiveness of the Plan and related documents were satisfied or waived and the Company emerged from bankruptcy. The Company adopted fresh-start accounting upon emergence from the Chapter 11 Proceedings and became a new entity for financial reporting purposes as of the Effective Date.

Restricted Cash: Restricted cash represents amounts designated for uses other than current operations and includes $11 million of collateral for the Letter of Credit Facility with US Bank National Association, and $14 million related to cash collateral for other corporate purposes at March 31, 2012.

New Accounting Pronouncements: In June 2011, the Financial Accounting Standards Board issued guidance amending comprehensive income disclosures retrospectively, for fiscal years, and interim reporting periods within those years, beginning after December 15, 2011. This guidance requires disclosures of all non-owner changes (components of comprehensive income) in stockholders’ equity to be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The Company adopted these new disclosure requirements with effect from January 1, 2012.

NOTE 2. Discontinued Operations

In March 2012, the Company entered into an agreement for the sale of certain assets and liabilities associated with the Company's Lighting operations to Varroccorp Holding BV and Varroc Engineering Pvt. Ltd. (together, "Varroc Group") for proceeds of approximately $92 million, including $20 million related to the Company's 50% equity interest in Visteon TYC Corporation (“VTYC”) (collectively the "Lighting Transaction"). The Company's Lighting operations manufacture front and rear lighting systems, auxiliary lamps and key subcomponents such as projectors and electronic modules through facilities located in Novy Jicin and Rychvald, Czech Republic, Monterrey, Mexico and Pune, India. The Company's Lighting business recorded sales for the year ended December 31, 2011 of $531 million.

The Company determined that assets and liabilities, excluding the Company's investment in VTYC, subject to the Lighting Transaction met the "held for sale" criteria during the quarterly period ended March 31, 2012. The held for sale Lighting assets and liabilities were revalued to the lower of carrying amount or fair value less cost to sell, which resulted in asset impairment charges of approximately $2 million. Additionally, the held for sale Lighting assets and liabilities were reclassified in the Consolidated Balance Sheets to "Other current assets" or "Other current liabilities," respectively, as the sale of such assets and liabilities is expected to close during the third quarter of 2012.

Assets and liabilities held for sale are summarized as follows:

Assets	March 31 2012	Liabilities	March 31 2012
	(Dollars in Millions)		(Dollars in Millions)
Property and equipment, net	$ 37	Employee liabilities	$ 8
Inventories, net	29	Capital lease obligations	3
Definite-lived intangibles, net	5		$ 11
Other assets	5		
	$ 76		

Further, because the Lighting operations represent a component of the Company's business, the results of operations of the Lighting business have been reclassified to “Income from discontinued operations, net of tax” in the Consolidated Statements of Comprehensive Income for the periods ended March 31, 2012 and 2011.

Discontinued operations are summarized as follows:

	Three Months Ended March 31	
	2012	2011
	(Dollars in Millions)	
Sales	$ 139	$ 123
Cost of sales	123	117
Gross margin	16	6
Selling, general and administrative expenses	3	2
Asset impairments	2	—
Other expenses	2	—
Income from discontinued operations before income taxes	9	4
Provision for income taxes	6	—
Net income from discontinued operations attributable to Visteon Corporation	$ 3	$ 4

Note 3. Restructuring and Other Expenses

Restructuring and other expenses consist of the following:

	Three Months Ended March 31	
	2012	2011
	(Dollars in Millions)	
Restructuring expenses	$ 41	$ (2)
Loss on asset contribution	14	—
Transformation costs	8	1
Bankruptcy related costs	—	3
	$ 63	$ 2

Restructuring Activities

The Company has undertaken various restructuring activities to achieve its strategic and financial objectives. Restructuring activities include, but are not limited to, plant closures, production relocation, administrative cost structure realignment and consolidation of available capacity and resources. The Company expects to finance restructuring programs through cash on hand, cash generated from its ongoing operations, reimbursements pursuant to customer accommodation and support agreements or through cash available under its existing debt agreements, subject to the terms of applicable covenants. Restructuring costs are recorded as elements of a plan are finalized and the timing of activities and the amount of related costs are not likely to change. However, such costs are estimated based on information available at the time such charges are recorded. In general, management anticipates that restructuring activities will be completed within a time frame such that significant changes to the plan are not likely. Due to the inherent uncertainty involved in estimating restructuring expenses, actual amounts paid for such activities may differ from amounts initially estimated.

Given the economically-sensitive and highly competitive nature of the automotive industry, the Company continues to closely monitor current market factors and industry trends taking action as necessary, including but not limited to, additional restructuring actions. However, there can be no assurance that any such actions will be sufficient to fully offset the impact of adverse factors on the Company or its results of operations, financial position and cash flows.

Restructuring reserves of $14 million and $26 million at March 31, 2012 and December 31, 2011, respectively, are classified as other current liabilities on the consolidated balance sheets. The Company anticipates that the activities associated with these reserves will be substantially completed by the end of 2012. The following is a summary of the Company's consolidated restructuring reserves and related activity for the three months ended March 31, 2012.

	Electronics	Interiors	Climate	Total
	(Dollars in Millions)			
December 31, 2011	$ 19	$ 6	$ 1	$ 26
Expenses	36	4	1	41
Utilization	(49)	(3)	(1)	(53)
March 31, 2012	$ 6	$ 7	$ 1	$ 14

During the first quarter of 2012, the Company recorded $41 million of restructuring expenses, including $36 million recorded in connection with the previously announced closure of the Company's Cadiz Electronics operation in El Puerto de Santa Maria, Spain. In January 2012 the Company reached agreements with the local unions and Spanish government for the closure of its Cadiz operation, which were subsequently ratified by the employees in February 2012. Pursuant to the agreements, the Company agreed to pay one-time termination benefits, in excess of the statutory minimum requirement, of approximately $31 million. Additionally, the Company agreed to transfer land, building and machinery with a net book value of approximately $14 million for the benefit of the employees. The Company also recorded $5 million of other exit costs related to the Cadiz exit including amounts payable to the Spanish government in connection with the asset contribution. The Company recovered approximately $15 million of such costs during the quarter ended March 31, 2012 pursuant to the Release Agreement with Ford for an aggregate recovery of $19 million when considering the $4 million received during 2011. Amounts recovered have been recorded as deferred revenue on the Company's consolidated balance sheet as further described in Note 9, "Other Liabilities". The Company anticipates recovery of an additional $4 million of such costs during the remainder of 2012.

The Company also recorded approximately $4 million for employee severance and termination benefits during the three months ended March 31, 2012 including $3 million associated with the separation of approximately 250 employees at a South American Interiors facility and $1 million associated with 40 voluntary employee separations associated with the Climate action announced in the fourth quarter of 2011. Utilization of $53 million during the first quarter of 2012 represents payments of $50 million for employee severance and termination benefits and $3 million reflecting lease termination, consulting and legal costs related to previously announced restructuring actions.

During the first quarter of 2011, the Company recorded approximately $4 million for employee severance and termination benefits associated with previously announced actions at two European Interiors facilities. The Company also reversed approximately $6 million of previously established accruals for employee severance and termination benefits at a European Interiors facility pursuant to a March 2011 contractual agreement to cancel the related social plan.

Business Transformation Activities

Business transformation costs of $8 million and $1 million incurred during the first quarter of 2012 and 2011, respectively, relate principally to financial and advisory fees associated with the Company's continued efforts to transform its business portfolio and to rationalize its cost structure including, among other things, the investigation of potential transactions for the sale, merger or other combination of certain businesses.

In November 2011, Visteon and Yanfeng Visteon Automotive Trim Systems, Co. Ltd., a 50% owned non-consolidated affiliate of the Company, signed a non-binding memorandum of understanding ("MOU") with respect to a potential transaction that would combine the majority of Visteon's global interiors business with YFV. Although the MOU sets forth basic terms of the proposed transaction, definitive agreements for the proposed sale, which would be subject to regulatory and other approvals, remain subject to significant uncertainties and there can be no assurance that definitive agreements will be entered into or that such a transaction will be completed in the timetable or on the terms referenced in the MOU. In connection with the preparation of the March 31, 2012 financial statements, the Company concluded that proceeds associated with the potential sale transaction indicated that the carrying value of the Company's Interiors assets, which approximated $189 million as of March 31, 2012, may not be recoverable. Accordingly, the Company performed a recoverability test utilizing a probability weighted analysis of cash flows associated with continuing to run and operate the Interiors business and cash flows associated with the potential sale of the Interiors business. As a result of the analysis, the Company concluded that no impairment existed as of March 31, 2012. Further, as of March 31, 2012 the Company did not meet the specific criteria necessary for the Interiors assets to be considered held for sale.

During the first quarter 2011, the Company recorded bankruptcy-related costs of $3 million, which were the result of amounts directly associated with the bankruptcy claims settlement process under Chapter 11.

NOTE 4. Inventories

Inventories are stated at the lower of cost, determined on a first-in, first-out basis, or market. A summary of inventories is provided below:

	March 31 2012	December 31 2011
	(Dollars in Millions)	
Raw materials	$ 146	$ 167
Work-in-process	181	174
Finished products	78	64
	405	405
Valuation reserves	(24)	(24)
	$ 381	$ 381

NOTE 5. Other Assets

Other current assets are summarized as follows:

	March 31 2012	December 31 2011
	(Dollars in Millions)	
Recoverable taxes	$ 112	$ 99
Assets held for sale	76	—
Pledged accounts receivable	76	82
Deposits	38	40
Deferred tax assets	29	30
Prepaid assets	29	17
Other	34	36
	$ 394	$ 304

Other non-current assets are summarized as follows:

	March 31 2012	December 31 2011
	(Dollars in Millions)	
Deferred tax assets	$ 18	$ 18
Income tax receivable	11	11
Deposits	7	7
Other	32	30
	$ 68	$ 66

NOTE 6. Property and Equipment

Property and equipment, net consists of the following:

	March 31 2012	December 31 2011
	(Dollars in Millions)	
Land	$ 167	$ 184
Buildings and improvements	314	311
Machinery, equipment and other	1,040	985
Construction in progress	84	106
Total property and equipment	1,605	1,586
Accumulated depreciation	(301)	(254)
	1,304	1,332
Product tooling, net of amortization	80	80
Property and equipment, net	$ 1,384	$ 1,412

Property and equipment is depreciated principally using the straight-line method of depreciation over an estimated useful life. Generally, buildings and improvements are depreciated over a 40-year estimated useful life and machinery, equipment and other assets are depreciated over estimated useful lives ranging from 3 to 15 years. Product tooling is amortized using the straight-line method over the estimated life of the tool, generally not exceeding six years.

Depreciation and amortization expenses are summarized as follows:

	Three Months Ended March 31 2012	Three Months Ended March 31 2011
	(Dollars in Millions)	
Depreciation	$ 53	$ 61
Amortization	2	5
	$ 55	$ 66

Subsequent Event

On April 17, 2012, the Company entered into an agreement to sell its corporate headquarters, which has a net book value of approximately $60 million at March 31, 2012, for approximately $81 million. In connection with the sale, the Company entered into an agreement to lease back the corporate offices over a period of 15 years. The resulting gain on the sale will be deferred and recognized into income over the lease term.

NOTE 7. Non-Consolidated Affiliates

The Company recorded equity in net income of non-consolidated affiliates of $42 million and $44 million for the three-month periods ended March 31, 2012 and 2011, respectively. The Company had $679 million and $644 million of equity in the net assets of non-consolidated affiliates at March 31, 2012 and December 31, 2011, respectively. The following table presents summarized financial data for the Company's non-consolidated affiliates, including Yanfeng Visteon Automotive Trim Systems Co., Ltd ("Yanfeng"), of which the Company owns a 50% interest and which is considered a significant non-consolidated affiliate. Summarized financial information reflecting 100% of the operating results of the Company's equity investees are provided below.

	Net Sales		Gross Margin		Net Income	
	Three Months Ended March 31		Three Months Ended March 31		Three Months Ended March 31	
	2012	2011	2012	2011	2012	2011
	(Dollars in Millions)					
Yanfeng	$ 793	$ 720	$ 122	$ 109	$ 72	$ 69
All other	413	187	42	33	17	19
	$ 1,206	$ 907	$ 164	$ 142	$ 89	$ 88

Net sales of all other non-consolidated affiliates for the three-month period ended March 31, 2012 included $193 million for Duckyang, which was deconsolidated from the Company's financial statements as a result of the Company's sale of a controlling ownership interest in October 2011.

The Company monitors its investments in the net assets of non-consolidated affiliates for indicators of other-than-temporary declines in value on an ongoing basis. If the Company determines that such a decline has occurred, an impairment loss is recorded, which is measured as the difference between carrying value and fair value.

NOTE 8. Intangible Assets

Intangible assets, net are comprised of the following:

	March 31, 2012			December 31, 2011		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
	(Dollars in Millions)					
Definite-lived intangible assets						
Developed technology	$ 200	$ 38	$ 162	$ 204	$ 32	$ 172
Customer related	121	20	101	119	16	103
Other	20	4	16	20	3	17
	$ 341	$ 62	$ 279	$ 343	$ 51	$ 292
Goodwill and indefinite-lived intangible assets						
Goodwill			$ 36			$ 36
Trade names			25			25
			$ 61			$ 61

The Company recorded approximately $10 million and $11 million of amortization expense related to definite-lived intangible assets for the three-month periods ended March 31, 2012 and March 31, 2011, respectively. The Company currently estimates annual amortization expense to be $40 million for 2012 through 2014, $39 million for 2015 and $38 million for 2016.

Goodwill and trade names, substantially all of which relate to the Company's Climate reporting unit, are not amortized but are tested for impairment at least annually. Impairment testing is required more often if an event or circumstance indicates that an impairment is more likely than not to have occurred. In conducting impairment testing, the fair value of the reporting unit is compared to the net book value of the reporting unit. If the net book value exceeds the fair value, an impairment loss is measured and recognized. The Company conducts its annual impairment testing as of the first day of the fourth quarter.

The Company reclassified approximately $5 million of Lighting developed technology assets to Other current assets as they were considered held for sale as of March 31, 2012. See Note 2, "Discontinued Operations" for further details.

NOTE 9. Other Liabilities

Other current liabilities are summarized as follows:

	March 31 2012	December 31 2011
	(Dollars in Millions)	
Non-income taxes payable	$ 42	$ 41
Product warranty and recall reserves	40	42
Deferred income	36	21
Income taxes payable	29	29
Payables to related parties	22	24
Accrued interest payable	16	7
Restructuring reserves	14	26
Liabilities held for sale	11	—
Foreign currency hedges	7	16
Claims settlement accruals	5	9
Other accrued liabilities	75	52
	$ 297	$ 267

Other non-current liabilities are summarized as follows:

	March 31 2012	December 31 2011
	(Dollars in Millions)	
Income tax reserves	$ 103	$ 97
Deferred income	56	42
Non-income taxes payable	42	41
Product warranty and recall reserves	26	24
Other accrued liabilities	18	21
	$ 245	$ 225

Current and non-current deferred income of $19 million and $47 million, respectively, relate to various customer accommodation, support and other agreements. Revenue associated with these agreements is being recorded in relation to the delivery of associated products in accordance with the terms of the underlying agreement or over the estimated period of benefit to the customer, generally representing the duration of remaining production on current vehicle platforms. The Company recorded $5 million of revenue associated with these payments during the three months ended March 31, 2012. The Company expects to record approximately $15 million, $16 million, $15 million, $10 million and $9 million of deferred amounts in the remainder of 2012 and the annual periods of 2013, 2014, 2015 and 2016, respectively.

NOTE 10. Debt

As of March 31, 2012, the Company had $93 million and $503 million of debt outstanding classified as short-term debt and long-term debt, respectively. The Company's short and long-term debt balances consist of the following:

	March 31 2012	December 31 2011
	(Dollars in Millions)	
Short-term debt		
Current portion of long-term debt	$ 6	$ 1
Other – short-term	87	86
Total short-term debt	93	87
Long-term debt		
6.75% senior notes due April 15, 2019	494	494
Other	9	18
Total long-term debt	503	512
Total debt	$ 596	$ 599

The Company's revolving loan credit agreement has a borrowing capacity of $220 million, subject to borrowing base requirements. As of March 31, 2012, there were no amounts outstanding under the revolving loan credit agreement and the amount available for borrowing was $220 million. On April 3, 2012, the Company entered into an amendment to the revolving loan credit agreement to allow for the potential sale of the Lighting assets as well as the sale and leaseback of the Company's U.S. corporate headquarters. The future borrowing capacity under the revolving loan credit agreement is likely to be impacted by the sale of these assets.

In connection with the Company's $15 million Letter of Credit ("LOC") Facility with US Bank National Association it must continue to maintain a collateral account equal to 103% of the aggregated stated amount of the LOCs with reimbursement of any draws. As of March 31, 2012 and December 31, 2011, the Company had $11 million of outstanding letters of credit issued under this facility and secured by restricted cash. In addition, the Company had $13 million of locally issued letters of credit to support various customs arrangements and other obligations at its local affiliates of which $8 million are securitized by cash collateral as of March 31, 2012.

As of March 31, 2012, the Company had affiliate debt outstanding of $101 million, with $92 million and $9 million classified in short-term and long-term debt, respectively. These balances are primarily related to the Company's non-U.S. operations and are payable in non-U.S. currencies including, but not limited to the Euro, Chinese Yuan, and Korean Won. Remaining availability on outstanding affiliate credit facilities is approximately $180 million and certain of these facilities have pledged receivables, inventory or equipment as security. Included in the Company's affiliate debt is an arrangement, through a subsidiary in France, to sell accounts receivable on an uncommitted basis. The amount of financing available is contingent upon the amount of receivables less certain reserves. The Company pays a 30 basis points servicing fee on all receivables sold, as well as a financing fee of 3-month Euribor plus 75 basis points on the advanced portion. At March 31, 2012, there were $29 million outstanding borrowings under the facility with $76 million of receivables pledged as security, which are recorded as Other current assets on the consolidated balance sheet.

The fair value of debt was approximately $605 million and $587 million at March 31, 2012 and December 31, 2011, respectively. Fair value estimates were based on quoted market prices or current rates for the same or similar issues, or on the current rates offered to the Company for debt of the same remaining maturities.

NOTE 11. Employee Retirement Benefits

Benefit Expenses

The components of the Company's net periodic benefit costs for the three-month periods ended March 31, 2012 and 2011 were as follows:

	Retirement Plans			
	U.S. Plans		Non-U.S. Plans	
	2012	2011	2012	2011
	(Dollars in Millions)			
Costs recognized in income				
Service cost	$ —	$ 1	$ 1	$ 1
Interest cost	17	19	7	7
Expected return on plan assets	(19)	(19)	(4)	(4)
Special termination benefits	—	2	—	—
Visteon sponsored plan net pension (income) expense	$ (2)	$ 3	$ 4	$ 4

Most U.S. salaried employees and certain non-U.S. employees are eligible to participate in defined contribution plans by contributing a portion of their compensation, which is partially matched by the Company. Effective January 1, 2012, matching contributions for the U.S. defined contribution plan are 100% on the first 6% of pay contributed. The expense related to matching contributions was approximately $5 million for the three-month period ended March 31, 2012.

Contributions

On January 9, 2012 the Company completed a contribution of approximately 1.5 million shares of Visteon Corporation common stock valued at approximately $73 million to its two largest U.S. defined benefit plans. This contribution was in excess of the calendar 2012 minimum required contributions for those plans by approximately $10 million.

During the three-month period ended March 31, 2012, cash contributions to the Company's U.S. retirement plans were $1 million and contributions to non-U.S. retirement plans were $3 million. The Company anticipates additional cash contributions to its U.S. retirement plans and OPEB plans of $3 million and $2 million, respectively, during 2012. The Company also anticipates additional 2012 contributions to non-U.S. retirement plans of $13 million. The Company's expected 2012 contributions may be revised.

NOTE 12. Income Taxes

The Company's provision for income taxes in interim periods is computed by applying an estimated annual effective tax rate against income before income taxes, excluding equity in net income of non-consolidated affiliates for the period. Effective tax rates vary from period to period as separate calculations are performed for those countries where the Company's operations are profitable and whose results continue to be tax-effected and for those countries where full deferred tax valuation allowances exist and are maintained. The Company is also required to record the tax impact of certain other non-recurring tax items, including changes in judgment about valuation allowances and effects of changes in tax laws or rates, in the interim period in which they occur. The need to maintain valuation allowances against deferred tax assets in the U.S. and other affected countries will continue to cause variability in the Company's quarterly and annual effective tax rates. Full valuation allowances against deferred tax assets in the U.S. and applicable foreign countries will be maintained until sufficient positive evidence exists to reduce or eliminate them.

The Company's provision for income taxes for the three-month period ended March 31, 2012 of $27 million includes income tax expense in countries where the Company is profitable, withholding taxes, changes in uncertain tax benefits, and the inability to record a tax benefit for pre-tax losses in the U.S. and certain other jurisdictions to the extent not offset by other categories of income.

The amount of income tax expense or benefit allocated to continuing operations is generally determined without regard to the tax effects of other categories of income or loss, such as other comprehensive income. However, an exception to the general rule is provided when there is a pre-tax loss from continuing operations and net pre-tax income from other categories in the current year. In such instances, net pre-tax income from other categories must offset the current loss from operations, the tax benefit of such offset being reflected in continuing operations even when a valuation allowance has been established against the deferred tax

assets. In instances where a valuation allowance is established against current year operating losses, net pre-tax income from other sources, including other comprehensive income, is considered when determining whether sufficient future taxable income exists to realize the deferred tax assets.

Unrecognized Tax Benefits

Gross unrecognized tax benefits were $129 million at March 31, 2012 and $123 million at December 31, 2011, of which approximately $72 million and $69 million, respectively, represent the amount of unrecognized benefits that, if recognized, would impact the effective tax rate. The gross unrecognized tax benefit differs from that which would impact the effective tax rate due to uncertain tax positions embedded in other deferred tax attributes carrying a full valuation allowance. Since the uncertainty is expected to be resolved while a full valuation allowance is maintained, these uncertain tax positions should not impact the effective tax rate in current or future periods. During the three-month period ended March 31, 2012, the Company increased its gross unrecognized tax benefits by approximately $6 million, primarily as a result of certain positions expected to be taken in future tax returns and foreign currency impacts, of which $3 million would impact the effective tax rate if the unrecognized tax benefits were recognized. The Company records interest and penalties related to uncertain tax positions as a component of income tax expense. Accrued interest and penalties related to uncertain tax positions was $31 million at March 31, 2012 and $28 million at December 31, 2011.

The Company operates in multiple jurisdictions throughout the world and the income tax returns of its subsidiaries in various tax jurisdictions are subject to periodic examination by respective tax authorities. With few exceptions, the Company is no longer subject to U.S. federal tax examinations for years before 2008 or state and local, or non-U.S. income tax examinations for years before 2002. It is reasonably possible that the amount of the Company's unrecognized tax benefits may change within the next twelve months due to the conclusion of ongoing audits or the expiration of tax statutes. Given the number of years, jurisdictions and positions subject to examination, the Company is unable to estimate the full range of possible adjustments to the balance of unrecognized tax benefits. However, the Company believes it is reasonably possible it will reduce the amount of its existing unrecognized tax benefits impacting the effective tax rate by $1 million to $3 million due to the lapse of statute of limitations, some portion of such reduction might be reported as discontinued operations.

NOTE 13. Shareholders' Equity and Non-controlling Interests

The table below provides a reconciliation of the carrying amount of total shareholders' equity, including shareholders' equity attributable to Visteon and equity attributable to non-controlling interests ("NCI").

	Three Months Ended March 31, 2012			Three Months Ended March 31, 2011		
	Visteon	NCI	Total	Visteon	NCI	Total
	(Dollars in Millions)					
Shareholders' equity beginning balance	$ 1,307	$ 690	$ 1,997	$ 1,260	$ 690	$ 1,950
(Loss) income from continuing operations	(32)	18	(14)	35	17	52
Income from discontinued operations	3	—	3	4	—	4
Net (loss) income	(29)	18	(11)	39	17	56
Other comprehensive income						
Foreign currency translation adjustment	28	6	34	47	9	56
Pension and other postretirement benefits	2	—	2	2	—	2
Unrealized hedging gains (losses) and other	10	1	11	4	1	5
Total other comprehensive income	40	7	47	53	10	63
Stock-based compensation, net	7	—	7	10	—	10
Common stock contribution to U.S. Pension plans	73	—	73	—	—	—
Warrant exercises	—	—	—	3	—	3
Dividends to non-controlling interests	—	(22)	(22)	—	(24)	(24)
Shareholders' equity ending balance	$ 1,398	$ 693	$ 2,091	$ 1,365	$ 693	$ 2,058

Non-controlling Interests

Non-controlling interests in the Visteon Corporation economic entity are as follows:

	March 31 2012	December 31 2011
	(Dollars in Millions)	
Halla Climate Control Corporation	$ 663	$ 660
Visteon Interiors Korea Ltd	18	20
Other	12	10
Total non-controlling interests	$ 693	$ 690

The Company holds a 70% interest in Halla Climate Control Corporation ("Halla"), a consolidated subsidiary. Halla is headquartered in South Korea with operations in North America, Europe and Asia. Halla designs, develops and manufactures automotive climate control products, including air conditioning systems, modules, compressors, and heat exchangers for sale to global OEMs.

Accumulated Other Comprehensive Income (Loss)

The Accumulated other comprehensive income (loss) ("AOCI") category of Shareholders' equity, net of tax, includes:

	March 31 2012	December 31 2011
	(Dollars in Millions)	
Foreign currency translation adjustments	$ (13)	$ (41)
Pension and other postretirement benefit adjustments	27	25
Unrealized gains (losses) on derivatives	1	(9)
Total accumulated other comprehensive income (loss)	$ 15	$ (25)

NOTE 14. (Loss) Earnings Per Share

Basic (loss) earnings per share of common stock is calculated by dividing reported net (loss) income by the average number of shares of common stock outstanding during the applicable period, adjusted for restricted stock. Diluted earnings per share is computed by dividing net (loss) income by the average number of shares of common stock outstanding during the applicable period, adjusted for restricted stock and the effect of dilutive potential common stock, such as stock warrants and stock options. The impact of restricted stock and other dilutive potential common stock is not taken into consideration in loss periods as the impact would be anti-dilutive. Accordingly, restricted stock and other dilutive potential common stock have been excluded from the computation of basic and diluted (loss) per share for the three-month period ended March 31, 2012, as applicable.

The table below provides details underlying the calculations of basic and diluted (loss) earnings per share.

	Three Months Ended March 31	
	2012	2011
	(Dollars in Millions, Except Per Share Amounts)	
Numerator:		
(Loss) income from continuing operations	$ (32)	$ 35
Income from discontinued operations	3	4
Net (loss) income attributable to Visteon	$ (29)	$ 39
Denominator:		
Average common stock outstanding	51.9	50.7
Dilutive effect of warrants	—	1.3
Diluted shares	51.9	52.0
Basic and Diluted (Loss) Earnings Per Share Data:		
Basic (loss) earnings per share:		
Continuing operations	$ (0.62)	$ 0.69
Discontinued operations	0.06	0.08
Basic (loss) earnings per share attributable to Visteon	$ (0.56)	$ 0.77
Diluted (loss) earnings per share:		
Continuing operations	$ (0.62)	$ 0.67
Discontinued operations	0.06	0.08
Diluted (loss) earnings per share attributable to Visteon	$ (0.56)	$ 0.75

NOTE 15. Fair Value Measurements and Financial Instruments

Fair Value Hierarchy

Financial assets and liabilities are categorized, based on the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to the quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable inputs.

- Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted market prices for identical assets and liabilities in an active market that the Company has the ability to access.
- Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable for substantially the full term of the asset or liability.
- Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

Financial Instruments

The Company’s net cash inflows and outflows exposed to the risk of changes in foreign currency 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. Where possible, the Company utilizes derivative financial instruments, including forward and option contracts, to protect the Company’s cash flow from changes in exchange rates. Foreign currency exposures are reviewed monthly and any natural offsets are considered prior to entering into a derivative financial instrument.

The Company’s primary foreign currency exposures include the Euro, Korean Won, Czech Koruna, Hungarian Forint and Mexican Peso. Where possible, the Company utilizes a strategy of partial coverage for transactions in these currencies. As of March 31, 2012 and December 31, 2011, the Company had forward contracts to hedge changes in foreign currency exchange rates with notional amounts of approximately $767 million and $741 million, respectively. Fair value estimates of these contracts are based

on quoted market prices. A portion of these instruments have been designated as cash flow hedges with the effective portion of the gain or loss reported in the Accumulated other comprehensive (loss) income component of Shareholders' equity in the Company's consolidated balance sheet. The ineffective portion of these instruments is recorded as Cost of sales in the Company's consolidated statement of operations.

Foreign currency hedge instruments are measured at fair value on a recurring basis under an income approach using industry-standard models that consider various assumptions, including time value, volatility factors, current market and contractual prices for the underlying and non-performance risk. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace. Accordingly, the Company's foreign currency instruments are classified as Level 2, "Other Observable Inputs" in the fair value hierarchy.

Financial Statement Presentation

The Company presents its derivative positions and any related material collateral under master netting agreements on a net basis. Derivative financial instruments designated and non-designated as hedging instruments are included in the Company's consolidated balance sheets at March 31, 2012 and December 31, 2011 as follows:

Assets			Liabilities		
	March 31	December 31		March 31	December 31
Classification	2012	2011	Classification	2012	2011
	(Dollars in Millions)			(Dollars in Millions)	
Designated:			**Designated:**		
Other current assets	$ 7	$ —	Other current assets	$ 2	$ —
Other current liabilities	1	8	Other current liabilities	7	24
Non-designated:			**Non-designated:**		
Other current liabilities	—	—	Other current liabilities	1	—
	$ 8	$ 8		$ 10	$ 24

Gains and losses associated with derivative financial instruments recorded in Cost of sales and Interest expense for the three-month period ended March 31, 2012 and 2011 are as follows:

	Amount of Gain (Loss)					
	Recorded in AOCI		Reclassified from AOCI into Income		Recorded in Income	
	2012	2011	2012	2011	2012	2011
	(Dollars in Millions)					
Foreign currency risk – Cost of sales						
Cash flow hedges	$ 10	$ 3	$ —	$ 2	$ —	$ —
Non-designated cash flow hedges	—	—	—	—	(1)	(1)
	$ 10	$ 3	$ —	$ 2	$ (1)	$ (1)
Interest rate risk – Interest expense						
Cash flow hedges	$ —	$ 1	$ —	$ —	$ —	$ —

Concentrations of Credit Risk

Financial instruments, including cash equivalents, marketable securities, derivative contracts and accounts receivable, expose the Company to counterparty credit risk for non-performance. The Company's counterparties for cash equivalents, marketable securities and derivative contracts are banks and financial institutions that meet the Company's requirement of high credit standing. The Company's counterparties for derivative contracts are with investment and commercial banks with significant experience using such derivatives and is assessed on a net basis. The Company manages its credit risk through policies requiring minimum credit standing and limiting credit exposure to any one counterparty and through monitoring counterparty credit risks. The Company's concentration of credit risk related to derivative contracts at March 31, 2012 and December 31, 2011 is not significant.

With the exception of the customers below, the Company’s credit risk with any individual customer does not exceed ten percent of total accounts receivable at March 31, 2012 and December 31, 2011, respectively.

	March 31 2012	December 31 2011
Ford and affiliates	24%	24%
Hyundai Mobis Company	11%	14%
Hyundai Motor Company	9%	10%

Management periodically performs credit evaluations of its customers and generally does not require collateral.

Items Measured at Fair Value on a Non-recurring Basis

In addition to items that are measured at fair value on a recurring basis, the Company measures certain assets and liabilities at fair value on a non-recurring basis, which are not included in the table above. As these non-recurring fair value measurements are generally determined using unobservable inputs, these fair value measurements are classified within Level 3 of the fair value hierarchy. Assets and liabilities measured at fair value on a non-recurring basis during the three month period ended March 31, 2012 include assets and liabilities subject to the Lighting Transaction, as further described in Note 2, "Discontinued Operations."

NOTE 16. Commitments and Contingencies

Guarantees and Commitments

The Company has guaranteed approximately $35 million for lease payments related to its subsidiaries for between one and ten years. In connection with an agreement entered in 2009 with the Pension Benefit Guarantee Corporation ("PBGC"), the Company agreed to provide a guarantee by certain affiliates of contingent pension obligations of up to $30 million, the term of this guarantee is dependent upon events as specifically set forth in the PBGC agreement.

Litigation and Claims

During the third quarter of 2011, the Company received a formal request from the competition unit of the European Commission for documents and information in connection with its on-going investigation into alleged anti-competitive behavior relating to specific automotive electronic components in the European Union/European Economic Area. The Company has responded to request. The Company's policy is to comply with all laws and regulations, including all antitrust and competition laws, and it intends to cooperate fully with the European Commission in the context of its ongoing investigation. At this time, the Company is not able to estimate a reasonably possible range of loss that may ultimately result from this investigation and no accrual has been established for the matter as of March 31, 2012.

Several current and former employees of Visteon Deutschland GmbH (“Visteon Germany”) filed civil actions against Visteon Germany in various German courts beginning in August 2007 seeking damages for the alleged violation of German pension laws that prohibit the use of pension benefit formulas that differ for salaried and hourly employees without adequate justification. Several of these actions have been joined as pilot cases. In a written decision issued in April 2010, the Federal Labor Court issued a declaratory judgment in favor of the plaintiffs in the pilot cases. To date, more than 650 current and former employees have filed similar actions or have inquired as to or been granted additional benefits, and an additional 700 current and former employees are similarly situated. The Company's remaining reserve for unsettled cases is approximately $6 million and is based on the Company’s best estimate as to the number and value of the claims that will be made in connection with the pension plan. However, the Company’s estimate is subject to many uncertainties which could result in Visteon Germany incurring amounts in excess of the reserved amount of up to approximately $8 million.

The Company's operations in Brazil are subject to highly complex labor, tax, customs and other laws. While the Company believes that it is in compliance with such laws, it is periodically engaged in litigation regarding the application of these laws. As of March 31, 2012, the Company maintained accruals of approximately $14 million for claims aggregating approximately $155 million. The amounts accrued represent claims that are deemed probable of loss and are reasonably estimable based on the Company's assessment of the claims and prior experience with similar matters.

On May 28, 2009, the Debtors filed voluntary petitions in the Court seeking reorganization relief under the provisions of chapter 11 of the Bankruptcy Code. The Debtors' chapter 11 cases have been assigned to the Honorable Christopher S. Sontchi and are being jointly administered as Case No. 09-11786. The Debtors continued to operate their business as debtors-in-possession under the jurisdiction of the Court and in accordance with the applicable provisions of the Bankruptcy Code and the orders of the Court until their emergence on October 1, 2010. Under section 362 of the Bankruptcy Code, the filing of a bankruptcy petition automatically stayed most actions against a debtor, including most actions to collect pre-petition indebtedness or to exercise control over the property of the debtor's estate. Substantially all pre-petition liabilities and claims relating to rejected executory contracts and unexpired leases have been settled under the Debtor's plan of reorganization, however, the ultimate amounts to be paid in settlement of each those claims will continue to be subject to the uncertain outcome of litigation, negotiations and Court decisions for a period of time after the Effective Date.

In December of 2009, the Court granted the Debtors' motion in part authorizing them to terminate or amend certain other postretirement employee benefits, including health care and life insurance. On December 29, 2009, the IUE-CWA, the Industrial Division of the Communications Workers of America, AFL-CIO, CLC, filed a notice of appeal of the Court's order with the District Court. By order dated March 31, 2010, the District Court affirmed the Court's order in all respects. On April 1, 2010, the IUE filed a notice of appeal. On July 13, 2010, the Circuit Court reversed the order of the District Court as to the IUE-CWA and directed the District Court to, among other things, direct the Court to order the Company to take whatever action is necessary to immediately restore terminated or modified benefits to their pre-termination/modification levels. On July 27, 2010, the Company filed a Petition for Rehearing or Rehearing En Banc requesting that the Circuit Court review the panel's decision, which was denied. By orders dated August 30, 2010, the Court ruled that the Company should restore certain other postretirement employee benefits to the appellant-retirees and also to salaried retirees and certain retirees of the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America ("UAW"). On September 1, 2010, the Company filed a Notice of Appeal to the District Court of the Court's decision to include non-appealing retirees, and on September 15, 2010 the UAW filed a Notice of Cross-Appeal. The appeals process includes mandatory mediation of the dispute. The Company subsequently reached an agreement with the original appellants in late-September 2010, which resulted in the Company not restoring other postretirement employee benefits of such retirees. On September 30, 2010, the UAW filed a complaint, which it amended on October 1, 2010, in the United States District Court for the Eastern District of Michigan seeking, among other things, a declaratory judgment to prohibit the Company from terminating certain other postretirement employee benefits for UAW retirees after the Effective Date. The Company has filed a motion to dismiss the UAW's complaint and a motion to transfer the case to the District of Delaware, which motions are pending. In July 2011, the Company engaged in mediation with the UAW, which was not successful. The parties have established a briefing schedule on the Company's motions pending in the Eastern District of Michigan and the court has scheduled a hearing for May 2012. The parties will also establish a briefing schedule on the parties' appeals pending in the District of Delaware. As of March 31, 2012, the Company maintains an accrual for claims that are deemed probable of loss and are reasonably estimable based on the Company's assessment of the claims and prior experience with similar matters.

While the Company believes its accruals for litigation and claims are adequate, the final amounts required to resolve such matters could differ materially from recorded estimates and the Company's results of operations and cash flows could be materially affected.

Product Warranty and Recall

Amounts accrued for product warranty and recall claims are based on management's best estimates of the amounts that will ultimately be required to settle such items. The Company's estimates for product warranty and recall obligations are developed with support from its sales, engineering, quality and legal functions and include due consideration of contractual arrangements, past experience, current claims and related information, production changes, industry and regulatory developments and various other considerations. The Company can provide no assurances that it will not experience material claims in the future or that it will not incur significant costs to defend or settle such claims beyond the amounts accrued or beyond what the Company may recover from its suppliers. The following table provides a reconciliation of changes in the product warranty and recall claims liability for the three months period ended March 31, 2012 and 2011.

	Three Months Ended March 31	
	2012	2011
	(Dollars in Millions)	
Beginning balance	$ 65	$ 75
Accruals for products shipped	5	5
Changes in estimates	—	1
Settlements	(4)	(3)
Ending balance	$ 66	$ 78

Environmental Matters

The Company is subject to the requirements of federal, state, local and foreign environmental and occupational safety and health laws and regulations and ordinances. These include laws regulating air emissions, water discharge and waste management. The Company is also subject to environmental laws requiring the investigation and cleanup of environmental contamination at properties it presently owns or operates and at third-party disposal or treatment facilities to which these sites send or arranged to send hazardous waste. The Company is aware of contamination at some of its properties. These sites are in various stages of investigation and cleanup. The Company currently is, has been, and in the future may become the subject of formal or informal enforcement actions or procedures.

Costs related to environmental assessments and remediation efforts at operating facilities, previously owned or operated facilities, or other waste site locations are accrued when it is probable that a liability has been incurred and the amount of that liability can be reasonably estimated. Estimated costs are recorded at undiscounted amounts, based on experience and assessments, and are regularly evaluated. The liabilities are recorded in Other current liabilities and Other non-current liabilities in the consolidated balance sheets. At March 31, 2012, the Company had recorded a reserve of approximately $1 million for environmental matters. However, estimating liabilities for environmental investigation and cleanup is complex and dependent upon a number of factors beyond the Company’s control and which may change dramatically. Accordingly, although the Company believes its reserve is adequate based on current information, the Company cannot provide any assurance that its ultimate environmental investigation and cleanup costs and liabilities will not exceed the amount of its current reserve.

Other Contingent Matters

Various legal actions, governmental investigations and proceedings and claims are pending or may be instituted or asserted in the future against the Company, including those arising out of alleged defects in the Company’s products; governmental regulations relating to safety; employment-related matters; customer, supplier and other contractual relationships; intellectual property rights; product warranties; product recalls; and environmental matters. Some of the foregoing matters may involve compensatory, punitive or antitrust or other treble damage claims in very large amounts, or demands for recall campaigns, environmental remediation programs, sanctions, or other relief which, if granted, would require very large expenditures. The Company enters into agreements that contain indemnification provisions in the normal course of business for which the risks are considered nominal and impracticable to estimate.

Contingencies are subject to many uncertainties, and the outcome of individual litigated matters is not predictable with assurance. Reserves have been established by the Company for matters discussed in the immediately foregoing paragraph where losses are deemed probable and reasonably estimable. It is possible, however, that some of the matters discussed in the foregoing paragraph could be decided unfavorably to the Company and could require the Company to pay damages or make other expenditures in amounts, or a range of amounts, that cannot be estimated at March 31, 2012 and that are in excess of established reserves. The Company does not reasonably expect, except as otherwise described herein, based on its analysis, that any adverse outcome from such matters would have a material effect on the Company’s financial condition, results of operations or cash flows, although such an outcome is possible.

NOTE 17. Segment Information

Segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision-maker, or a decision-making group, in deciding the allocation of resources and in assessing performance. The Company’s Chief Operating Decision Making Group ("CODM Group"), comprised of the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), evaluates the performance of the Company’s segments primarily based on net sales, before elimination of inter-company shipments, gross margin and operating assets. Gross margin is defined as total sales less costs to manufacture and product development and engineering expenses. Operating assets include inventories and property and equipment utilized in the manufacture of the segments’ products.

In April 2011, the Company announced a new operating structure for use by the CODM Group in managing the business based on specific global product lines rather than reporting at a broader global product group level as historically utilized by the CODM Group. Under prior global product groups, the results of each of the Company’s facilities were grouped for reporting purposes into segments based on the predominant product line offering of the respective facility, as separate product line results within each facility were not historically available. During the second quarter of 2011 the Company completed the process of realigning systems and reporting structures to facilitate financial reporting under the revised organizational structure such that the results for each product line within each facility can be separately identified. The information reviewed by the CODM Group has been updated to reflect the new structure. The financial results included below have been recast for all periods to reflect the updated structure.

The Company’s operating structure is organized by global product lines, including: Climate, Electronics and Interiors. These global product lines have financial and operating responsibility over the design, development and manufacture of the Company’s product portfolio. Global customer groups are responsible for the business development of the Company’s product portfolio and overall customer relationships. Certain functions such as procurement, information technology and other administrative activities are managed on a global basis with regional deployment. The Company’s reportable segments are as follows:

- Climate — The Company’s Climate product line includes climate air handling modules, powertrain cooling modules, heat exchangers, compressors, fluid transport and engine induction systems.
- Electronics — The Company’s Electronics product line includes audio systems, infotainment systems, driver information systems, powertrain and feature control modules, climate controls, and electronic control modules.
- Interiors — The Company’s Interiors product line includes instrument panels, cockpit modules, door trim and floor consoles.

Segment Sales and Gross Margin

	Sales		Gross Margin	
	Three Months Ended March 31		Three Months Ended March 31	
	2012	2011	2012	2011
Climate	$ 1,023	$ 979	$ 89	$ 85
Electronics	322	358	27	37
Interiors	400	571	18	21
Eliminations	(28)	(58)	—	—
Total consolidated	$ 1,717	$ 1,850	$ 134	$ 143

Segment Operating Assets

	Inventories, net		Property and Equipment, net	
	March 31 2012	December 31 2011	March 31 2012	December 31 2011
	(Dollars in Millions)			
Climate	$ 264	$ 236	$ 958	$ 934
Electronics	66	66	129	144
Interiors	49	47	177	171
Other	2	32	—	42
Total Products	381	381	1,264	1,291
Corporate	—	—	120	121
Total consolidated	$ 381	$ 381	$ 1,384	$ 1,412

Other includes assets of the Company's discontinued Lighting operations as of December 31, 2011 (Inventories, net of $31 million and Property and equipment, net of $42 million). These assets were classified as "Other current assets" as of March 31, 2012. See Note 2, "Discontinued Operations" for further details.

NOTE 18. Condensed Consolidating Financial Information of Guarantor Subsidiaries

On April 6, 2011, the Company completed the sale of $500 million aggregate principal amount of 6.75% senior notes due April 15, 2019 (the "Original Senior Notes"). In January 2012, the Company exchanged substantially identical senior notes (the "Senior Notes") that have been registered under Securities Act of 1933, as amended, for all of the Original Senior Notes. The Senior Notes were issued under an Indenture (the “Indenture”), among the Company, the subsidiary guarantors named therein, and The Bank of New York Mellon Trust Company, N.A., as trustee. The Indenture and the form of Senior Notes provide, among other things, that the Senior Notes are be senior unsecured obligations of the Company. Interest is payable on the Senior Notes on April 15 and October 15 of each year beginning on October 15, 2011 until maturity. Each of the Company’s existing and future wholly owned domestic restricted subsidiaries that guarantee debt under the Company’s revolving loan credit agreement guarantee the Senior Notes.

Guarantor Financial Statements

Certain subsidiaries of the Company (as listed below, collectively the “Guarantor Subsidiaries”) have guaranteed fully and unconditionally, on a joint and several basis, the obligation to pay principal and interest under the Company’s revolving loan credit agreement and the Senior Notes. The Guarantor Subsidiaries include: Visteon Electronics Corporation; Visteon European Holdings, Inc.; Visteon Global Treasury, Inc.; Visteon International Business Development, Inc.; Visteon International Holdings, Inc.; Visteon Global Technologies, Inc.; Visteon Systems, LLC; and VC Aviation Services, LLC.

The guarantor financial statements are comprised of the following condensed consolidating financial information:

- The Parent Company, the issuer of the guaranteed obligations;
- Guarantor subsidiaries, on a combined basis, as specified in the Indenture related to the Senior Notes;
- Non-guarantor subsidiaries, on a combined basis;
- Consolidating entries and eliminations representing adjustments to (a) eliminate intercompany transactions between or among the Parent Company, the guarantor subsidiaries and the non-guarantor subsidiaries, (b) eliminate the investments in subsidiaries, and (c) record consolidating entries.

VISTEON CORPORATION
CONDENSED CONSOLIDATING STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended March 31, 2012				
	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
	(Dollars in Millions)				
Sales	$ 41	$ 368	$ 1,616	$ (308)	$ 1,717
Cost of sales	100	300	1,491	(308)	1,583
Gross margin	(59)	68	125	—	134
Selling, general and administrative expenses	15	18	58	—	91
Restructuring and other expenses	22	—	41	—	63
Operating (loss) income	(96)	50	26	—	(20)
Interest expense, net	10	(1)	—	—	9
Equity in net income of non-consolidated affiliates	—	—	42	—	42
(Loss) income from continuing operations before income taxes and earnings of subsidiaries	(106)	51	68	—	13
Provision for income taxes	—	—	27	—	27
(Loss) income from continuing operations before earnings of subsidiaries	(106)	51	41	—	(14)
Equity in earnings of consolidated subsidiaries	86	(3)	—	(83)	—
(Loss) income from continuing operations	(20)	48	41	(83)	(14)
(Loss) income from discontinued operations, net of tax	(9)	23	(11)	—	3
Net (loss) income	(29)	71	30	(83)	(11)
Net income attributable to non-controlling interests	—	—	18	—	18
Net (loss) income attributable to Visteon Corporation	$ (29)	$ 71	$ 12	$ (83)	$ (29)
Comprehensive income:					
Comprehensive income	$ 11	$ 116	$ 77	$ (168)	$ 36
Comprehensive income attributable to Visteon Corporation	$ 11	$ 116	$ 52	$ (168)	$ 11

	Three Months Ended March 31, 2011				
	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
	(Dollars in Millions)				
Sales	$ 38	$ 368	$ 1,724	$ (280)	$ 1,850
Cost of sales	99	278	1,610	(280)	1,707
Gross margin	(61)	90	114	—	143
Selling, general and administrative expenses	23	13	60	—	96
Restructuring and other expenses	4	—	(2)	—	2
Operating (loss) income	(88)	77	56	—	45
Interest expense, net	12	(3)	—	—	9
Equity in net income of non-consolidated affiliates	—	—	44	—	44
(Loss) income from continuing operations before income taxes and earnings of subsidiaries	(100)	80	100	—	80
Provision for income taxes	—	(2)	30	—	28
(Loss) income from continuing operations before earnings of subsidiaries	(100)	82	70	—	52
Equity in earnings of consolidated subsidiaries	144	72	—	(216)	—
Income from continuing operations	44	154	70	(216)	52
Income from discontinued operations, net of tax	(5)	10	(1)	—	4
Net income	39	164	69	(216)	56
Net income attributable to non-controlling interests	—	—	17	—	17
Net income attributable to Visteon Corporation	$ 39	$ 164	$ 52	$ (216)	$ 39
Comprehensive income:					
Comprehensive income	$ 92	$ 222	$ 109	$ (304)	$ 119
Comprehensive income attributable to Visteon Corporation	$ 92	$ 222	$ 82	$ (304)	$ 92

VISTEON CORPORATION
CONDENSED CONSOLIDATING BALANCE SHEETS

	March 31, 2012				
	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
	(Dollars in Millions)				
ASSETS					
Cash and equivalents	$ 65	$ 40	$ 591	$ —	$ 696
Accounts receivable, net	287	665	1,124	(885)	1,191
Inventories, net	21	25	335	—	381
Other current assets	27	43	349	—	419
Total current assets	400	773	2,399	(885)	2,687
Property and equipment, net	87	75	1,222	—	1,384
Investment in affiliates	1,969	1,601	—	(3,570)	—
Equity in net assets of non-consolidated affiliates	—	—	679	—	679
Intangible assets, net	81	57	202	—	340
Other non-current assets	13	23	59	(27)	68
Total assets	$ 2,550	$ 2,529	$ 4,561	$ (4,482)	$ 5,158
LIABILITIES AND SHAREHOLDERS' EQUITY					
Short-term debt, including current portion of long-term debt	$ 139	$ 18	$ 257	$ (321)	$ 93
Accounts payable	187	240	1,286	(558)	1,155
Other current liabilities	54	27	377	—	458
Total current liabilities	380	285	1,920	(879)	1,706
Long-term debt	500	—	37	(34)	503
Employee benefits	241	32	144	—	417
Other non-current liabilities	31	7	403	—	441
Shareholders' equity:					
Total Visteon Corporation shareholders' equity	1,398	2,205	1,364	(3,569)	1,398
Non-controlling interests	—	—	693	—	693
Total shareholders' equity	1,398	2,205	2,057	(3,569)	2,091
Total liabilities and shareholders' equity	$ 2,550	$ 2,529	$ 4,561	$ (4,482)	$ 5,158

	December 31, 2011				
	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
	(Dollars in Millions)				
ASSETS					
Cash and equivalents	$ 114	$ 55	$ 554	$ —	$ 723
Accounts receivable, net	235	540	1,007	(719)	1,063
Inventories, net	18	25	338	—	381
Other current assets	29	53	245	—	327
Total current assets	396	673	2,144	(719)	2,494
Property and equipment, net	89	81	1,242	—	1,412
Investment in affiliates	1,873	1,533	—	(3,406)	—
Equity in net assets of non-consolidated affiliates	—	—	644	—	644
Intangible assets, net	82	59	212	—	353
Other non-current assets	14	23	55	(26)	66
Total assets	$ 2,454	$ 2,369	$ 4,297	$ (4,151)	$ 4,969
LIABILITIES AND SHAREHOLDERS' EQUITY					
Short-term debt, including current portion of long-term debt	$ 90	$ 13	$ 217	$ (233)	$ 87
Accounts payable	170	210	1,116	(486)	1,010
Other current liabilities	70	21	365	—	456
Total current liabilities	330	244	1,698	(719)	1,553
Long-term debt	497	—	41	(26)	512
Employee benefits	301	47	147	—	495
Other non-current liabilities	19	5	388	—	412
Shareholders' equity:					
Total Visteon Corporation shareholders' equity	1,307	2,073	1,333	(3,406)	1,307
Non-controlling interests	—	—	690	—	690
Total shareholders' equity	1,307	2,073	2,023	(3,406)	1,997
Total liabilities and shareholders' equity	$ 2,454	$ 2,369	$ 4,297	$ (4,151)	$ 4,969

VISTEON CORPORATION
CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

	Three Months Ended March 31, 2012				
	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
	(Dollars in Millions)				
Net cash (used by) provided from operating activities	$ (62)	$ (24)	$ 105	$ —	$ 19
Investing activities					
Capital expenditures	(1)	(1)	(51)	—	(53)
Dividends received from consolidated affiliates	15	23	—	(38)	—
Net cash provided from (used by) investing activities	14	22	(51)	(38)	(53)
Financing activities					
Proceeds from issuance of debt, net of issuance costs	—	—	2	—	2
Principal payments on debt	(1)	—	(3)	—	(4)
Dividends paid to consolidated affiliates	—	(15)	(23)	38	—
Net cash used by financing activities	(1)	(15)	(24)	38	(2)
Effect of exchange rate changes on cash and equivalents	—	2	7	—	9
Net (decrease) increase in cash and equivalents	(49)	(15)	37	—	(27)
Cash and equivalents at beginning of period	114	55	554	—	723
Cash and equivalents at end of period	$ 65	$ 40	$ 591	$ —	$ 696

	Three Months Ended March 31, 2011				
	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
	(Dollars in Millions)				
Net cash (used by) provided from operating activities	$ (128)	$ (34)	$ 112	$ —	$ (50)
Investing activities					
Capital expenditures	(5)	(3)	(47)	—	(55)
Dividends received from consolidated affiliates	27	38	—	(65)	—
Proceeds from divestitures and asset sales	—	—	1	—	1
Net cash provided from (used by) investing activities	22	35	(46)	(65)	(54)
Financing activities					
Cash restriction, net	6	—	(2)	—	4
Short term debt, net	—	—	3	—	3
Principal payments on debt	(2)	—	(1)	—	(3)
Dividends paid to consolidated affiliates	—	(27)	(38)	65	—
Other	5	—	—	—	5
Net cash provided from (used by) financing activities	9	(27)	(38)	65	9
Effect of exchange rate changes on cash and equivalents	—	4	17	—	21
Net (decrease) increase in cash and equivalents	(97)	(22)	45	—	(74)
Cash and equivalents at beginning of period	153	81	671	—	905
Cash and equivalents at end of period	$ 56	$ 59	$ 716	$ —	$ 831

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

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the results of operations, financial condition and cash flows of Visteon Corporation ("Visteon" or the "Company"). MD&A is provided as a supplement to, and should be read in conjunction with, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2011, as filed with the Securities and Exchange Commission on February 27, 2011 and the financial statements and accompanying notes to the financial statements included elsewhere herein.

Executive Summary

Description of Business

Visteon is a global supplier of climate, electronics, interiors and lighting systems, modules and components to automotive original equipment manufacturers ("OEMs") including BMW, Chrysler, Daimler, Ford, General Motors, Honda, Hyundai, Kia, Nissan, PSA Peugeot Citroën, Renault, Toyota and Volkswagen. The Company has a broad network of manufacturing operations, technical centers and joint venture operations throughout the world, supported by approximately 25,000 employees dedicated to the design, development, manufacture and support of its product offering and its global customers.

Automotive Industry

The Company conducts its business in the automotive industry, which is capital intensive and highly competitive. During the first quarter of 2012, global light vehicle sales and production volumes increased 3.1% and 5.6%, respectively. Modest growth in the global automotive industry was fueled by demand from certain emerging markets, which along with slight improvements in North America, more than offset declines in Europe. Light vehicle sales and production levels by geographic region are provided below:

	Light Vehicle Sales			Light Vehicle Production		
	Three Months Ended March 31			Three Months Ended March 31		
	2012	2011	Change	2012	2011	Change
	(in millions)			(in millions)		
Global	19.8	19.2	3.1 %	20.7	19.6	5.6 %
North America	3.6	3.6	— %	3.9	3.4	14.7 %
South America	1.3	1.3	— %	1.0	1.0	— %
Europe	4.7	5.0	(6.0)%	5.1	5.3	(3.8)%
China	4.6	4.7	(2.1)%	4.3	4.5	(4.4)%
Japan/Korea	2.0	1.5	33.3 %	3.8	2.9	31.0 %
India	0.9	0.8	12.5 %	1.1	1.0	10.0 %
ASEAN	0.6	0.7	(14.3)%	1.0	1.0	— %

Source: IHS Automotive

European light vehicle production and sales were sharply lower in the first quarter 2012 as economic growth stalled due to the region's sovereign-debt crisis and falling consumer confidence. In March 2012, European new-car sales dropped to a 14-year monthly low with PSA Peugeot Citroën and Renault among the hardest hit.

In March 2012 an explosion at a plant in Germany owned by a critical supplier of PA-12 resin, which is used to make automotive parts such as fuel tanks, brake components and seat fabrics, resulted in a severe shortage of resin resulting in the potential for significant future production interruption in the automotive industry. While the Company does not believe it has any significant direct exposure to the PA-12 resin shortage, it continues to assess the impact on the whole of its supply chain. Any significant sustained shortage of the PA-12 resin within the Company's extended supply chain could create production and supply disruptions, premium freight and customer shut-down costs. Such adverse impacts could have a material impact on the Company's financial condition, results of operations and cash flows.

Strategic Transformation

On May 28, 2009, Visteon and certain of its U.S. subsidiaries (the “Debtors”) filed voluntary petitions for reorganization relief under chapter 11 of the United States Bankruptcy Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Court”) (the “Chapter 11 Proceedings”) in response to sudden and severe declines in global automotive production during the latter part of 2008 and early 2009 and the resulting adverse impact on the Company’s cash flows and liquidity. On August 31, 2010 (the “Confirmation Date”), the Court entered an order (the “Confirmation Order”) confirming the Debtors’ joint plan of reorganization (as amended and supplemented, the “Plan”). On October 1, 2010 (the “Effective Date”), all conditions precedent to the effectiveness of the Plan and related documents were satisfied or waived and the Company emerged from bankruptcy and became a new entity for financial reporting purposes. Accordingly, the consolidated financial statements for the reporting entity subsequent to the Effective Date (the “Successor”) are not comparable to the consolidated financial statements for the reporting entity prior to the Effective Date (the “Predecessor”).

Following emergence from the Chapter 11 Proceedings, the Company continued its efforts to transform its business portfolio and to rationalize its cost structure including, among other things, the investigation of potential transactions for the sale, merger or other combination of certain businesses. Related business transformation costs of $8 million and $1 million were incurred during the first quarter of 2012 and 2011, respectively, which relate to financial and advisory fees associated with the Company's continued efforts to transform its business portfolio and to rationalize its cost structure.

In April 2012, the Company completed the sale of its Grace Lake Corporate Center property located in Van Buren Township, Michigan for approximately $81 million in cash. In connection with the sale, the Company entered into a 15-year lease on the site where its corporate offices and innovation center will continue to be located. The sale of the property, which had a net book value of approximately $60 million at March 31, 2012, will result in a gain of about $20 million that will be deferred and recognized into income over the lease term.

In March 2012, the Company entered into an agreement to sell its Lighting business for $92 million in cash, including $20 million related to the Company's 50% equity interest in Visteon TYC Corporation (the "Lighting Transaction"). The Lighting Transaction, which remains subject to regulatory reviews and other conditions, is expected to be completed in the third quarter of 2012. The Company's Lighting business, which has operations located in Novy Jicin and Rychvald, Czech Republic, Monterrey, Mexico and Pune, India, manufactures front and rear lighting systems, auxiliary lamps and key subcomponents such as projectors and electronic modules and recorded sales for the year ended December 31, 2011 of $531 million. The results of operations of the Lighting business have been reclassified to “Income from discontinued operations, net of tax” in the Consolidated Statements of Comprehensive Income for the periods ended March 31, 2012 and 2011.

During the first quarter of 2012, Visteon and Yanfeng Visteon Automotive Trim Systems, Co. Ltd. ("YFV"), a 50% owned non-consolidated affiliate of the Company, continued efforts associated with a non-binding memorandum of understanding signed by the parties in late 2011 with respect to a potential transaction that would combine the majority of Visteon’s Interiors business with YFV. Although the non-binding memorandum of understanding sets forth basic terms of the proposed transaction, definitive agreements for the proposed sale, which would be subject to regulatory and other approvals, remain subject to significant uncertainties and there can be no assurance that definitive agreements will be entered into or that such a transaction will be completed in the timetable or on the terms referenced in the non-binding memorandum of understanding.

In connection with the preparation of the March 31, 2012 quarterly financial statements, the Company concluded that proceeds associated with the potential sale transaction indicated that the carrying value of the Company's Interiors assets, which approximated $189 million as of March 31, 2012, may not be recoverable. Accordingly, the Company performed a recoverability test utilizing a probability weighted analysis of cash flows associated with continuing to run and operate the Interiors business and cash flows associated with the potential sale of the Interiors business. As a result of the analysis, the Company concluded that no impairment existed as of March 31, 2012. To the extent that such a transaction becomes more likely to occur in future periods an impairment charge may be required and such charge could be material. Further, as of March 31, 2012 the Company did not meet the specific criteria necessary for the Interiors assets to be considered held for sale.

Restructuring

In January 2012 the Company reached agreements with local unions and the Spanish government for the closure of its Cadiz Electronics operation in El Puerto de Santa Maria, Spain. The agreements were subsequently ratified by employees in February 2012. The Company recorded approximately $50 million of restructuring and other expenses and made cash payments of approximately $49 million during first quarter 2012 related to this action. The Company anticipates that additional cash payments of approximately $6 million will be made during the remainder of 2012.

Consolidated Financial Results

	Three Months Ended March 31		Increase/
	2012	2011	(Decrease)
	(Dollars in Millions)		
Sales	$ 1,717	$ 1,850	$ (133)
Cost of sales	1,583	1,707	(124)
Gross margin	134	143	(9)
Equity in net income of non-consolidated affiliates	42	44	(2)
Net (loss) income attributable to Visteon	(29)	39	(68)
Adjusted EBITDA*	150	160	(10)
Cash provided from operating activities	19	(50)	69
Free Cash Flow*	(34)	(105)	71

** Adjusted EBITDA and Free Cash Flow are Non-GAAP financial measures, as further discussed below.*

The Company's consolidated sales totaled $1.72 billion for the three months ended March 31, 2012, which represents a decrease of $133 million when compared with the three-month period ended March 31, 2011. Approximately $114 million of this decrease is due to the deconsolidation of Duckyang Industry Co. Ltd ("Duckyang"), an Interiors joint venture, which resulted from the October 2011 sale of a controlling ownership interest in the entity. Higher production volumes and favorable product mix increased sales by $35 million, while unfavorable currency of $33 million, primarily attributable to the Euro, was a partial offset. Other reductions of $21 million were associated with price productivity net of design actions and commercial agreements.

The Company recorded gross margin of $134 million for the three months ended March 31, 2012 compared to $143 million for the same period of 2011. The decrease in margin of $9 million was associated with unfavorable product mix of $19 million, unfavorable currency of $9 million, and the impact of the Duckyang deconsolidation. Partial offsets included lower depreciation and amortization expenses on tangible and intangible assets which improved margin by $8 million, and favorable cost performance of $12 million. Cost performance was primarily driven by material and manufacturing efficiencies in excess of price productivity and commercial agreements.

Equity in the net income of non-consolidated affiliates totaled $42 million and $44 million for the three months ended March 31, 2012 and 2011, respectively. Of this, approximately $40 million and $41 million for the same period in 2012 and 2011, respectively, is attributable to earnings of Yanfeng Visteon Automotive Trim Systems Co., Ltd (“Yanfeng”) and its affiliates. The following table presents summarized financial data for the Company's non-consolidated affiliates. The amounts included in the table below represent 100% of the results of operations of such non-consolidated affiliates accounted for under the equity method.

	Net Sales		Gross Margin		Net Income	
	Three Months Ended		Three Months Ended		Three Months Ended	
	March 31 2012	March 31 2011	March 31 2012	March 31 2011	March 31 2012	March 31 2011
	(Dollars in Millions)					
Yanfeng	$ 793	$ 720	$ 122	$ 109	$ 72	$ 69
All other	413	187	42	33	17	19
	$ 1,206	$ 907	$ 164	$ 142	$ 89	$ 88

The increase in sales for all other non-consolidated affiliates is related to Duckyang, which recorded $193 million in sales during the first quarter of 2012. Increases in Yanfeng sales and gross margin are primarily due to higher volumes and increased OEM market share.

The Company generated a net loss attributable to Visteon of $29 million for the three months ended March 31, 2012. Adjusted EBITDA (as defined below) was $150 million for the quarter ended March 31, 2012. Adjusted EBITDA is presented as a supplemental measure of the Company's financial performance that management believes is useful to investors because the excluded

items may vary significantly in timing or amounts and/or may obscure trends useful in evaluating and comparing the Company's operating activities across reporting periods. The Company defines Adjusted EBITDA as net income attributable to the Company, plus net interest expense, provision for income taxes and depreciation and amortization, as further adjusted to eliminate the impact of asset impairments, gains or losses on divestitures, net restructuring expenses and other reimbursable costs, certain non-recurring employee charges and benefits, reorganization items and other non-operating gains and losses. Additionally, amounts below are inclusive of the Company's discontinued operations. Not all companies use identical calculations and, accordingly, the Company's presentation of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies.

A reconciliation of net income attributable to Visteon to Adjusted EBITDA is provided in the following table.

	Three Months Ended March 31 2012	Three Months Ended March 31 2011
	(Dollars in Millions)	
Net (loss) income attributable to Visteon Corporation	$ (29)	$ 39
Interest expense, net	9	9
Provision for income taxes	27	28
Depreciation and amortization	64	72
Restructuring expenses	41	2
Other non-recurring costs, net	27	5
Discontinued operations	11	5
Adjusted EBITDA	$ 150	$ 160

Adjusted EBITDA is not a recognized term under accounting principles generally accepted in the United States (“GAAP”) and does not purport to be a substitute for net income as an indicator of operating performance or cash flows from operating activities as a measure of liquidity. Adjusted EBITDA has limitations as an analytical tool and is not intended to be a measure of cash flow available for management’s discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and debt service requirements. In addition, the Company uses Adjusted EBITDA (i) as a factor in incentive compensation decisions, (ii) to evaluate the effectiveness of the Company’s business strategies and (iii) because the Company’s credit agreements use measures similar to Adjusted EBITDA to measure compliance with certain covenants.

As of March 31, 2012 the Company had total cash of $721 million, including restricted cash of $25 million and total debt of $596 million. For the three-month period ended March 31, 2012 the Company generated $19 million of cash from operating activities. Free Cash Flow (as defined below) was a use of $34 million for the three-month period ended March 31, 2012.

Free Cash Flow is presented as a supplemental measure of the Company's liquidity that management believes is useful to investors in analyzing the Company's ability to service and repay its debt. The Company defines Free Cash Flow as cash flow from operating activities less capital expenditures. Not all companies use identical calculations, so this presentation of Free Cash Flow may not be comparable to other similarly titled measures of other companies. Free Cash Flow is not a recognized term under GAAP and does not purport to be a substitute for cash flows from operating activities as a measure of liquidity. Free Cash Flow has limitations as an analytical tool as it does not reflect cash used to service debt and does not reflect funds available for investment or other discretionary uses. In addition, the Company uses Free Cash Flow (i) as a factor in incentive compensation decisions and (ii) for planning and forecasting future periods.

A reconciliation of Free Cash Flow to cash provided from operating activities is provided in the following table.

	Three Months Ended March 31 2012	Three Months Ended March 31 2011
	(Dollars in Millions)	
Cash provided from (used in) operating activities	$ 19	$ (50)
Capital expenditures	(53)	(55)
Free Cash Flow	$ (34)	$ (105)

Results of Operations - Three Months Ended March 31, 2012 and 2011

Sales

	Climate	Electronics	Interiors	Eliminations	Total
	(Dollars in Millions)				
Three months ended March 31, 2011	$ 979	$ 358	$ 571	$ (58)	$ 1,850
Volume and mix	78	(27)	(34)	18	35
Currency	(14)	(6)	(13)	—	(33)
Duckyang deconsolidation	—	—	(126)	12	(114)
Other	(20)	(3)	2	—	(21)
Three months ended March 31, 2012	$ 1,023	$ 322	$ 400	$ (28)	$ 1,717

Climate sales increased during the three-month period ended March 31, 2012 by $44 million with the majority of the increase in the Asia Pacific region. Higher production volumes and net new business increased sales by $78 million, including $55 million and $17 million in Asia and Europe, respectively. Unfavorable currency, primarily related to the Euro, resulted in a decrease of $14 million. Other changes, totaling $20 million, reflected price productivity, partially offset by increases in revenue related to commodity pricing and design actions.

Electronics sales decreased during the three-month period ended March 31, 2012 by $36 million with the majority of the decrease in the European region. Customer sourcing actions and other volume changes decreased sales by $27 million, primarily in the European region. Unfavorable currency, primarily related to the Euro, further decreased sales by $6 million. Other changes, totaling $3 million, reflected price productivity, partially offset by increases in revenue related to commodity pricing and design actions.

Interiors sales decreased during the three-month period ended March 31, 2012 by $171 million. Sales decreased $126 million due to the deconsolidation of Duckyang, which resulted from the Company's sale of a controlling ownership interest in October 2011. Sales were further decreased by lower production volumes in Europe and South America of $24 million and $11 million, respectively. Unfavorable currency related to the Euro and Brazilian Real decreased sales $13 million.

Cost of Sales

	Climate	Electronics	Interiors	Eliminations	Total
	(Dollars in Millions)				
Three months ended March 31, 2011	$ 894	$ 321	$ 550	$ (58)	$ 1,707
Material	47	(11)	(138)	30	(72)
Freight and duty	—	(2)	(3)	—	(5)
Labor and overhead	3	(14)	(18)	—	(29)
Depreciation and amortization	5	(2)	(1)	—	2
Other	(15)	3	(8)	—	(20)
Three months ended March 31, 2012	$ 934	$ 295	$ 382	$ (28)	$ 1,583

Climate material costs increased $47 million, including $52 million related to higher production volumes and currency partially offset by $5 million related to design changes, purchasing improvements, and other changes. Labor and overhead increased $3 million, including $4 million related to production volumes and currency, partially offset by $1 million related to net efficiencies. Depreciation and amortization decreased $5 million while engineering expense was lower by $4 million.

Electronics material costs decreased $11 million, including $8 million related to production volumes and currency and $3 million related to the impact of design changes, purchasing improvements, and other changes. Labor and overhead decreased $14 million, including $11 million related to production volumes and currency and $3 million related to net efficiencies. Depreciation and amortization decreased $2 million while engineering expense was lower by $1 million.

Interiors material costs decreased $138 million, $113 million related to the deconsolidation of the Duckyang joint venture, $24 million related to production volumes and currency and $1 million related to the impact of design changes, purchasing

improvements, and other changes. Labor and overhead decreased $18 million, $11 million related to the deconsolidation of the Duckyang joint venture, and $8 million related to production volumes and currency. Depreciation and amortization decreased $1 million and engineering expense was lower by $1 million.

Selling, General and Administrative Expenses

Selling, general, and administrative expenses were $91 million and $96 million during the three-month period ended March 31, 2012 and 2011, respectively. The decrease was due to favorable currency of $2 million, reduced employee severance and termination benefits of $2 million, and $2 million related to the deconsolidation of the Duckyang joint venture.

Restructuring and Other Expenses

Restructuring and other expenses consist of the following:

	Three Months Ended	
	March 31 2012	March 31 2011
Restructuring expenses	$ 41	$ (2)
Loss on asset contribution	14	—
Transformation costs	8	1
Bankruptcy related costs	—	3
	$ 63	$ 2

The following is a summary of the Company's consolidated restructuring reserves and related activity for the three month period ended March 31, 2012.

	Electronics	Interiors	Climate	Total
	(Dollars in Millions)			
Restructuring reserve - December 31, 2011	$ 19	$ 6	$ 1	$ 26
Expenses	36	4	1	41
Utilization	(49)	(3)	(1)	(53)
Restructuring reserve - March 31, 2012	$ 6	$ 7	$ 1	$ 14

During the first quarter of 2012, the Company recorded $41 million of restructuring expenses, including $36 million recorded in connection with the previously announced closure of the Company's Cadiz Electronics operation in El Puerto de Santa Maria, Spain. In January 2012 the Company reached agreements with the local unions and Spanish government for the closure of its Cadiz operation, which were subsequently ratified by the employees in February 2012. Pursuant to the agreements, the Company agreed to pay one-time termination benefits, in excess of the statutory minimum requirement, of approximately $31 million. Additionally, the Company agreed to transfer land, building and machinery with a net book value of approximately $14 million for the benefit of the employees. The Company also recorded $5 million of other exit costs related to the Cadiz exit including amounts payable to the Spanish government in connection with the asset contribution. The Company recovered approximately $15 million of such costs during the quarter ended March 31, 2012 pursuant to the Release Agreement with Ford for an aggregate recovery of $19 million when considering the $4 million received during 2011. Amounts recovered have been recorded as deferred revenue on the Company's consolidated balance sheet as further described in Note 9, "Other Liabilities". The Company anticipates recovery of an additional $4 million of such costs during the remainder of 2012.

The Company also recorded approximately $4 million for employee severance and termination benefits during the three months ended March 31, 2012 including $3 million associated with the separation of approximately 250 employees at a South American Interiors facility and $1 million associated with 40 voluntary employee separations associated with the Climate action announced in the fourth quarter of 2011. Utilization of $53 million during the first quarter of 2012 represents payments of $50 million for employee severance and termination benefits and $3 million reflecting lease termination, consulting and legal costs related to previously announced restructuring actions.

During the first quarter of 2011, the Company recorded approximately $4 million for employee severance and termination benefits associated with previously announced actions at two European Interiors facilities. The Company also reversed approximately $6 million of previously established accruals for employee severance and termination benefits at a European Interiors facility pursuant to a March 2011 contractual agreement to cancel the related social plan.

Given the economically-sensitive and highly competitive nature of the automotive industry, the Company continues to closely monitor current market factors and industry trends taking action as necessary, including but not limited to, additional restructuring actions. However, there can be no assurance that any such actions will be sufficient to fully offset the impact of adverse factors on the Company or its results of operations, financial position and cash flows.

The Company continued its efforts to transform its business portfolio and to rationalize its cost structure including, among other things, the investigation of potential transactions for the sale, merger or other combination of certain businesses. Business transformation costs of $8 million and $1 million incurred during the first quarter of 2012 and 2011, respectively, relate principally to financial and advisory fees. The Company recorded bankruptcy-related costs of $3 million for the first quarter ended March 31, 2011, which are comprised of amounts directly associated with the bankruptcy claims settlement process under Chapter 11.

Interest

Interest expense for the three month period ended March 31, 2012 of $12 million included $8 million associated with the 6.75% senior notes due April 15, 2019; $2 million related to affiliate debt; and $2 million associated with commitment fees and amortization of debt issuance costs. During the three month period ended March 31, 2011, interest expense was $15 million, including $10 million related to the Company's $500 million secured term loan due October 1, 2017, $3 million on affiliate debt and $2 million related to the amortization of secured term loan deferred costs.

Equity in Net Income of Non-consolidated Affiliates

Equity in the net income of non-consolidated affiliates totaled $42 million and $44 million for the three months ended March 31, 2012 and 2011, respectively. Of this, approximately $40 million and $41 million for the same period in 2012 and 2011, respectively, is attributable to earnings of Yanfeng and related affiliate interests.

Income Taxes

The Company’s provision for income taxes of $27 million for the three-month period ended March 31, 2012 represents a decrease of $1 million when compared with $28 million in the same period of 2011. The decrease in tax expense is primarily attributable to overall lower earnings in those countries where the Company is profitable, which includes the year-over-year impact of changes in the mix in earnings and differing tax rates between jurisdictions, offset by a net increase in unrecognized tax benefits, including interest.

Discontinued Operations

In connection with the Lighting Transaction, the results of operations of the Lighting business have been reclassified to “Income from discontinued operations, net of tax” in the Consolidated Statements of Comprehensive Income for the periods ended March 31, 2012 and 2011, and are detailed as follows:

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011
Sales	$ 139	$ 123
Cost of sales	123	117
Gross margin	16	6
Selling, general and administrative expenses	3	2
Asset impairments	2	—
Other expense	2	—
Income from discontinued operations before income taxes	9	4
Provision for income taxes	6	—
Income from discontinued operations, net of tax	$ 3	$ 4

Included in the provision for income taxes for the three-month period ended March 31, 2012 is $4 million related to the establishment of a valuation allowance against certain deferred tax credits in Mexico, the realization of which is no longer considered more likely than not due to insufficient projected future taxable income.

Liquidity

Overview

The Company's primary liquidity needs are related to the funding of general business requirements, including working capital requirements, capital expenditures, debt service, employee retirement benefits and restructuring actions. The Company funds its liquidity needs with cash flows from operating activities, a substantial portion of which is generated by the Company's international subsidiaries. Accordingly, the Company utilizes a combination of cash repatriation strategies, including dividends, royalties, intercompany loan repayments and other distributions and advances to provide the funds necessary to meet obligations globally. The Company's ability to access funds from its subsidiaries using these repatriation strategies is subject to, among other things, customary regulatory and statutory requirements and contractual arrangements including joint venture agreements and local debt agreements. Additionally, such repatriation strategies may be adjusted or modified as the Company continues to, among other things, rationalize its business portfolio and cost structure. As of March 31, 2012, the Company had total cash balances of $721 million, including restricted cash of $25 million. Cash balances totaling $559 million were located in jurisdictions outside of the United States, of which, approximately $150 million is considered permanently reinvested for funding ongoing operations outside of the U.S. If such permanently reinvested funds are needed for operations in the U.S., the Company would be required to accrue additional tax expense, primarily related to foreign withholding taxes.

The Company's ability to fund its liquidity needs is dependent on the level, variability and timing of its customers' worldwide vehicle production, which may be adversely affected by many factors including, but not limited to, general economic conditions, specific industry conditions, financial markets, competitive factors and legislative and regulatory changes. During the first quarter of 2012, economic conditions in Europe continued to be adversely impacted by sovereign debt issues and economic growth in China remains slower than historical growth rates. Accordingly, the Company continues to closely monitor the the macro-economic environment and its impact on vehicle production volumes in relation to the Company's specific cash needs. Further, the Company's intra-year needs are impacted by seasonal effects in the industry, such as mid-year shutdowns, the subsequent ramp-up of new model production and the additional year-end shutdowns by primary customers. These seasonal effects normally require use of liquidity resources during the first and third quarters.

To the extent that the Company's liquidity needs exceed cash provided by its operating activities, the Company would look to cash balances on hand; cash available through existing financing vehicles such as its $220 million asset-based revolving credit facility, subject to a borrowing base which may be impacted by potential sale agreements; the sale of businesses or other assets, subject to the terms of debt and other contractual arrangements; and then to potential additional capital through the debt or equity markets. Access to these markets is influenced by the Company's credit ratings. At March 31, 2012, Visteon's credit ratings were B1 and B+ by Moody's and S&P, respectively, both with a stable outlook. As of March 31, 2012 the Company had no outstanding borrowings or letter of credit obligations under its Revolving Loan Credit Agreement with $220 million available for borrowing. Additionally, as of March 31, 2012, the Company had remaining availability on various outstanding affiliate working capital credit facilities of approximately $180 million.

In April 2012, the Company completed the sale of its Grace Lake Corporate Center property located in Van Buren Township, Michigan for approximately $81 million in cash. In March 2012, the Company entered into an agreement to sell its Lighting business for $92 million in cash, including $20 million related to the Company's 50% equity interest in Visteon TYC Corporation (the "Lighting Transaction"). The Lighting Transaction, which remains subject to regulatory reviews and other conditions, is expected to be completed in the third quarter of 2012. During the first quarter 2012, the Company completed the Fourth Amendment to the asset backed revolving loan agreement to allow for the sale-leaseback of the Company's corporate headquarters and the Lighting Transaction. Future borrowing base capacity under the facility may be impacted by the sale of assets.

In January 2012, the Company contributed approximately 1.5 million shares of its common stock valued at approximately $73 million into its two largest U.S. defined benefit pension plans. This share contribution substantially reduces the Company's future cash pension funding requirements for 2012 and 2013.

Cash Flows

Operating Activities

Cash provided from operating activities during the three months ended March 31, 2012 totaled $19 million, compared with a use of $50 million for the same period in 2011. The increase is primarily due to improved net trade working capital flows, lower bankruptcy related payments, and the timing of interest payments, partially offset by lower net income, as adjusted for non-cash items.

Investing Activities

Cash used by investing activities during the three months ended March 31, 2012 totaled $53 million, compared to $54 million for the same period in 2011. Capital spending was $53 million in the first quarter of 2012 as compared to $55 million in the first quarter of 2011.

Financing Activities

Cash used by financing activities totaled $2 million during the three months ended March 31, 2012, as compared to $9 million provided by financing activities for the same period in 2011. The $2 million used by financing activities during the three months ended March 31, 2012 included reductions in affiliate debt primarily in the Asia Pacific region partially offset by an increase in the amount drawn under the French receivable facility. The $9 million of cash provided from financing activities during the three months ended March 31, 2011 primarily resulted from a reduction in restricted cash and cash from the exercise of stock warrants.

Debt and Capital Structure

Information related to the Company's debt is set forth in Note 10, "Debt", to the consolidated financial statements included herein under Item 1. For additional information, refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2011 for specific debt agreements and additional information related to covenants and restrictions.

Off-Balance Sheet Arrangements

On September 27, 2011, the Company extended its $15 million Letters of Credit ("LOC") Facility with US Bank National Association through September 30, 2013. The Company must continue to maintain a collateral account with U.S. Bank equal to 103% of the aggregated stated amount of the LOCs with reimbursement for any draws. As of March 31, 2012, the Company had $11 million of outstanding letters of credit issued under this facility and secured by restricted cash. In addition, the Company had $13 million of locally issued letters of credit to support various customs arrangements and other obligations at its local affiliates of which $8 million are securitized by cash collateral.

The Company has guaranteed approximately $35 million of subsidiary lease payments on arrangements ranging from between one and ten years. During January 2009, the Company reached an agreement with the PBGC pursuant to U.S. federal pension law provisions that permit the agency to seek protection when a plant closing results in termination of employment for more than 20 percent of employees covered by a pension plan. In connection with this agreement, the Company agreed to provide a guarantee by certain affiliates of certain contingent pension obligations of up to $30 million, the term of this guarantee is dependent upon certain contingent events as set forth in the PBGC Agreement. These guarantees have not, nor does the Company expect they are reasonably likely to have, a material current or future effect on the Company’s financial position, results of operations or cash flows.

Fair Value Measurements

The Company uses fair value measurements in the preparation of its financial statements, which utilize various inputs including those that can be readily observable, corroborated or generally unobservable. The Company utilizes market-based data and valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Additionally, the Company applies assumptions that market participants would use in pricing an asset or liability, including assumptions about risk. The primary financial instruments that are recorded at fair value in the Company's financial statements are derivative instruments.

The Company's use of derivative instruments creates exposure to credit loss in the event of nonperformance by the counterparty to the derivative financial instruments. The Company limits this exposure by entering into agreements directly with a variety of major financial institutions with high credit standards and that are expected to fully satisfy their obligations under the contracts.

Fair value measurements related to derivative assets take into account the non-performance risk of the respective counterparty, while derivative liabilities take into account the non-performance risk of Visteon and its foreign affiliates. The hypothetical gain or loss from a 100 basis point change in non-performance risk would be less than $1 million for the fair value of foreign currency derivatives as of March 31, 2012.

Recent Accounting Pronouncements

See Note 1 “Basis of Presentation” to the accompanying consolidated financial statements under Item 1 “Financial Statements” of this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements.

Forward-Looking Statements

Certain statements contained or incorporated in this Annual Report on Form 10-K which are not statements of historical fact constitute “Forward-Looking Statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Reform Act”). Forward-looking statements give current expectations or forecasts of future events. Words such as “anticipate”, “expect”, “intend”, “plan”, “believe”, “seek”, “estimate” and other words and terms of similar meaning in connection with discussions of future operating or financial performance signify forward-looking statements. These statements reflect the Company’s current views with respect to future events and are based on assumptions and estimates, which are subject to risks and uncertainties including those discussed in Item 1A under the heading “Risk Factors” and elsewhere in this report. Accordingly, undue reliance should not be placed on these forward-looking statements. Also, these forward-looking statements represent the Company’s estimates and assumptions only as of the date of this report. The Company does not intend to update any of these forward-looking statements to reflect circumstances or events that occur after the statement is made and qualifies all of its forward-looking statements by these cautionary statements.

You should understand that various factors, in addition to those discussed elsewhere in this document, could affect the Company’s future results and could cause results to differ materially from those expressed in such forward-looking statements, including:

- Visteon’s ability to satisfy its future capital and liquidity requirements; Visteon’s ability to access the credit and capital markets at the times and in the amounts needed and on terms acceptable to Visteon; Visteon’s ability to comply with covenants applicable to it; and the continuation of acceptable supplier payment terms.
- Visteon’s ability to satisfy its pension and other postretirement employee benefit obligations, and to retire outstanding debt and satisfy other contractual commitments, all at the levels and times planned by management.
- Visteon’s ability to access funds generated by its foreign subsidiaries and joint ventures on a timely and cost effective basis.
- Changes in the operations (including products, product planning and part sourcing), financial condition, results of operations or market share of Visteon’s customers.
- Changes in vehicle production volume of Visteon’s customers in the markets where it operates, and in particular changes in Ford’s and Hyundai Kia’s vehicle production volumes and platform mix.
- Increases in commodity costs or disruptions in the supply of commodities, including steel, resins, aluminum, copper, fuel and natural gas.
- Visteon’s ability to generate cost savings to offset or exceed agreed upon price reductions or price reductions to win additional business and, in general, improve its operating performance; to achieve the benefits of its restructuring actions; and to recover engineering and tooling costs and capital investments.
- Visteon’s ability to compete favorably with automotive parts suppliers with lower cost structures and greater ability to rationalize operations; and to exit non-performing businesses on satisfactory terms, particularly due to limited flexibility under existing labor agreements.
- Restrictions in labor contracts with unions that restrict Visteon’s ability to close plants, divest unprofitable, noncompetitive businesses, change local work rules and practices at a number of facilities and implement cost-saving measures.
- The costs and timing of facility closures or dispositions, business or product realignments, or similar restructuring actions, including potential asset impairment or other charges related to the implementation of these actions or other adverse industry conditions and contingent liabilities.
- Significant changes in the competitive environment in the major markets where Visteon procures materials, components or supplies or where its products are manufactured, distributed or sold.
- Legal and administrative proceedings, investigations and claims, including shareholder class actions, inquiries by regulatory agencies, product liability, warranty, employee-related, environmental and safety claims and any recalls of products manufactured or sold by Visteon.

- Changes in economic conditions, currency exchange rates, changes in foreign laws, regulations or trade policies or political stability in foreign countries where Visteon procures materials, components or supplies or where its products are manufactured, distributed or sold.
- Shortages of materials or interruptions in transportation systems, labor strikes, work stoppages or other interruptions to or difficulties in the employment of labor in the major markets where Visteon purchases materials, components or supplies to manufacture its products or where its products are manufactured, distributed or sold.
- Changes in laws, regulations, policies or other activities of governments, agencies and similar organizations, domestic and foreign, that may tax or otherwise increase the cost of, or otherwise affect, the manufacture, licensing, distribution, sale, ownership or use of Visteon’s products or assets.
- Possible terrorist attacks or acts of war, which could exacerbate other risks such as slowed vehicle production, interruptions in the transportation system or fuel prices and supply.
- The cyclical and seasonal nature of the automotive industry.
- Visteon’s ability to comply with environmental, safety and other regulations applicable to it and any increase in the requirements, responsibilities and associated expenses and expenditures of these regulations.
- Visteon’s ability to protect its intellectual property rights, and to respond to changes in technology and technological risks and to claims by others that Visteon infringes their intellectual property rights.
- Visteon’s ability to quickly and adequately remediate control deficiencies in its internal control over financial reporting.
- Other factors, risks and uncertainties detailed from time to time in Visteon’s Securities and Exchange Commission filings.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The primary market risks to which the Company is exposed include changes in foreign currency exchange rates, interest rates and certain commodity prices. The Company manages these risks through derivative instruments and various operating actions including fixed price contracts with suppliers and cost sourcing arrangements with customers. The Company's use of derivative instruments is limited to hedging activities and such instruments are not used for speculative or trading purposes, as per clearly defined risk management policies. Additionally, the Company's use of derivative instruments creates exposure to credit loss in the event of nonperformance by the counterparty to the derivative financial instruments. The Company limits this exposure by entering into agreements directly with a variety of major financial institutions with high credit standards and that are expected to fully satisfy their obligations under the contracts. Additionally, the Company's ability to utilize derivatives to manage market risk is dependent on credit conditions and market conditions given the current economic environment.

Foreign Currency Risk

The Company's 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. Where possible, the Company utilizes derivative financial instruments to manage foreign currency exchange rate risks. Forward and option contracts may be utilized to protect the Company's cash flow from adverse movements in exchange rates. Foreign currency exposures are reviewed periodically and any natural offsets are considered prior to entering into a derivative financial instrument. The Company's primary foreign exchange operating exposures include the Euro, Korean Won, Czech Koruna, Hungarian Forint and Mexican Peso. Where possible, the Company utilizes a strategy of partial coverage for transactions in these currencies. As of March 31, 2012, the net fair value of foreign currency forward contracts was a liability of $7 million and an asset of $5 million while at December 31, 2011 the net fair value of forward contracts was a liability of $16 million.

The hypothetical pre-tax gain or loss in fair value from a 10% favorable or adverse change in quoted currency exchange rates would be approximately $77 million and $74 million as of March 31, 2012 and December 31, 2011, respectively. These estimated changes assume a parallel shift in all currency exchange rates and include the gain or loss on financial instruments used to hedge loans to subsidiaries. Because exchange rates typically do not all move in the same direction, the estimate may overstate the impact of changing exchange rates on the net fair value of the Company's financial derivatives. It is also important to note that gains and losses indicated in the sensitivity analysis would generally be offset by gains and losses on the underlying exposures being hedged.

In addition to the transactional exposure described above, the Company's operating results are impacted by the translation of its foreign operating income into U.S. dollars. The Company does not enter into foreign exchange contracts to mitigate its translational exposure.

Interest Rate Risk

The Company is subject to interest rate risk, principally in relation to fixed rate debt. The Company may use derivative financial instruments to manage exposure to fluctuations in interest rates. However, as of March 31, 2012, the Company had no outstanding interest rate derivative instruments.

Prior to the April 6, 2011 Term Loan refinancing, the Company was subject to interest rate risk, principally in relation to variable rate debt. During the fourth quarter of 2010, the Company entered into an interest rate swap with a notional amount of $250 million related to the Term Loan. These swaps effectively converted designated cash flows associated with underlying interest payments on the Term Loan from a variable interest rate to a fixed interest rate and were designated as cash flow hedges. In conjunction with the term loan refinance, the Company terminated its outstanding interest rate swaps, which were settled for a loss of less than $1 million.

Approximately 87% of the Company's borrowings were effectively on a fixed rate basis as of March 31, 2012 and December 31, 2011. The Company continues to evaluate its interest rate exposure and may use swaps or other derivative instruments again in the future.

Commodity Risk

The Company's exposures to market risk from changes in the price of production material are managed primarily through negotiations with suppliers and customers, although there can be no assurance that the Company will recover all such costs. The Company continues to evaluate derivatives available in the marketplace and may decide to utilize derivatives in the future to manage select commodity risks if an acceptable hedging instrument is identified for the Company's exposure level at that time, as well as the effectiveness of the financial hedge among other factors.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in periodic reports filed with the SEC under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As of March 31, 2012, an evaluation was performed under the supervision and with the participation of the Company's management, including its Chief Executive and Financial Officers, of the effectiveness of the design and operation of disclosure controls and procedures. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of March 31, 2012.

Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the quarterly period ended March 31, 2012 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II
OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See the information above under Note 15, "Commitments and Contingencies," to the consolidated financial statements which is incorporated herein by reference.

ITEM 1A. RISK FACTORS

For information regarding factors that could affect the Company's results of operations, financial condition and liquidity, see the risk factors discussed in Part I, "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2011. See also, "Forward-Looking Statements" included in Part I, Item 2 of this Quarterly Report on Form 10-Q.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table summarizes information relating to purchases made by or on behalf of the Company, or an affiliated purchaser, of shares of the Company's common stock during the first quarter of 2012.

Issuer Purchases of Equity Securities

Period	Total Number of Shares (or Units) Purchased(1)	Average Price Paid per Share (or Unit)	Total Number of Shares (or units) Purchased as Part of Publicly Announced Plans or Programs	Maximum number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
January 1, 2012 to January 31, 2012	1,531	$ 49.94	—	—
February 1, 2012 to February 29, 2012	6,347	$ 53.72	—	—
March 1, 2012 to March 31, 2012	—	—	—	—
Total	7,878	$ 52.99	—	—

(1) This column includes only shares surrendered to the Company by employees to satisfy tax withholding obligations in connection with the vesting of restricted stock and stock unit awards made pursuant to the Visteon Corporation 2010 Incentive Plan.

ITEM 5. OTHER INFORMATION

On March 16, 2012, the Company announced that its Board of Directors would continue to accept stockholder nominations of persons for election to the Board at the upcoming 2012 annual meeting of stockholders until a date which occurs 10 days after the filing of the Company's proxy statement.

ITEM 6. EXHIBITS

See Exhibit Index on Page 41.

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/ Michael J. Widgren

Michael J. Widgren

Vice President, Corporate Controller and Chief Accounting Officer

Date: May 2, 2012

Exhibit Index

Exhibit No.	Description
3.1	Third Amended and Restated Bylaws of Visteon Corporation, as amended through February 28, 2012 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of Visteon Corporation filed on March 1, 2012).
10.1	Asset Purchase Agreement, dated as of March 9, 2012, by and among Visteon Corporation, certain of Visteon's subsidiaries, VARROCCORP Holding BV and Varroc Engineering Pvt. Ltd.
10.2	Employment Agreement, dated as of December 12, 2011, between Visteon Engineering Services Ltd. and Robert C. Pallash.*
10.3	P.R. China Employment Agreement, dated as of December 12, 2011, between Visteon Asia Pacific, Inc. and Robert C. Pallash.*
10.4	Form of Terms and Conditions of Performance Unit Grants under the Visteon Corporation 2010 Incentive Plan (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Visteon Corporation filed on March 5, 2012).*
10.5	Fourth Amendment to Revolving Loan Credit Agreement, dated as of April 3, 2012, by and among Visteon Corporation, certain of its domestic subsidiaries signatory thereto, Morgan Stanley Senior Funding, Inc., as administrative agent and co-collateral agent, Bank of America, N.A., as co-collateral agent, and the lenders and L/C issuers party thereto.
31.1	Rule 13a-14(a) Certification of Chief Executive Officer dated May 2, 2012.
31.2	Rule 13a-14(a) Certification of Chief Financial Officer dated May 2, 2012.
32.1	Section 1350 Certification of Chief Executive Officer dated May 2, 2012.
32.2	Section 1350 Certification of Chief Financial Officer dated May 2, 2012.
101.INS	XBRL Instance Document.**
101.SCH	XBRL Taxonomy Extension Schema Document.**
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.**
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.**
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.**
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.**

* Indicates that exhibit is a management contract or compensatory plan or arrangement.

** Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files as Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

In lieu of filing certain instruments with respect to long-term debt of the kind described in Item 601(b)(4) of Regulation S-K, Visteon agrees to furnish a copy of such instruments to the Securities and Exchange Commission upon request.

ASSET PURCHASE AGREEMENT

by and among

VISTEON CORPORATION, VIHI, LLC, VEHC, LLC,
VISTEON HOLDINGS ESPANA, S.L.,

VARROCCORP HOLDING BV and VARROC ENGINEERING PVT. LTD.

Dated March 9, 2012

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is entered into as of March 9, 2012, by and among VISTEON CORPORATION, a Delaware corporation ("Seller"), VEHC, LLC, a Delaware limited liability company ("VEHC"), VISTEON HOLDINGS ESPANA, S.L., a Spanish company ("VHE"), VIHI, LLC, a Delaware limited liability company ("VIHI" and together with VEHC and VHE, the "Stock Selling Subsidiaries"), the Asset Subsidiaries (as defined below) and VARROCCORP HOLDING BV, a Netherlands corporation ("Varroc BV") and VARROC ENGINEERING PVT. LTD., an Indian company ("Varroc" and, together with Varroc BV, "Buyer").

RECITALS:

A. Seller's lighting business designs, develops, manufactures, markets and sells (i) automotive exterior lighting products, including front lighting systems, rear lighting systems and auxiliary lamps, reflectors, front and rear side markers, license lamps and back-up lamps and (ii) in addition, solely with respect to the business conducted by Carplastic (as defined below), automobile interior lighting products, automobile interior products, non-automobile lighting, climate control and refrigerator moldings (collectively, the "Business");

B. Carplastic S.A. de C.V., a corporation organized and existing in accordance with the laws of Mexico ("Carplastic"), is an indirect wholly-owned subsidiary of Seller owned by Grupo Visteon, S. de R.L. de C.V. and Visteon Holdings, LLC;

C. VHE and VEHC are wholly-owned subsidiaries of Seller that, following completion of the Autopal Restructuring, will together own all of the outstanding ownership interests of Nailah Investments s.r.o., a Czech limited liability company("Autopal");

D. VIHI is a wholly-owned subsidiary of Seller that owns fifty percent (50%) of the ordinary shares of Visteon TYC Corporation, a British Virgin Island international business corporation ("VTYC" and together with Autopal, the "Stock Group");

E. Each of the companies listed in Schedule E (the "Asset Subsidiaries") is a direct or indirect wholly-owned subsidiary of Seller that owns assets that are used primarily in connection with the operation of the Business;

F. The Business is carried on through Seller, the Asset Subsidiaries, the Existing Autopal Companies and the members of the Stock Group;

G. Seller and each of the Stock Selling Subsidiaries, as the case may be, desires to sell or cause the Asset Subsidiaries to sell to Buyer and Buyer desires to purchase from Seller, the Stock Selling Subsidiaries and the Asset Subsidiaries (i) all of the Stock Selling Subsidiaries' capital stock in each entity comprising the Stock Group and (ii) except for the Proprietary Rights, all of the assets that are used primarily to conduct the Business as currently operated including the Maquila Assets from Carplastic's IMMEX Program and, (iii) with respect to the Proprietary Rights, all the Proprietary Rights used exclusively to conduct the Business (the sales and purchases set forth in clauses (i), (ii) and (iii) of this Recital G, the "Transaction"); and

H. Without limiting the generality of the foregoing, the transfer of the assets held by Visteon Technical Services Centre Private Limited, an Indian corporation ("VTSC"), will be accomplished by virtue of a slump sale of a going concern under the terms of a transfer of business agreement between VTSC and Buyer's designee (the "Transfer of Business Agreement").

Therefore, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

Capitalized terms have the meanings set forth in Appendix A, unless defined elsewhere in this Agreement.

ARTICLE 2

2.1 Transaction; Transferred Assets. At the Closing:

Stock. Seller and each relevant Stock Selling Subsidiary shall sell to Buyer (or its Affiliated designee), and Buyer (or its Affiliated designee) shall purchase from Seller and each relevant Stock Selling Subsidiary, all of the outstanding ownership interests of Autopal ("Autopal Stock") and all of VIHI's interest in VTYC ("VTYC Stock" and together with the Autopal Stock, the "Stock"), in each case, free and clear of any Liens or restrictions on transfer, except those imposed by applicable Law.

Assets. Seller shall, and shall cause each Asset Subsidiary to, sell to Buyer (or its Affiliated designees) all of their respective right, title and interest in and to all assets (other than the Stock) of Seller or the Asset Subsidiaries that are used or held for use primarily to conduct the Business as currently operated (but solely as to the Proprietary Rights, the Proprietary Rights used exclusively in the conduct of the Business) ("Assets" and together with the Stock, the "Transferred Assets"), including:

(a) all parcels of Real Property (other than Real Property that is subject to the Autopal Facility Lease);

(b) all (i) personal property, including, but not limited to, all machinery, equipment, computer hardware, vehicles, tools, dies, repair and replacement parts, and office furniture, fixtures and equipment owned by Seller or the Asset Subsidiaries (including all assets permanently or temporarily imported into Mexico and used primarily to conduct the Business by the Asset Subsidiaries), except to the extent disposed of prior to the Closing Date as permitted by Section 7.1 of the Agreement, the Maquila Assets and the Mexican Assets (each as identified on Section 2.1(b) of the Disclosure Schedule) and (ii) additional items as are acquired prior to the Closing Date ("Personal Property");

(c) all inventory of raw materials, work-in-process and finished goods, existing on the Closing Date, whether in Seller's or any Asset Subsidiary's possession, in transit to or from Seller or any Asset Subsidiary, or held by any Third Party ("Inventory"), supplies and spare parts;

(d) all purchase orders, sales orders and other agreements, contracts and commitments of any sort ("Contracts") and all rights and claims thereunder;

(e) books and records, including originals (or, to the extent the same may not be transferred in accordance with applicable Law, complete and correct copies) of all personnel records of the Transferred Employees, all subject to consent of such Transferred Employees when required by applicable Law;

(f) all patents, trademarks, trade names, service marks, copyrights, and any applications therefor, technology, know-how, trade secrets, inventory, ideas, algorithms, databases, processes, computer software programs or applications, tangible or intangible proprietary information or material and other intellectual property rights ("Intellectual Property") used exclusively in the Business, including, but not limited to, those items identified on Section 2.1(f) of the Disclosure Schedule (together with the Intellectual Property and Proprietary Software, "Proprietary Rights");

(g) all prepaid expenses, credits, deferred charges, advance payments, security deposits and other deposits, and pre-paid items related to the Business or the other Transferred Assets;

(h) all permits, licenses (excluding licenses under Proprietary Rights), approvals, consents, franchises, and other governmental authorizations or approvals to the extent transferable under applicable Law ("Permits");

(i) all claims, actions and suits and defenses, except those relating to Excluded Assets or Retained Liabilities, whether choate or inchoate, known or unknown, contingent or noncontingent, including all rights pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors in connection with products or services purchased in respect of the Business, except those relating to Excluded Assets or Retained Liabilities;

(j) the right to receive and retain mail and other communications relating to the Business;

(k) except as provided in Article 11, the Assumed Employee Benefit Plans, including all assets held by or on behalf of Seller, any Asset Subsidiary or such Assumed Employee Benefit Plans in trust, reserve or otherwise to fund, and all insurance policies funding, any of the liabilities under such Assumed Employee Benefit Plans; and

(l) all assets identified on Section 2.1(l) of the Disclosure Schedule as Transferred Assets.

2.2 Excluded Assets. Notwithstanding Section 2.1, the following assets ("Excluded Assets") are retained by Seller and the Asset Subsidiaries and are not included in the Assets:

(a) all cash (other than petty cash located at the Real Property), cash equivalents, marketable securities and bank accounts;

(b) all trade and other accounts receivable, including those that are owed by Seller or any Subsidiary or Affiliate of Seller;

(c) all intellectual property owned, licensed or used by Seller or any Asset Subsidiary that is not used exclusively in the conduct of the Business, including, but not limited to:

(i) the trade names and trademarks "Visteon" and "Visteon Corporation" ("Visteon Marks") and any other trade names, trademarks, corporate names and logos incorporating in any way these names; and

(ii) the Proprietary Rights listed on Section 2.2(c)(ii) of the Disclosure Schedule;

(d) (i) all claims, proceedings, rights of action and defenses under Chapter 5 of the Title 11 of the United States Code that derive from or were originated as a result of Seller's Chapter 11 bankruptcy reorganization filed on May 25, 2009, and (ii) all claims and rights relating to any of the Excluded Assets or the Retained Liabilities;

(e) all assets that have been transferred or disposed of by Seller or any Asset Subsidiary prior to the Closing Date in transactions permitted by this Agreement, including Section 7.1;

(f) all rights to the refund of any Tax paid by Seller or any Asset Subsidiary prior to the Closing Date;

(g) all agreements, contracts and commitments of Seller, any Stock Selling Subsidiary, Asset Subsidiary or member of the Stock Group other than the Contracts;

(h) copies or originals, as the case may be, of all books and records that Seller, the Stock Selling Subsidiaries or the Asset Subsidiaries are required by the applicable Laws to retain in their possession;

(i) all Employee Benefit Plans that are not Assumed Employee Benefit Plans, including all assets held by or on behalf of Seller, any Asset Subsidiary or such Employee Benefit Plans in trust, reserve or otherwise to fund, and all insurance policies funding, any of the liabilities under such Employee Benefit Plans; and

(j) all assets identified on Section 2.2(j) of the Disclosure Schedule as Excluded Assets.

2.3 Transfer of Maquila Assets. Seller and Buyer agree that following the execution of this Agreement, they will take all reasonable steps necessary in order to complete the virtual transfer of the Maquila Assets from Carplastic's IMMEX Program to Buyer's IMMEX Program, including the submission to Mexican customs, the Mexican Treasury Department and the Mexican Department of the Economy all such documents, customs declarations pedimentos, manifests, invoices, notices and other material necessary to effect such transfer (the "IMMEX Transfer") no later than ten (10) Business Days following the Closing Date. After the Closing Date, Seller shall cause Carplastic to notify the Mexican Treasury Department, the Mexican Department of the Economy and such other Mexican government authorities as necessary, of the closing of Carplastic's branches or establishments and provide a copy of such filings to Buyer, if applicable.

2.4 Autopal Restructuring. Prior to the Closing, Seller shall effect the Autopal Restructuring and shall cause all assets (other than Real Property that is subject to the Autopal Facility Lease) to the extent owned by the Existing Autopal Companies that, if they were Asset Subsidiaries, would constitute Assets pursuant to Section 2.1 (and, if permitted by Law, excluding any assets that, if the Existing Autopal Companies were Asset Subsidiaries, would constitute Excluded Assets pursuant to Section 2.2) to be transferred to Autopal.

2.5 Non-Transferability of Certain Assets.

(a) Notwithstanding Section 2.1, if there are Assets that are not assignable without the consent of Third Parties ("Non-Transferable Assets"), and these consents are not obtained by the Closing Date, the Non-Transferable Assets will not be assigned without that consent.

(b) Seller and the Asset Subsidiaries shall, and Seller shall cause the Asset Subsidiaries to, (a) cooperate in good faith with Buyer to enter into any reasonable arrangement designed to provide to Buyer the benefit of the Non-Transferable Assets, including, but not limited to, the enforcement for the benefit and at the expense of Buyer of any rights in connection with any of these assets, (b) hold all monies paid thereunder in trust for the account of Buyer and (c) promptly remit all such money without set-off of any kind whatsoever to Buyer. Except as advanced by Buyer, Seller is not required to pay any monies to Third Parties in connection with its obligations under this Section.

(c) To the extent that Buyer receives the benefits of any Non-Transferable Asset, Buyer shall perform the obligations of Seller relating to that Non-Transferable Asset.

ARTICLE 3
LIABILITIES

3.1 Assumed Liabilities. At the Closing, in addition to the liabilities for which Buyer will become liable by virtue of the acquisition of the VTYC Stock (but not the Autopal Stock), Buyer shall assume the following liabilities and obligations of Seller, the Asset Subsidiaries and the Existing Autopal Companies to the extent arising out of the Business ("Assumed Liabilities"):

(a) other than (i) Indebtedness or (ii) any other Retained Liabilities, all liabilities and obligations that exist at the Closing and are of a type reflected in the Financial Information;

(b) all liabilities and obligations in respect of the Contracts and Permits that are Assets arising after the Closing Date, but excluding any liability thereunder to the extent arising out of (i) a breach that occurred on or prior to the Closing or (ii) any event occurring or state of facts existing on or prior to the Closing which with the notice or lapse of time would constitute a breach of any term or condition of any such Contract or Permit;

(c) all liabilities and obligations in respect of customer warranty or recall claims for products sold by Buyer or the Business on or following the Closing;

(d) all product liability and similar claims for injury to person or property (including death) in connection with any products sold by Buyer on or after the Closing;

(e) all liabilities and obligations related to or arising under any Assumed Employee Benefit Plan or otherwise assumed by Buyer under Article 11;

(f) all liabilities and obligations in respect of the matters described in Article 15, except to the extent that Seller is obligated under Article 15 to indemnify Buyer;

(g) all liabilities and obligations expressly assumed by Buyer pursuant to the PRTLA;

(h) all liabilities and obligations identified on Section 3.1(h) of the Disclosure Schedule; and

(i) all liabilities and obligations arising from processes used or products manufactured, used, imported or offered for sale, or sold by the Buyer after the Closing that conflict with, misappropriate, infringe or otherwise violate any intellectual property of any third party including any allegations of same.

3.2 Retained Liabilities. Notwithstanding Section 3.1, Seller, the Asset Subsidiaries and the Existing Autopal Companies shall be responsible for all of the liabilities and obligations not hereby expressly assumed by Buyer and Buyer shall not assume, or in any way be liable or responsible for, any liabilities or obligations of Seller or its Affiliates or any other Person except for those liabilities and obligations expressly assumed by Buyer pursuant to the terms of Section 3.1 above, which assumed liabilities shall include all liabilities and obligations assumed by virtue of the acquisition of the VTYC Stock (but not the Autopal Stock) except as expressly excluded below. All such liabilities and obligations not expressly assumed by Buyer are referred to herein collectively as the "Retained Liabilities". Without limiting the generality of the foregoing, Seller, the Asset Subsidiaries and the Existing Autopal Companies shall retain and timely pay and discharge the following liabilities, all of which shall be Retained Liabilities for all purposes of this Agreement:

(a) (i) all liabilities arising out of any claim, proceedings or rights of action that derive from or were originated as a result of Seller's Chapter 11 bankruptcy reorganization filed on May 25, 2009, including any obligation of Seller to make distributions to holders of allowed claims under its plan of reorganization filed on May 25, 2009, and (ii) all liabilities and obligations arising out of the Excluded Assets (except in relation to certain license rights expressly assumed by Buyer pursuant to the PRTLA);

(b) all accounts payable and accrued expenses that arose on or prior to the Closing that exist at the Closing (including "Sundry Payable and Accrued Sundry" of the type set forth in the Financial Information);

(c) all Taxes payable with respect to the Business, the Transferred Assets (including the Stock) or the Assumed Liabilities for any period prior to the Closing (including any deferred Tax liability of the type set forth in the Financial Information) provided that VTYC will remain solely liable for all Taxes payable with respect to the Business conducted by it;

(d) all Indebtedness of Seller, the Asset Subsidiaries, the Existing Autopal Companies, the Stock Selling Subsidiaries or Autopal, except for liabilities and obligations identified on Section 3.1(h) of the Disclosure Schedule;

(e) all liabilities and obligations for product liability claims or recalls for injury to person (including death) or property in connection with any products sold by the Business, Seller, an Asset Subsidiary, a Stock Selling Subsidiary or Autopal prior to the Closing;

(f) all liabilities and obligations of the Business in respect of customer warranty or recall claims for products sold prior to the Closing by the Seller, an Asset Subsidiary, a Stock Selling Subsidiary or member of the Stock Group; and

(g) all Excluded Employee Liabilities.

ARTICLE 4
PURCHASE PRICE; TRANSFER OF STOCK

4.1 Purchase Price. The purchase price for (a) the Transferred Assets, and (b) the prepaid rent payment required under the Autopal Facility Lease (the "Autopal Lease Payment") is $92,000,000 ("Purchase Price"). The Purchase Price is subject to adjustment pursuant to Sections 4.5 and 18.4 below.

4.2 Escrow Deposit at Signing; Payments at Closing.

(a) Promptly following the execution of this Agreement (but in no event more than three (3) Business Days following the date of execution of this Agreement), Buyer shall deposit an additional amount of US $5,000,000 in cash (the "Escrow Deposit") into the escrow account (the "Escrow Account") held by Citibank, NA (the "Escrow Agent") that

currently holds Buyer's prior cash deposit of US $3,000,000 (the "Initial Deposit" and, together with the Escrow Deposit, the "Deposit Amounts").

(b) At the Closing: (i) Buyer (or its Affiliated designee) shall wire transfer an amount equal to the Purchase Price, minus the Deposit Amounts to a bank account or accounts designated by Seller, and (ii) Escrow Agent shall disburse the Deposit Amounts to Seller by wire transfer of immediately funds to a bank account or accounts designated by Seller.

4.3 Transfer of Stock. At the Closing:

(a) VIHI, Buyer and VTYC shall execute an agreement to effect the transfer of the VTYC Stock to Buyer free and clear of any Liens or restrictions on transfer, except those imposed by applicable Law (the "VTYC Transfer Agreement"); and

(b) VHE, VEHC and Buyer shall execute an agreement to effect the transfer of the Autopal Stock to Buyer free and clear of any Liens or restrictions on transfer, except those imposed by applicable Law (the "Czech Transfer Agreement").

4.4 Purchase Price Allocation. The parties agree that, following the date of this Agreement, the parties shall negotiate in good faith to reach agreement, within ninety (90) days after execution hereof, on an allocation of the Purchase Price among the Transferred Assets and the Autopal Lease Payment. The parties further agree that such allocation shall include a separate allocation as to the Assets owned by Carplastic, including the applicable Mexican Value Added Tax on the Mexican Assets and the improvements on the Mexican Real Property, and that such allocation for the Carplastic Assets shall, in all events, be prepared prior to the Closing Date. Seller agrees that, on or before the sixtieth (60th) day after the execution hereof, Seller shall send to Buyer a written proposal for such allocation, and Buyer agrees that it shall notify Seller of any additions or revisions to such allocation within ten (10) Business Days after receipt thereof. In the event of any such proposed additions or revisions, Buyer and Seller shall attempt to reach agreement on all or the greatest portion possible of such allocation.

4.5 Inventory Adjustment.

(a) Within forty-five (45) calendar days after the Closing Date, Seller shall cause to be prepared and delivered to Buyer (i) a statement (the "Inventory Statement") setting forth the Closing Date Inventory and the components and calculations thereof as of 11:59 p.m., Detroit time, on the Closing Date, prepared in accordance with the policies, practices and methodologies used in the preparation of, and provided in the format used for, the reference inventory statement (the "Reference Inventory Statement") attached as Section 4.5 of the Disclosure Schedule, which is consistent with the policies, procedures and methodologies adopted for historical periods (i.e., calendar years ended December 31, 2010 and December 31, 2011) and (ii) a statement (the "Inventory Adjustment Statement") setting forth the calculation of the amount by which the Closing Date Inventory as shown on the Inventory Statement either (A) exceeds the Target Inventory (as such amount may be adjusted below, the "Inventory Excess Amount") or (B) is less than the Target Inventory (as such amount may be adjusted below, the "Inventory Deficiency Amount").

(b) After receipt of the Inventory Statement and the Inventory Adjustment Statement, Buyer will have sixty (60) calendar days to review the Inventory Statement and the Inventory Adjustment Statement. Seller will give, or cause to be given, to Buyer reasonable access to all documents, records, facilities and employees of Seller and its Affiliates used in their preparation to the extent such employees are employed by Seller or its Affiliates at such time. Not later than sixty (60) calendar days following the date of receipt of the Inventory Statement and the Inventory Adjustment Statement, Buyer shall provide Seller with a notice (a "Dispute Notice") listing those items, if any, to which Buyer takes exception, which notice shall also (i) specifically identify, and provide a reasonably detailed explanation of the basis upon which Buyer has delivered such list, including, without limitation, the applicable provisions of this Agreement on which the dispute set forth in such Dispute Notice is based, (ii) set forth the amount of Closing Date Inventory that Buyer has calculated based on the information contained in the Inventory Statement and (iii) specifically identify Buyer's proposed adjustment(s). Unless Buyer delivers the Dispute Notice to Seller setting forth the specific items disputed by Buyer on or prior to the sixtieth (60th) day after Buyer's receipt of the Inventory Statement and the Inventory Adjustment Statement, Buyer will be deemed to have accepted and agreed to the Inventory Statement and the Inventory Adjustment Statement and such statements (and the calculations contained therein) will be final, binding and conclusive. If Buyer timely provides Seller with a Dispute Notice, Seller and Buyer will, within fifteen (15) days following receipt of such Dispute Notice by

Seller (the "Resolution Period"), attempt to resolve their differences with respect to the items specified in the Dispute Notice (the "Disputed Items"), and all other undisputed items (and all calculations relating thereto) will be final, binding and conclusive. Any written resolution by Seller and Buyer during the Resolution Period as to any Disputed Items will be final, binding and conclusive.

(c) If Seller and Buyer do not resolve all Disputed Items by the end of the Resolution Period, then all Disputed Items remaining in dispute shall be submitted within fifteen (15) days after the expiration of the Resolution Period to Grant Thornton LLP (the "Neutral Arbitrator"); provided that if at such time either Seller or Buyer shall discover a bona fide conflict with respect to the Neutral Arbitrator or the Neutral Arbitrator resigns or expressly states its refusal for any reason to resolve the Disputed Items in accordance with this Section 4.5, the parties shall submit the matter to another independent accounting firm of international reputation reasonably acceptable to both Seller and Buyer to resolve the remaining matters in dispute, and such firm shall be the Neutral Arbitrator for all purposes of this Section 4.5(c). The Neutral Arbitrator shall act as an arbitrator to determine only those Disputed Items remaining in dispute, consistent with this Section 4.5, and shall request a statement from each of Seller and Buyer regarding such remaining Disputed Items. The Neutral Arbitrator will consider only those Disputed Items that Seller on the one hand and Buyer on the other hand are unable to resolve. In resolving any disputed item, the Neutral Arbitrator may not assign a value to any item greater than the greatest value for such item claimed by any party or less than the smallest value for such item claimed by any party. The scope of the disputes to be arbitrated by the Neutral Arbitrator is limited to whether the preparation of the Inventory Statement and the Inventory Adjustment Statement were done in accordance with GAAP and, the Reference Inventory Statement consistently applied, and whether there were mathematical errors in the preparation of the Inventory Statement and the Inventory Adjustment Statement, and the Neutral Arbitrator is not to make any other determination. All fees and expenses relating to the work, if any, to be performed by the Neutral Arbitrator will be allocated between Seller and Buyer in the same proportion that the aggregate amount of the Disputed Items so submitted to the Neutral Arbitrator that is unsuccessfully disputed by such party (as finally determined by the Neutral Arbitrator) bears to the total amount of such Disputed Items so submitted by such party. In addition, the parties shall give the Neutral Arbitrator access to all documents, records, facilities and employees as reasonably necessary to perform its function as arbitrator. The Neutral Arbitrator will deliver to Seller and Buyer a written determination (such determination to include a work sheet setting forth all material calculations used in arriving at such determination and to be based solely on information provided to the Neutral Arbitrator by Seller and Buyer) of the Disputed Items submitted to the Neutral Arbitrator within thirty (30) days after receipt of such Disputed Items (or as soon thereafter as practicable), which determination will be final, binding and conclusive, and judgment may be entered on the award.

(d) The final, binding and conclusive Inventory Statement and Inventory Adjustment Statement, in each case, based either upon agreement by Seller and Buyer, the written determination delivered by the Neutral Arbitrator in accordance with this Section 4.5 or Seller's failure to notify Buyer, in accordance with this Section 4.5, of its objections to either the Inventory Statement or the Inventory Adjustment Statement (or any calculations contained therein) will be the "Conclusive Inventory Statement" and the "Conclusive Inventory Adjustment Statement," respectively. If either Seller or Buyer fails to submit a statement regarding any Disputed Items submitted to the Neutral Arbitrator within the time determined by the Neutral Arbitrator or otherwise fails to give the Neutral Arbitrator access as reasonably requested, then the Neutral Arbitrator shall render a decision based solely on the evidence timely submitted and the access afforded to the Neutral Arbitrator by Seller and Buyer.

(e) (A) Buyer shall pay an aggregate amount, if any, equal to the Inventory Excess Amount, if any, set forth on the Conclusive Inventory Adjustment Statement plus the Interest Amount on such Inventory Excess Amount, which amount shall be paid to Seller, or (B) Seller shall pay an aggregate amount, if any, equal to the Inventory Deficiency Amount, if any, set forth on the Conclusive Inventory Adjustment Statement plus the Interest Amount on such Inventory Deficiency Amount. Any required payment under this Section 4.5(e) shall be paid on the third (3rd) Business Day following the determination of the Conclusive Inventory Statement in immediately available funds by (a) check or wire transfer to such bank account or accounts as Seller (in the case of a Inventory Excess Amount) may specify, or (b) wire transfer to such bank account or accounts as Buyer (in the case of a Inventory Deficiency Amount) may specify. Any Inventory Excess Amount (including any Interest Amount thereon) shall be deemed to be an increase in the Purchase Price and any Inventory Deficiency Amount (including any Interest Amount thereon) shall be deemed to be a decrease in the Purchase Price for purposes of this Agreement.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF SELLER

Except as set forth in the Disclosure Schedule, Seller represents and warrants to Buyer, as to itself, the Stock Selling Subsidiaries, the Asset Subsidiaries, the Existing Autopal Companies, the Visteon Sale Entities and the Visteon Operating Companies (which defined terms, for purposes of this Article 5, shall in each case (except where expressly indicated) (x) exclude VTYC, as to which no representation or warranty is made unless expressly indicated, and (y) shall be deemed to include the Existing Autopal Companies only prior to the completion of the Autopal Restructuring and Autopal only from and after the completion of the Autopal Restructuring) that:

5.1 Organization, Existence and Standing. Seller, each Stock Selling Subsidiary, each Asset Subsidiary and each member of the Stock Group (together, "Visteon Sale Entities" and each, a "Visteon Sale Entity"), including VTYC, is a corporation or limited liability company duly incorporated or formed and validly existing under the Laws of the jurisdiction of its incorporation or formation and has full corporate or organizational power and authority to:

(a) own or lease the Transferred Assets owned or leased by it; and

(b) carry on the Business as now conducted by it.

5.2 Qualification. Each Visteon Sale Entity (including VTYC) is duly qualified to do business, if applicable, and is in good standing in all jurisdictions where the nature of the Transferred Assets owned or leased by it, or the conduct of the Business conducted by it, requires it to be qualified, except where the failure to be qualified would not reasonably be expected to result in a Material Adverse Change.

5.3 Capitalization.

(a) Upon completion of the Autopal Restructuring and as of immediately prior to the Closing, the registered capital of Autopal:

(i) will be duly authorized and validly issued in compliance with all applicable Laws;

(ii) will be fully paid and nonassessable; and

(iii) will be wholly-owned, beneficially and of record, in part by VHE and in part by VEHC free and clear of any Liens or restrictions on transfer, except those imposed by applicable Law.

(b) The authorized capital stock of VTYC consists solely of ordinary shares, of which 50% are owned, beneficially and of record, by VIHI. All of the VTYC ordinary shares held by VIHI:

(i) are duly authorized, validly issued, fully paid and nonassessable,

(ii) were issued in compliance with all applicable Laws; and

(iii) are owned, beneficially and of record by VIHI free and clear of any Liens or restrictions, except those imposed by federal and state securities Laws.

(c) There are no outstanding securities (whether debt or equity) convertible into or exercisable or exchangeable for any capital stock or equity interests in any member of the Stock Group, and there are no outstanding options, warrants, preemptive rights or other rights permitting or requiring any Person to subscribe for, or acquire or purchase, or permitting any member of the Stock Group to issue, any other equity securities.

5.4 Corporate Authority. Seller, each Asset Subsidiary and each Stock Selling Subsidiary have all requisite corporate power and authority to enter into this Agreement and the Related Agreements to which it is a party and to carry out its obligations hereunder and thereunder. Except for actions relating to the Autopal Restructuring, Seller, each Asset Subsidiary and each Stock Selling Subsidiary have taken all corporate or organizational actions needed to execute, deliver and consummate this Agreement and the Related Agreements and to perform its obligations hereunder and thereunder, and

no other proceedings or actions on the part of it is necessary to authorize such execution, delivery and performance. This Agreement has been, and the Related Agreements when executed will be, duly executed by each of Seller, each Asset Subsidiary and each Stock Selling Subsidiary and constitute the legal, valid and binding obligations of Seller, each Asset Subsidiary and each Stock Selling Subsidiary (to the extent they are a party to this Agreement or a Related Agreement), except as applicable bankruptcy, insolvency, reorganization or similar Laws relating to enforcement of creditors' rights and remedies or other equitable principles limit enforceability.

5.5 Financial Information. The Financial Information attached to Section 5.5 of the Disclosure Schedule was derived from the books and records of Seller, the Stock Group, the Existing Autopal Entities, the Asset Subsidiaries (except VGTI) and the Stock Selling Subsidiaries and presents fairly, in all material respects, the financial condition of the Business as of the dates shown, the results of the Business' operations for the periods then ended, and changes in financial position of the Business for the periods then ended.

5.6 Real Property.

(a) A legal description of each parcel of real property currently used in the operation of the Business and owned in fee by (i) Seller, the Asset Subsidiaries (except VGTI) or a member of the Stock Group (together, "Visteon Operating Companies" and each a "Visteon Operating Company") and (ii) the Existing Autopal Companies is set forth on Section 5.6(a) of the Disclosure Schedule (collectively, the "Owned Real Property"). Except as set forth on Section 5.6(a) of the Disclosure Schedule, a Visteon Operating Company or one of the Existing Autopal Companies has good and marketable title to each parcel of Owned Real Property and to all of the buildings, structures and other improvements thereon, free and clear of all Liens, except for Real Property Permitted Exceptions. The Seller has made available to Buyer copies of any title insurance policies (the "Title Policies") (together with copies of any documents of record that are listed as exceptions to title on such policies to the extent such documents are in Seller's possession) currently insuring each parcel of Owned Real Property, and copies of the most recent surveys of the same, and, to Seller's Knowledge, any photographs, drawings, and maps of the Owned Real Property (to the extent such documents are in Seller's possession). The Owned Real Property owned by the Existing Autopal Companies includes the land and buildings that will be leased to Autopal under the Autopal Facility Lease.

(b) Section 5.6(b) of the Disclosure Schedule sets forth the address of each parcel of leasehold or sub-leasehold estate and any and all other rights to use or occupy any land, buildings, structures, improvements or other interest in real property currently used in the operation of the Business and held by or for a Visteon Operating Company (except VGTI) or one of the Existing Autopal Companies (the "Leased Real Property" and together with the Owned Real Property, the "Real Property"), as well as a true and complete list of all leases, licenses, subleases and other occupancy agreements, together with any amendments or modifications thereto and any documents or instruments affecting in any material respect the rights or obligations thereunder of any of the parties thereto, pursuant to which the Visteon Operating Company party thereto has the right to use or occupy the Leased Real Property (the "Tenant Leases"). True and complete copies of the Tenant Leases have been delivered to Buyer prior to the date hereof. With respect to each parcel of Leased Property, (i) each Tenant Lease is legal, valid, binding and enforceable against the lessor thereunder and is in full force and effect and has not been modified; (ii) neither the Visteon Operating Company that is a party thereto nor, to Seller's Knowledge, any other party to such Tenant Lease, is in breach or default under such lease, and no event has occurred or circumstance exists that, with the delivery of notice, passage of time or both, would constitute such a breach or default or permit the termination, modification or acceleration of rent under any Tenant Lease; (iii) the possession and quiet enjoyment of the Leased Real Property under any Tenant Lease by the Visteon Operating Company that is a party thereto has not been disturbed; (iv) no security deposit or portion thereof deposited with respect to any Tenant Lease has been applied in respect of a breach of or default under such lease by the Visteon Operating Company that is a party thereto; (v) the Visteon Operating Company that is a party thereto has not subleased, licensed, or otherwise granted any Person the right to use or occupy such parcel of Real Property or any portion thereof, or collaterally assigned or granted any other Lien in any such lease or any interest therein; (vi) the Visteon Operating Company that is a party thereto has a valid leasehold interest in such Tenant Lease and the improvements thereon, free and clear of all Liens, except for Real Property Permitted Exceptions; (vii) all required deposits and rents due to date pursuant to each Tenant Lease have been paid in full; (viii) the Visteon Operating Company that is a party thereto has not prepaid rent or any other amounts due under a Tenant Lease more than thirty (30) days in advance; and (ix) no party has any rights of offset against any rents, required security deposits and additional rents payable under a Tenant Lease.

(c) The Real Property constitutes all of the real property used by any Visteon Operating Company and the Existing Autopal Companies in connection with the operation of the Business. All improvements, systems, equipment,

machinery and fixtures on the Owned Real Property are adequate and suitable in all material respects for the present and continued use, operation and maintenance thereof as now used, operated or maintained ordinary wear and tear excepted. All improvements on the Owned Real Property constructed by or on behalf of the applicable Visteon Operating Company and the Existing Autopal Companies were constructed, to the Knowledge of Seller, in compliance in all material respects with applicable Laws, ordinances and regulations affecting such Real Property. With respect to the Real Property, (i) there are no rights of first refusal, reversionary rights, purchase options, rights of first offer and the like, recorded or unrecorded, affecting any portion of the Real Property; (ii) all Real Property has reasonable access to public roads and utilities, and (iii) the Real Property and its continued use, occupancy and operation as currently used, occupied and operated, does not in any material respect constitute a nonconforming use under any applicable building, zoning, subdivision and other land use and similar Laws, regulations and ordinances.

(d) The Visteon Operating Companies and the Existing Autopal Companies have not received any written notice of any condemnation, requisition or taking by a governmental entity with respect to the Real Property, and there are no pending or, to Seller's Knowledge, threatened condemnation or eminent domain proceedings involving the Real Property.

5.7 Title to Personal Property. A Visteon Operating Company has good and marketable title to all of the Personal Property included in the Transferred Assets free and clear of all Liens, except for Personal Property Permitted Exceptions or Liens to be released at Closing.

5.8 Condition and Sufficiency of Transferred Assets.

(a) Except for reasonable wear and tear, the Transferred Assets currently used in the operation of the Business are in suitable condition and repair for the purposes for which they are presently used in the Business; and

(b) together with Buyer's rights under the Related Agreements, the Transferred Assets are sufficient to conduct the Business as presently operated.

5.9 Contracts.

(a) Section 5.9(a) of the Disclosure Schedule sets forth a complete and correct list of the following types of Contracts to which a Visteon Operating Company is party in effect as of the date of this Agreement used primarily to conduct the Business or related to the Transferred Assets, except purchase orders that are electronically generated from the purchasing system of a Visteon Operating Company or a customer, supplier or vendor (collectively, "Material Contracts"):

(i) any Contract under which payments to or by any Visteon Operating Company in any calendar year exceed $500,000, except Contracts cancelable by that Visteon Operating Company, without penalty, on less than sixty (60) days prior written notice;

(ii) any Contract relating to any direct or indirect Indebtedness or any equipment lease agreements or security arrangements with respect to personal property under which payments to or by any Visteon Operating Company exceed $500,000, except Contracts cancelable by that Visteon Operating Company, without penalty, on less than sixty (60) days prior written notice;

(iii) any consulting or management services contract or any confidentiality or proprietary rights agreements under which payments to or by any Visteon Operating Company in any calendar year exceed $500,000;

(iv) any Contract with any sales agent, sales representative, franchisee or distributor under which payments to or by any Visteon Operating Company in any calendar year exceed $500,000;

(v) any Contract requiring the payment of royalties or similar payments in excess of $500,000;

(vi) any Contract with any governmental authority under which payments to or by any Visteon Operating Company in any calendar year exceed $500,000;

(vii) any Contract between Seller or any of its Affiliates, on the one hand, and any other Affiliate of Seller, on the other hand, that will not be terminated effective as of the Closing Date;

(viii) any Contract for the sale of any material assets, material property or material rights and providing for payment in excess of $500,000;

(ix) any Contract that (A) materially limits the freedom of any Visteon Operating Company to compete in any line of business or with any Person or in any area, (B) requires the purchase or use of all or substantially all of its requirements of a particular product from a supplier or vendor, or (C) grants any Person the right to obtain services, or requires any Visteon Operating Company to provide services, on a "most favored nation" basis;

(x) any Contract involving any resolution or settlement of any actual or threatened litigation, arbitration, claim or other dispute which has not been fully performed, in each case providing for aggregate payments under each such Contract in excess of $500,000 during its remaining term following the Closing Date;

(xi) any Contracts relating to capital expenditures, including for purchases of equity, assets or properties of another Person (other than purchase orders for such items in the ordinary course of business) in each case requiring aggregate payments in excess of $500,000 during its remaining term following the Closing Date;

(xii) any joint venture, partnership, strategic alliance, limited liability company, teaming, cooperation and any other similar Contract involving a sharing of profits or losses, costs or liabilities or any other Contract that relates to the formation, creation, operation, disposition, management or control of any Person that is a legal entity;

(xiii) any material Contract pertaining to Proprietary Rights (other than for the use of commercially available software); and

(xiv) any Contract for the lease, sublease, license or occupancy of real property.

(b) Each Material Contract is in full force and effect and is valid, binding and enforceable in accordance with its terms as to the respective Visteon Operating Company that is a party to that Agreement, and to Seller's Knowledge, the other parties to the Material Contract.

(i) Each Visteon Operating Company has in all material respects performed and is performing all its obligations under the Material Contracts to which it is a party;

(ii) No Visteon Operating Company, nor, to Seller's Knowledge, any other party, is in default of any material obligation under any of the Material Contracts to which such Visteon Operating Company is a party;

(iii) No Visteon Operating Company has received any written notice of default under any of the Material Contracts, nor to Seller's Knowledge has any event occurred that with notice or lapse of time or both would constitute a material default by any Visteon Operating Company under any Material Contract to which such Visteon Operating Company is a party; and

(iv) To Seller's Knowledge, no Visteon Operating Company has received any written notice of intent to terminate any Material Contract to which such Visteon Operating Company is a party.

5.10 Proprietary Rights.

(a) A Visteon Operating Company owns, licenses or otherwise possesses legally enforceable rights to use the Proprietary Rights and such ownership, licenses, or other rights in the Proprietary Rights will continue to be valid and in full force and effect after the execution, delivery and performance of this Agreement;

(b) No Visteon Operating Company or VGTI nor, to Seller's Knowledge, any other party, is in default of any material obligation under any license, sublicense or other agreement relating to Proprietary Rights;

(c) The Visteon Operating Companies or VGTI have not granted any right or interest to any Person in connection with any of the Proprietary Rights;

(d) The Visteon Operating Companies or VGTI are not obligated to pay any amount to any Person in order to use any of the Proprietary Rights;

(e) Except for routine patent prosecutions in various patent offices:

(i) none of the Proprietary Rights is subject to any pending or, to Seller's Knowledge, threatened challenge, claim or dispute; and

(ii) none of the Proprietary Rights has during the prior five years been the subject of any challenge, claim or dispute.

(f) None of the Proprietary Rights is subject to any outstanding order, decree, judgment or stipulation, or has been adjudged invalid or unenforceable;

(g) To Seller's Knowledge:

(i) the operation of the Business and the ownership of the Transferred Assets does not infringe upon, misappropriate or otherwise violate any Third Party's proprietary rights;

(ii) none of the Proprietary Rights is being infringed by any Third Party; and

(iii) all registrations pertaining to the Proprietary Rights are valid and enforceable.

(h) No Third Party has notified a Visteon Operating Company in writing that it believes the Business or the Proprietary Rights infringe, misappropriate or otherwise violate any proprietary right of such Third Party.

(i) All Proprietary Rights created by current or former employees, consultants or contractors of any Visteon Operating Company and material to the Business have been fully transferred to such Visteon Operating Company or VGTI.

(j) Section 5.10(j) of the Disclosure Schedule sets forth all software, databases, algorithms and programs ("Software") owned or purported to be owned by any Visteon Operating Company, or created by or on behalf of any Visteon Operating Company and held by VGTI (collectively, "Proprietary Software"). Either a Visteon Operating Company or VGTI owns all right, title and interest in and to the Proprietary Software, and no Proprietary Software is subject to any "copyleft" or other obligation or condition (including any obligation or condition under any "open source" license such as the GNU Public License, Lesser GNU Public License or Mozilla Public License) that: (i) requires or conditions the use or distribution of such Proprietary Software or the disclosure, licensing or distribution of any source code for any portion of such Proprietary Software; or (ii) otherwise imposes any material limitation, restriction or condition on the right or ability of the Visteon Operating Companies to use or distribute any such Proprietary Software

(k) Section 5.10(k) of the Disclosure Schedule sets forth all: (a) Assignable Software, (b) Transition Services Software and (c) any Software that is material to operation of the Business and not Assignable Software or Transition Services Software. Assignable Software means rights to software under an existing license permitting Visteon to assign

such rights (or portions thereof) to Buyer as listed in Section 5.10(k) of the Disclosure Schedule. Transition Services Software means rights to software under an existing license permitting Visteon to provide software related services to Buyer for a limited period as listed in Section 5.10(k) of the Disclosure Schedule.

(l) The Visteon Operating Companies have taken all commercially reasonable steps to maintain the confidentiality of their proprietary processes and other material trade secrets (including the source code for the Proprietary Software) including by requiring all employees and other Third Parties with access to such trade secrets to execute confidentiality agreements. To Seller's Knowledge, none of such trade secrets has been disclosed to any Third Party, except pursuant to written and enforceable confidentiality obligations or, where commercially required, pursuant to disclosures to any customer pertaining solely to such customer's products.

5.11 Taxes.

(a) Seller and each of the Existing Autopal Companies and Asset Subsidiaries has filed all required material Tax Returns and Tax reports with respect to the Business or the Transferred Assets and all material Taxes shown to be due on those returns and reports have been paid.

(b) Seller has adequately reserved in accordance with applicable Law, if any, or Seller's accounting practices, for the payment of all Taxes with respect to periods ended on or before the Closing Date for which Tax Returns and Tax Reports with respect to the Business or the Transferred Assets have not yet been filed.

(c) There are no Liens for Taxes (other than for current real and personal property taxes not yet due and payable) on the Transferred Assets.

(d) Seller and each of the Asset Subsidiaries and Existing Autopal Companies know of no proposed additional Tax assessment against them with respect to the Business or the Transferred Assets.

(e) Seller and each of the Asset Subsidiaries and Existing Autopal Companies have withheld and paid all Taxes with respect to the Business or the Transferred Assets required to be withheld with respect to amounts paid or owing to any employee, creditor, independent contractor or other Third Party.

(f) Autopal has filed with the appropriate Taxing Authorities all material Tax Returns that it was required to file, and those returns are true, correct, and complete in all material respects. Autopal has paid, accrued, or otherwise adequately reserved for the payment of all material Taxes that are due or will be due with respect to periods ended on or before the Closing Date for which Tax Returns have not yet been filed.

(g) No Taxing Authority (i) is auditing any material Taxes or Tax Return of Autopal or (ii) has asserted in writing any material deficiencies or assessments with respect to Autopal.

(h) Autopal has not executed any outstanding agreements, consents or waivers extending the statutory period of limitations applicable to the assessment of any Taxes or deficiencies against it, and Autopal is not a party to any agreement providing for the allocation or sharing of Taxes.

(i) No claim has been made by any Tax authority in a jurisdiction where Autopal has not filed a Tax Return that it is or may be subject to Tax by such jurisdiction, nor to Seller's knowledge is any such assertion threatened.

(j) Autopal is not a party to any agreement, whether written or unwritten, providing for the payment or sharing of Taxes, payment for Tax losses, entitlements to refunds or similar Tax matters.

(k) Seller, the Asset Subsidiaries, the Existing Autopal Companies and Autopal have complied with all applicable conditions and performed all obligations in connection with any Tax incentive or benefit held by such entity. No such incentive or benefit, to the extent such benefit will be held by Buyer or any of its Subsidiaries following the Closing, is subject to forfeiture or denial as a result of any failure by any of Seller, the Asset Subsidiaries, the Existing Autopal Companies or Autopal to comply with any applicable conditions or perform any obligations under any applicable

Law with respect to such incentives or benefits.

(l) There no proceedings or Tax claims of any nature under the Indian Income Tax Act, 1961, as amended (the "Income Tax Act"), pending against Seller or any of the Asset Subsidiaries.

5.12 Environmental Matters. Except (i) for matters that would not reasonably be expected to result in material costs or liabilities to the Business and except as set forth in Section 5.12 of the Disclosure Schedule, (ii) as to the operations of VTYC, as to which no representation or warranty pursuant to this Section 5.12 is made, and (iii) as to Autopal, for matters in existence on, arising from or related to actions, conditions or circumstances prior to the Autopal Legacy Date ("Legacy Autopal Matters"):

(a) the operations of the Business are, and for the past 5 years have been, in compliance with Environmental Laws, including compliance with all required Permits;

(b) there has not been a Release of Hazardous Materials on the Real Property, or at any other location used by Seller for operation of the Business prior to the Closing Date, in amounts that could reasonably be expected to result in cleanup obligations or other liabilities under Environmental Laws;

(c) no claims under Environmental Laws that remain unresolved have been asserted in writing against any Visteon Operating Company; and

(d) Seller has made available to Buyer all documents in its possession or control relating to environmental conditions on the Real Property or otherwise relating to liabilities of the Business under Environmental Laws.

5.13 No Breach of Contract; No Violations of Law; No Prior Approval. The execution, delivery and performance of this Agreement or any Related Agreement and the consummation of the transactions contemplated hereby and thereby will not:

(a) be a breach of or a default under (with due notice or lapse of time or both):

(i) the applicable Governing Documents of Seller, the Asset Subsidiaries, the Existing Autopal Companies, the Stock Selling Subsidiaries or any member of the Stock Group (including VTYC);

(ii) any agreement or instrument to which Seller, the Asset Subsidiaries, the Existing Autopal Companies, the Stock Selling Subsidiaries or any member of the Stock Group is a party (including the Contracts) or permit the termination of any provision of, or result in the termination of, the acceleration of the maturity of, or the acceleration of the performance of any obligation of Seller, the Asset Subsidiaries, the Existing Autopal Companies, the Stock Selling Subsidiaries or any member of the Stock Group thereunder, other than breaches or defaults that would not reasonably be expected to result in a Material Adverse Change to the Business; or

(iii) any Law applicable to Seller, the Asset Subsidiaries, the Existing Autopal Companies, the Stock Selling Subsidiaries or any member of the Stock Group or the Transferred Assets, other than breaches or defaults that would not reasonably be expected to result in a Material Adverse Change to the Business;

(b) violate any order, judgment or decree of any court or any governmental authority applicable to Seller, the Asset Subsidiaries, the Existing Autopal Companies, the Stock Selling Subsidiaries or any member of the Stock Group or any of the Transferred Assets;

(c) create a Lien upon any of the Transferred Assets;

(d) result in the cancellation, material modification, revocation or suspension of any Permit; or

(e) require a filing with or Permit from any governmental authority, except any filing required by Antitrust

Law or any filing that would not reasonably be expected to be material to the Business.

5.14 Litigation.

(a) Other than as set forth on Section 5.14(a) of the Disclosure Schedule, there is no pending or, to Seller's Knowledge, threatened Proceeding relating to the Business or any of the Transferred Assets (other than as may apply to VTYC) as of the date hereof.

(b) Except as set forth on Section 5.14(b) of the Disclosure Schedule, none of the Proceedings set forth in Section 5.14(a) of the Disclosure Schedule arose outside the ordinary course of the operation of the Business and there is adequate insurance coverage applicable with respect to such Proceedings.

(c) There is no existing or, to Seller's Knowledge, threatened order, writ, judgment, award or decree of any governmental authority or arbitrator that applies to the Business, the Stock or the Transferred Assets (other than as may apply to VTYC).

5.15 Finders, Brokers and Investment Bankers. Rothschild Inc. is the only broker or investment banker acting on behalf of Seller or any of its Affiliates in connection with the transactions contemplated by this Agreement and Seller will pay its fees. No other broker, finder, financial advisor or investment banker who has acted on behalf of Seller has the right to receive any commission, finder's fee or similar payment in connection with the transactions contemplated by this Agreement.

5.16 Absence of Changes. Except as set forth in Section 5.16 of the Disclosure Schedule or as expressly permitted by this Agreement, between the date of December 31, 2011 and the date of this Agreement, and except as to VTYC, as to which no representation or warranty pursuant to this Section 5.16 is made: (i) the Business has been operated in the ordinary course and in a manner consistent with past practice (ii) there has been no Material Adverse Change, and (iii) the Business has not sold or transferred any Transferred Assets, other than sales of Inventory in the ordinary course of business. Except as set forth in Section 5.16 of the Disclosure Schedule, between the date of December 31, 2011 and the date of this Agreement, no action has been taken (or has failed to be taken) that, if taken (or failed to be taken) after the date hereof, would constitute a violation of Section 7.1.

5.17 Permits. Except for those matters addressed by Section 5.12:

(a) The Visteon Operating Companies have, and are in compliance in all material respects with, all Permits that are required to own the Transferred Assets and to conduct the Business as presently conducted.

(b) To the Knowledge of Seller, no Permit is subject to any pending or threatened administrative or judicial proceeding to suspend, restrict, withdraw, terminate revoke, cancel or declare such Permit invalid in any respect.

5.18 Compliance with Laws. Except for those matters addressed by Section 5.12:

(a) The Visteon Operating Companies have operated and conducted the Business in all material respects in accordance with all applicable Laws, regulations, orders and other requirements of all courts and other governmental authorities having jurisdiction over or otherwise applicable to a Visteon Operating Company or the Business.

(b) Neither the ownership of the Transferred Assets nor operation of the Business as it is presently conducted violates any applicable order, Law or regulation (other than as may apply to VTYC).

(c) No Visteon Operating Company has received any written notice from any governmental authority of any violation or any order, Law or regulation other than as may apply to VTYC.

(d) Carplastic's IMMEX Program has been operated and conducted, and complies, in all material respects with all applicable Laws.

(e) The Visteon Operating Companies have complied in all material respects with Czech Republic law #418/2011, collection of laws, on the criminal liability of legal entities, as amended (the "Criminal Liability Act"). No Visteon Operating Company has received any written notice of the initiation of any criminal proceedings, and, to Seller's knowledge, no criminal proceedings are threatened against any Visteon Operating Company under the Criminal Liability Act. No Visteon Operating Company has been held liable for any criminal acts, nor have any measures been initiated against any Visteon Operating Company, under the Criminal Liability Act.

5.19 No Undisclosed Liabilities; Stock Group Indebtedness.

(a) Except (i) as set forth in the Financial Information, (ii) for Liabilities incurred since December 31, 2011 in the ordinary course of business consistent with past practice or (iii) as set forth in Section 5.19(a) of the Disclosure Schedule, following completion of the Autopal Restructuring, Autopal will have no Liabilities which, individually or in the aggregate, would reasonably be expected to be material to the Business.

(b) As of the Closing Date, Autopal will not have any Indebtedness, other than Indebtedness between a member of the Stock Group, on the one hand, and Seller and its Affiliates, on the other hand, which will be satisfied in full at or prior to the Closing.

(c) As of the Closing, Autopal will not hold any Liability or obligation other than (i) Liabilities or obligations that would be Assumed Liabilities pursuant to Section 3.1 if such liabilities or obligations were held by an Asset Subsidiary as of the Closing, or (ii) Liabilities set forth on Section 5.19(c) of the Disclosure Schedule relating to the Business to be transferred with the assets that were transferred to Autopal by the Existing Autopal Companies prior to the Closing in connection with the Autopal Restructuring pursuant to Section 2.4.

5.20 Employees; Labor Relations.

(a) Each Visteon Operating Company, as the case may be, shall pay each Business Employee his salary or wages earned through the Closing Date and those liabilities shall be Retained Liabilities.

(b) Except as set forth in Section 5.20(b) of the Disclosure Schedule, no Business Employee is covered by any collective bargaining agreement between a Visteon Operating Company and any labor organization or is covered by any labor agreement and, to Seller's Knowledge, there are no activities and proceedings of any labor organization to organize any Business Employees who are not already covered by a collective bargaining agreement.

(c) No Business Employees other than Business Employees of VTYC, as to which no representative or warranty pursuant to this Section 5.20(c) is made are currently engaged in any work stoppages, strikes, slowdowns or lockouts and, to Seller's Knowledge, none is threatened and no Visteon Operating Company has experienced any work stoppages, strikes, slowdowns, material disputes or lockouts within the last three years by or with respect to the Business Employees.

(d) The Business other than to the extent conducted by VTYC, as to which no representation or warranty pursuant to this Section 5.20(d) is made has no workers' compensation proceedings other than standard, non-material, employee medical, temporary total, permanent partial and applications for increase in permanent partial disability benefits.

(e) (i) The Visteon Operating Companies are in material compliance with all applicable Laws regarding employment practices with respect to Business Employees, including all applicable Laws relating to wages, hours, collective bargaining, employment discrimination, civil rights, safety and health, workers' compensation, pay equity, classification of employee, and the collection and payment of withholding, social security and other Taxes, (ii) there are no material charges with respect to or relating to the Visteon Operating Companies pending before any national, state, local, or foreign agency responsible for the prevention of unlawful employment practices, and (iii) none of the Visteon Operating Companies has received written notice from any national, state, local, or foreign agency responsible for the enforcement of labor or employment Laws of an intention to conduct an investigation of the Visteon Operating Companies and to Seller's Knowledge no such investigation is in progress.

(f) Seller has provided to Buyer a list of all Business Employees (other than those employed by VTYC)

and has provided Buyer with the information listed below for each of those identified Business Employees and a copy of any agreement between Seller and any of those identified Business Employees.

(i) job classification or title;

(ii) location;

(iii) base compensation;

(iv) 2010 bonus compensation, if any, and 2011 target bonus compensation; and

(v) hire date.

(g) When supplemented by the services available to Buyer under the Related Agreement, the Business Employees set forth in Section 5.20(f) of the Disclosure Schedule are, collectively, sufficient to, and have the capacity to, conduct the Business as presently operated by the Visteon Companies.

5.21 Employee Benefits.

(a) Section 5.21(a) of the Disclosure Schedule lists each Business Employee Benefit Plan by a Visteon Operating Company with respect to the Business (a "Business Employee Benefit Plan") and separately identifies each such plan maintained (i) primarily for Business Employees or (ii) by the Stock Group. Seller has made available to Buyer a copy or description of each Business Employee Benefit Plan (including any amendments thereto) and all material related agreements or contracts.

(b) Each Business Employee Benefit Plan has been established, maintained, administered, and funded in all material respects according to its terms, the terms of any labor agreement, and the requirements of applicable Law. Each Business Employee Benefit Plan intended to qualify for special tax treatment meets all requirements for such treatment and nothing has occurred that could reasonably be expected to affect such treatment. Each Business Employee Benefit Plan required to be funded is fully funded on both a plan termination basis and a continuing operation basis.

(c) There are no actions, suits, arbitrations or other proceedings (other than non-material, routine claims for benefits) with respect to the Business Employees and the Business Employee Benefit Plans, and to Seller's Knowledge, none is threatened. No Business Employee Benefit Plan is the subject of any pending or, to the Seller's Knowledge, threatened investigation or audit by any governmental authority.

(d) All required payments (including all employer and employee contributions and insurance premiums) due under each Business Employee Benefit Plan as of the date of this Agreement have been made as required either by Law or under such Business Employee Benefit Plan.

(e) With respect to Title IV of ERISA and Section 302 of ERISA:

(i) the Visteon Operating Companies and their respective ERISA Affiliates have not incurred any liability thereunder that has not been satisfied in full; and

(ii) no condition exists that presents a risk to the Visteon Operating Companies, the Buyer or any of their respective ERISA Affiliates of incurring a liability thereunder.

(f) No Business Employee Benefit Plan that is a Pension Plan is (i) a "multiemployer plan" within the meaning of Section 3(37) of ERISA and the Visteon Operating Companies do not have, and are not reasonably expected to incur, any withdrawal liability under ERISA for any complete or partial withdrawal from any multiemployer plan contributed to by the Visteon Operating Companies or any ERISA Affiliate or (ii) subject to Section 412 of the Code or Title IV or Section 302 of ERISA. No Business Employee Benefit Plan provides retiree health, life or other welfare

benefits except as may be required by Section 4980B of the Code and Section 601 of ERISA, any other applicable Law or at the expense of the participant or the participant's beneficiary.

(g) Except as provided in Article 11, neither the execution and delivery of this Agreement nor the consummation of transactions contemplated by this Agreement, will (either alone or in conjunction with any other event) result in, cause the accelerated vesting or delivery of, or increase the amount or value of, any payment or benefit to any Business Employee, entitle any Transferred Employee to severance pay, unemployment compensation or any other payment or result in any breach or violation of, or a default under, any of the Business Employee Benefit Plans.

(h) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated by this Agreement will (either alone or in conjunction with any other event) cause Buyer or its Affiliates to incur any liabilities under Title IV of ERISA or Section 4980B of the Code. Except as provided in Article 11, no event has occurred in connection with any Employee Benefit Plan that has, will or may reasonably result in any liability for which Buyer or its Affiliates may be responsible, whether by operation of Law, by contract or otherwise.

5.22 Insurance. Section 5.22 of the Disclosure Schedule sets forth a complete and correct list of all policies of insurance that are owned or held by Seller, the Stock Selling Subsidiaries, the Existing Autopal Companies, the Asset Subsidiaries, Autopal or any Visteon Operating Company (other than VTYC, as to which no representation or warranty pursuant to this Section 5.22 is made) to the extent it is insuring the Business, the Transferred Assets or the Assumed Liabilities (the "Insurance Policies"). The insurance provided under the Insurance Policies is in such amounts and with such deductibles as are set forth in Section 5.22 of the Disclosure Schedule. As of the date of this Agreement, the Insurance Policies are in full force and effect, and all premiums due and payable thereon have been paid in full, and no written notice of cancellation or termination has been received with respect to any such Insurance Policy (which has not been replaced on substantially similar terms prior to the date of such cancellation). There are no pending claims under the Insurance Policies by any of Seller, the Stock Selling Subsidiaries, the Existing Autopal Companies, the Asset Subsidiaries, any member of the Stock Group or any Visteon Operating Company as to which the insurers have denied or disputed liability except for such claims which would not be reasonably likely to be, either individually or in the aggregate, material to the Business, taken as a whole.

5.23 Inappropriate Payments. The Seller, the Existing Autopal Companies, the Asset Subsidiaries, the Stock Selling Subsidiaries, Autopal, the Visteon Operating Companies and to Seller's Knowledge, VTYC, and, to Seller's Knowledge, its and their respective officers, directors, employees, agents, Affiliates or representatives have complied with all applicable anti-corruption or anti-bribery laws of federal, state, local and foreign governments (and all agencies thereof) with respect to the operation of the Business or the ownership of the Transferred Assets, including the FCPA and article 222 and 222 bis of the Mexican Federal Criminal Code and rules, regulations, codes, plans, injunctions, judgments, orders, decrees, rulings, and charges thereunder, and no action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against any of them alleging any failure to comply.

5.24 DISCLAIMER**. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN ARTICLE 5 OF THIS AGREEMENT, SELLER EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, INCLUDING AS TO THE CONDITION, VALUE OR QUALITY OF THE BUSINESS OR THE TRANSFERRED ASSETS AND SELLER SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY OF MERCHANTABILITY, USAGE, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE WITH RESPECT TO THE TRANSFERRED ASSETS OR ANY PART THEREOF, INCLUDING WITHOUT LIMITATION, THE MAQUILA ASSETS AND THE MEXICAN ASSETS, OR AS TO THE WORKMANSHIP THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT, IT BEING UNDERSTOOD THAT SUCH TRANSFERRED ASSETS ARE BEING ACQUIRED "AS IS, WHERE IS" ON THE CLOSING DATE, AND IN THEIR PRESENT CONDITION, AND BUYER SHALL RELY ON THEIR OWN EXAMINATION AND INVESTIGATION THEREOF.**

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer makes the following representations and warranties to Seller:

6.1 Organization, Existence and Standing of Buyer. Each Buyer and each of Buyer's Affiliates that will receive

Assets or directly acquire Stock as part of the Transaction ("Buyer Affiliates") are corporations or other entities duly organized and validly existing under the Laws of the jurisdiction of their incorporation and have full corporate or other power and authority to:

(a) own or lease its assets; and

(b) carry on its business as it is now conducted.

6.2 Corporate Authority. Buyer has all requisite corporate power and authority to enter into this Agreement and the Related Agreements and to carry out is obligations hereunder and thereunder. Buyer has taken all corporate or similar actions needed to execute, deliver and consummate this Agreement and the Related Agreements and to perform its obligations hereunder and thereunder, and no other proceedings or actions on the part of it is necessary to authorize such execution, delivery and performance. This Agreement has been, and the Related Agreements when executed will be, duly executed by Buyer and constitute the legal, valid and binding obligations of Buyer and Buyer Affiliates, as applicable, except as applicable bankruptcy, insolvency, reorganization or similar Laws relating to enforcement of creditors' rights and remedies or other equitable principles limit enforceability.

6.3 No Breach of Contract; No Violations of Law; No Prior Approval. The execution, delivery and performance of this Agreement or any Related Agreement and the consummation of the transactions contemplated hereby and thereby will not:

(a) be a breach of or a default under (with due notice or lapse of time or both):

(i) Buyer's applicable Governing Documents;

(ii) any agreement or instrument to which Buyer is a party, or permit the termination of any provision of, or result in the termination of, the acceleration of the maturity of, or the acceleration of the performance of any obligation of Buyer thereunder, other than breaches or defaults that would not reasonably be expected to prevent or materially delay the Closing or otherwise prevent Buyer from complying with the terms and provisions of this Agreement; or

(iii) any Law applicable to Buyer, other than breaches or defaults that would not reasonably be expected to prevent or materially delay the Closing or otherwise prevent Buyer from complying with the terms and provisions of this Agreement;

(b) violate any provision of Law, or any order, judgment or decree of any court or any governmental authority applicable to Buyer;

(c) create a Lien upon any of the Transferred Assets; or

(d) require a filing with or Permit from any governmental authority, except any filings or Permits the failure to make or obtain that would not reasonably be expected to prevent or materially delay the Closing or otherwise prevent Buyer from complying with the terms and provisions of this Agreement.

6.4 Litigation. There is no pending, or to Buyer's knowledge, threatened Proceeding relating to Buyer that would, if adversely determined, result in a Buyer Material Adverse Change.

6.5 Finders, Brokers and Investment Bankers. Citigroup Global Markets Inc. is the only broker or investment banker acting on behalf of Buyer or any of its Affiliates in connection with the transactions contemplated by this Agreement and Buyer will pay its fees. No other broker, finder, financial advisor or investment banker who has acted on behalf of Buyer has the right to receive any commission, finder's fee or similar payment in connection with the transactions contemplated by this Agreement.

6.6 Financing.

(a) Section 6.6(a) of the Disclosure Schedule sets forth true, accurate and complete copies of the executed debt commitment letters dated on or about the date hereof among Buyer and Citigroup Global Markets Asia Limited, Export Import Bank of India, Bank of Baroda, ICICI Bank Limited and Bajaj Finance Limited (the "Debt Commitment Letters"), pursuant to which, and subject to the terms and conditions thereof, the parties thereto have committed to provide the amounts set forth therein for the purpose of funding the transactions contemplated by this Agreement and the Related Agreements (the "Debt Financing").

(b) The Debt Commitment Letters are in full force and effect and have not been withdrawn or terminated or otherwise amended, supplemented or modified in any respect, except for any such amendments, supplements or modifications which are not material and which are not adverse to Seller. No withdrawal, termination, amendment or modification is contemplated by Buyer, or to Buyer's knowledge, the parties to the Debt Financing. The Debt Commitment Letters, in the forms so delivered, are legal, valid and binding obligations of Buyer and, to the knowledge of Buyer, the other parties thereto subject to the effect of any applicable bankruptcy, reorganization, insolvency, moratorium, rehabilitation, liquidation, fraudulent conveyance, preferential transfer or similar Laws now or hereafter in effect relating to or affecting creditors' rights and remedies generally and subject, as to enforceability, to the effect of general equitable principles (regardless of whether enforcement is sought in a proceeding in equity or at law). There are no other agreements, side letters or arrangements relating to the Debt Commitment Letters, other than fee letters with the parties to the Debt Commitment Letters that address solely the fees payable by Buyer in connection with the Debt Financing and any "market flex" arrangements, nor are there any agreements, side letters or arrangements that could adversely affect or impair the availability of the Debt Financing. Buyer has fully paid any and all commitment fees or other fees required (if any) by the Debt Commitment Letters required to be paid on or before the date of this Agreement. The conditions precedent to the obligations of the parties to the Debt Commitment Letters to make the Debt Financing available to Buyer on the terms therein consist solely of the conditions expressly set forth in the Debt Commitment Letters. As of the date of this Agreement, assuming the accuracy of the representations and warranties set forth in Article 5 hereto, Buyer does not know of any facts or circumstances that may be expected to result in Buyer's inability to satisfy any of the conditions to closing set forth in the Debt Commitment Letters to be satisfied by Buyer on or before the Closing Date. As of the date of this Agreement, to the knowledge of Buyer no event has occurred which, with or without notice, lapse of time or both, would constitute a default or breach on the part of Buyer under any term or condition of the Debt Commitment Letters.

(c) The aggregate proceeds from the Debt Financing constitute all of the financing required by Buyer for the consummation of the transactions contemplated hereby, and are sufficient for the satisfaction of all of Buyer's obligations under this Agreement in an amount sufficient to consummate the transactions contemplated by this Agreement and the Related Agreements.

6.7 Acknowledgement of Buyer. In connection with Buyer's investigation of the Business and the Transferred Assets, Buyer has received from or on behalf of Seller certain projections, including projected statements of operating revenues and income from operations of the Business and certain business plan information of the Business. Buyer acknowledges that there are uncertainties inherent in attempting to make such estimates, projections and other forecasts and plans, that Buyer is familiar with such uncertainties, that Buyer is taking full responsibility for making its own evaluation of the adequacy and accuracy of all estimates, projections and other forecasts and plans so furnished to it (including the reasonableness of the assumptions underlying such estimates, projections and forecasts), and that, except in respect of cases involving fraud, Buyer shall have no claim against Seller, the Asset Subsidiaries, the Existing Autopal Companies, the Stock Selling Subsidiaries, any member of the Stock Group, any of their respective Affiliates or any other Person with respect thereto. Accordingly, Seller makes no representations or warranties whatsoever with respect to such estimates, projections and other forecasts and plans (including the reasonableness of the assumptions underlying such estimates, projections and forecasts), and Buyer has not relied thereon.

6.8 DISCLAIMER**. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN ARTICLE 6 OF THIS AGREEMENT, BUYER HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, CONCERNING THE SUBJECT MATTER OF THIS AGREEMENT.**

ARTICLE 7
COVENANTS OF SELLER

7.1 Operating the Business.

(a) Except as set forth on Section 7.1 of the Disclosure Schedule, Seller shall, and shall cause the Visteon Operating Companies to (or in the case of VTYC, use commercially reasonable efforts to cause VTYC to) (i) conduct the operations of the Business in the ordinary course and in substantially the same manner as they have previously been conducted (and in accordance with applicable budgets) and (ii) to use its commercially reasonable efforts to preserve intact its Business organization, assets, and relationships with Third Parties related to the Business and keep available the services of the present key employees of the Business, in each case, during the period from the date of this Agreement until the Closing Date. Notwithstanding the foregoing, the Visteon Operating Companies are permitted to use any cash, cash equivalents, and other short term liquid investments of the Business to pay dividends or distributions, repay loans, or other payments to its Affiliates.

(b) From the date of this Agreement until the Closing Date, Seller shall cause the Visteon Operating Companies to (or in the case of VTYC, use commercially reasonable efforts to cause VTYC to), not take any of the following actions relating to the Transferred Assets:

(i) other than in connection with the Autopal Restructuring, enter into, materially amend or terminate any Material Contract, or waive, release or assign any material rights or material claims thereunder;

(ii) other than in connection with the Autopal Restructuring, transfer, sell, lease, sublease or otherwise grant any right to use or occupy, or grant any option to transfer, sell, sublease or lease, or grant any security interest in, or otherwise create or permit any material Lien (other than a Real Property Permitted Exception) in or on any of the Real Property;

(iii) other than in connection with the Autopal Restructuring, (A) issue, sell, transfer, pledge, grant, dispose of, encumber or deliver any equity securities of any class or any securities convertible into or exercisable or exchangeable for voting or equity securities of any member of the Stock Group or any Stock Selling Subsidiary or (B) adjust, split, combine or reclassify, or subject to recapitalization, any equity securities of any member of the Stock Group or any Stock Selling Subsidiary, in each case to the extent that such member of the Stock Group or any Stock Selling Subsidiary is not a direct or indirect wholly owned Subsidiary of Seller following such transaction;

(iv) other than in connection with the Autopal Restructuring, merge or consolidate any member of the Stock Group or any Asset Subsidiary with any other Person, or restructure, recapitalize, reorganize or adopt any other corporate or legal entity reorganization, otherwise alter its legal structure or form or completely or partially liquidate any member of the Stock Group or any Asset Subsidiary;

(v) dissolve or liquidate or permit or allow the filing of a petition for relief under any bankruptcy provisions of applicable Law;

(vi) except as required by applicable Law or the terms of any Business Employee Benefit Plan or Material Contract as in effect on the date hereof, (A) grant, pay, announce or accelerate (including accelerate the vesting of) any incentive awards, retention or other bonus, equity-based or similar compensation or severance or termination pay or grant or announce any increase in the salaries, bonuses or other compensation and benefits payable to any Business Employee (other than non-material annual, promotion-related or merit-based increases in salary and/or bonus in the ordinary course of business consistent with past practice with respect to employees who are not officers), (B) increase the benefits under any Business Employee Benefit Plan, (C) amend or terminate any Business Employee Benefit Plan; provided that the renewal of an expiring Business Employee Benefit Plan on substantially the same terms shall not be prohibited by this clause (C,) (D) extend an offer of employment to, or hire, any Person for a vice president or more senior position, or any position with an annual “all-in” compensation target equal to or greater than $150,000 (other than offers of employment made to fill vacancies in the ordinary course of business consistent with past practice) to regularly and consistently provide services to the Business or terminate any key employee to the Business (other than a termination for cause) or (E) establish, adopt or enter into any additional employee benefit plan, policy, agreement, or arrangement that would be a Business Employee Benefit Plan if it were in existence on the date hereof;

(vii) other than in connection with the Autopal Restructuring, transfer, sell, lease, dividend, grant an exclusive license in respect of, surrender, divest, cancel, abandon or allow to lapse or expire or otherwise

dispose of or subject to any Lien any asset of the Business or disclose any of their material trade secrets, other than dispositions of Inventory in the ordinary course of business consistent with past practice or dividends of cash from a member of the Stock Group to a Stock Selling Subsidiary;

(viii) commence, settle or compromise any Proceeding or threatened Proceeding that, individually or in the aggregate, would be reasonably expected to adversely affect in a material way the post-Closing operation of the Business or business of Buyer or any of its Affiliates;

(ix) except as required by applicable GAAP, CAS, IFRS or other applicable accounting standards or by applicable Law, change any of their material accounting principles or practices;

(x) amend any previously filed Tax Return, or make, change or revoke any election or method of accounting with respect to Taxes;

(xi) cause any member of the Stock Group to enter into a new line of business; or

(xii) agree in writing or otherwise to do any of the foregoing actions contained in this clause (b).

7.2 Access; Furnishing Information.

(a) From the date hereof through to the Closing, Seller shall permit (and shall use commercially reasonable efforts to cause VTYC to permit) Buyer and its Affiliates, through its respective officers, employees, counsel, accountants, consultants, financing sources and other representatives, to the extent not prohibited by applicable Law, to have reasonable access during regular business hours, on reasonable prior written notice and in a manner so as not to unreasonably interfere with the normal operations of the Business, to the books and records, contracts, properties, facilities, accounts, consultants, advisors, management and personnel of Seller, the Stock Selling Subsidiaries and the Visteon Operating Companies, in each case related to the Business, as Buyer may reasonably request. Seller and Buyer and their respective employees and representatives shall cooperate with the other's employees and representatives, as the case may be, in connection with such access. Any such access shall be subject to the terms and conditions of the Confidentiality Agreement.

(b) Seller shall make available to Buyer, from time to time as Buyer may reasonably request, copies of those records retained by Seller, the Asset Subsidiaries, the Existing Autopal Companies or the Stock Selling Subsidiaries relating to the Business that are reasonably required for Buyer to:

(i) defend against or assert claims related to the conduct of the Business by Seller, the Asset Subsidiaries, the Existing Autopal Companies or the Stock Selling Subsidiaries prior to the Closing Date; and

(ii) to handle tax and financial audits involving the Business.

(iii) This obligation shall continue until the fifth (5th) anniversary of the Closing Date and, in the case of records that may reasonably be required to handle tax audits or Environmental Claims, until expiration of the applicable statute of limitations.

(iv) Buyer shall hold these records in confidence, except to the extent disclosure thereof is required to defend or assert these claims and to handle these audits, and return them to Seller, the Asset Subsidiaries, the Existing Autopal Companies or the Stock Selling Subsidiaries, as the case may be, promptly upon the conclusion of their use by Buyer.

(c) Upon Buyer's reasonable request, Seller shall use commercially reasonable efforts to arrange for Buyer to contact or meet any client, customer (including the five largest (by revenue) customers of the Business), supplier (including the five largest (by dollar amount) BOM suppliers of the Business), distributor, or other material business relation of any Visteon Operating Company or Stock Selling Subsidiary or any labor union, in each case, regarding the Business and Seller shall use commercially reasonable efforts to participate in all calls and other contacts and attend in person meetings. For the avoidance of doubt, prior to the Closing Buyer shall not contact any client, customer, supplier,

distributor or other material business relation of any Visteon Operating Company or Stock Selling Subsidiary or any labor union regarding the Business except pursuant to a request made in accordance with this Section 7.2(c).

7.3 Eliminating Intercompany Items. Before the Closing, Seller shall cause all payables, receivables, liabilities, and other obligations between the Business, on the one hand, and Seller and its Affiliates, on the other hand, to be eliminated, except pursuant to a Related Agreement or to the extent described on Section 7.3 of the Disclosure Schedule.

7.4 Covenant Not to Compete or Solicit.

(a) From the Closing Date until the fifth (5th) anniversary of the Closing Date, Seller may not, and shall cause each Noncompetition Party not to, directly or indirectly participate or engage in any manner in (including through the control of an entity that, directly or indirectly, is primarily engaged in) the design, development, manufacture, marketing or sale of automotive exterior lighting products, automobile interior lighting products (excluding any lighting components provided as part of another device, such as a speedometer or radio), and non-automobile lighting, including front lighting systems, rear lighting systems and auxiliary lamps, reflectors, front and rear side markers, license lamps and back-up lamps ("Competitive Business") in any of the jurisdictions listed on Section 7.4(a) of the Disclosure Schedule. Effective as of the Closing Date, neither Seller nor any Noncompetition Party shall use "Visteon" or any confusingly similar name in conjunction with the word "Lighting" for any purpose. Notwithstanding the foregoing, Seller or any Noncompetition Party may:

(i) continue to design, manufacture, develop or sell electronics control modules, lighting components and lighting subcomponents, or market or perform component and subcomponent assembly, whether or not marketed to, performed for or used in a Competitive Business;

(ii) continue any type of business currently conducted by it that is not a Competitive Business or part of the Business, without any limitation as to jurisdiction;

(iii) continue to hold a non-controlling interest in each entity listed on Section 7.4(a)(iii) of the Disclosure Schedule without regard to whether that entity or its affiliates are engaged in a Competitive Business;

(iv) make an equity investment in any company that at the time of such equity investment or thereafter conducts a Competitive Business, if that investment (A) does not result in a greater than 35% equity ownership in such company, and (B) such company (or any of such company's Affiliates) does not, at the time of such equity investment or following such equity investment, utilize the Visteon Marks or Seller's or any Noncompetition Party's technology;

(v) acquire any Person that conducts a Competitive Business if either:

(A) in the calendar year prior to the acquisition, the consolidated revenues of that Person ("Target") from its Competitive Business do not constitute (1) more than 20% of the total consolidated revenues of Target, and (2) more than 5% of the sum of (x) Seller's total consolidated revenues in the calendar year prior to the acquisition, plus (y) Target's total consolidated revenues in the calendar year prior to the acquisition; or

(B) (i) the Noncompetition Party uses commercially reasonable efforts to transfer the portion of the acquired business that constitutes a Competitive Business within 12 months from the consummation of such acquisition and (ii) by 18 months after the consummation of such acquisition, the Noncompetition Party transfers the portion of the acquired business that constitutes a Competitive Business. The Noncompetition Party may determine the terms and conditions of the transfer in its sole discretion; or

(vi) hold and make passive indirect investments, through a publicly traded mutual fund or similar investment, in publicly traded securities or other equity interests; provided that (a) Seller and the Noncompetition Parties do not actively participate in or control, directly or indirectly, any investment or other decisions with respect to such investment and (b) the equity interests of Seller and the Noncompetition Parties in any such passive indirect investment do not exceed five percent (5%) of the outstanding shares or interests in any Competitive Business and Seller.

(b) From the date of this Agreement until the third (3rd) anniversary of the Closing Date, Seller may not, and shall cause each Noncompetition Party not to, directly or indirectly, induce or attempt to induce to leave the employ of Buyer or any of its Affiliates, or solicit, employ, hire or engage, or attempt to employ, hire or engage as a consultant, any of the Business Employees set forth on Section 7.4(b) of the Disclosure Schedule; provided that neither (i) generalized searches through media advertisement or employment firms in each case that are not directed to such personnel nor (ii) hiring or solicitation of such individuals following a termination of employment or notification of termination of employment shall constitute a violation of the foregoing.

ARTICLE 8
COVENANTS OF BUYER

8.1 Making Records and Personnel Available.

(a) Following the Closing Date, from time to time as Seller, the Asset Subsidiaries or Stock Selling Subsidiaries may reasonably request, Buyer shall make available to Seller, the Asset Subsidiaries, the Stock Selling Subsidiaries and the Existing Autopal Companies such employees of the Business and copies of the records transferred to Buyer to the extent maintained or in the possession or control of Buyer for the sole purposes of allowing Seller, the Asset Subsidiaries, the Stock Selling Subsidiaries and the Existing Autopal Entities (i) to defend against or assert claims related to the conduct of the Business by Seller, the Asset Subsidiaries, the Stock Selling Subsidiaries and the members of the Stock Group prior to the Closing Date; and (ii) to handle tax and financial audits involving the Business.

(b) This obligation will continue until the fifth (5th) anniversary of the Closing Date and, in the case of records and personnel that may reasonably be required to handle tax audits and employee claims, until expiration of the applicable statute of limitations.

(c) All such information shall be treated as confidential information pursuant to the terms of the Confidentiality Agreement, and returned to Buyer promptly upon the conclusion of its use by Seller, the Asset Subsidiaries and the Stock Selling Subsidiaries, as the case may be. Notwithstanding anything to the contrary in this Agreement, (A) Buyer shall not be required to disclose any information if such disclosure would be reasonably likely to jeopardize any attorney-client privilege or other legal privilege, (B) any such access provided to Seller, the Asset Subsidiaries or Stock Selling Subsidiaries pursuant to this Section 8.1 shall be conducted at the expense of the requesting entity, in accordance with applicable Law (including any applicable antitrust, bank regulatory or competition Law), fiduciary duty or any binding agreement entered into prior to the date hereof, at a reasonable time, under the supervision of Buyer's personnel and in such a manner as to maintain confidentiality and not to unreasonably interfere with the normal operations of Buyer and its Affiliates and (C) Buyer will not be required to provide to Seller, the Asset Subsidiaries or Stock Selling Subsidiaries access to or copies of any records or files (including, but not limited to, any personnel file of any employee of Buyer or any of its Affiliates) the disclosure of which could subject Buyer or any of its Affiliates to risk of liability or violation of applicable Law.

ARTICLE 9
MUTUAL COVENANTS

9.1 Efforts to Consummate; HSR Act and Other Filings.

(a) Subject to the terms and conditions herein provided, each of Seller, Stock Selling Subsidiaries, Asset Subsidiaries and Buyer shall use, and Seller shall cause the Asset Subsidiaries to use, commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary, proper or advisable to consummate and make effective as promptly as practicable the transactions contemplated by this Agreement.

(b) Prior to the Closing, each of Seller, the members of the Stock Group, the Stock Selling Subsidiaries, the Asset Subsidiaries and Buyer shall use, and Seller shall cause the Asset Subsidiaries to use, commercially reasonable efforts to obtain, and to cooperate with each other, upon each other's request, in any reasonable manner in connection with one of such party's obtaining, any consents and waivers with respect to the transactions contemplated hereby in

connection with any Contract or any other consents and approvals as are necessary in connection with the transactions contemplated hereby; provided, that in connection with obtaining any consent, Seller, any Stock Selling Subsidiary, member of the Stock Group or any Asset Subsidiary shall not make or agree to make any material payment, divestiture or undertaking or grant any material accommodation that will adversely affect Buyer or its Affiliates (including the members of the Stock Group) after the Closing without the prior written consent of Buyer.

(c) In connection with the transactions contemplated by this Agreement, Seller and Buyer shall prepare and file the following filings within twenty (20) Business Days after this Agreement is signed (unless a filing is required by applicable Law to be made by an earlier date, in which case Seller and Buyer shall prepare and file such filing by such earlier date):

(i) any filings set forth on Section 9.1(c)(i) of the Disclosure Schedule to the extent required under any Antitrust Laws ("Antitrust Filings"); and

(ii) any other filings set forth on Section 9.1(c)(ii) of the Disclosure Schedule required to be made under any other applicable Law ("Other Filings").

Seller and Buyer shall use commercially reasonable best efforts to obtain an early termination of any applicable waiting period under the Antitrust Filings and Other Filings and to resolve any objections asserted by any Antitrust Authority regarding the transactions contemplated by this Agreement. Without limiting the foregoing, in no event shall Buyer be required to (A) sell, license or otherwise dispose of, or hold separate and agree to sell, license or otherwise dispose of, any material entity, asset or facility of Buyer or any of its Affiliates (including any Affiliate of Buyer after the Closing (including the members of the Stock Group)) or (B) terminate, amend or assign existing relationships and contractual rights and obligations, in each case to the extent any of the actions set forth in clauses (A) through (B) above, individually or in the aggregate, would reasonably be likely to materially impair the ability of Buyer or any of its Affiliates (including the members of the Stock Group) to continue to conduct their respective businesses (including the Business) following the Closing substantially in the manner conducted immediately prior to the Closing (after giving effect to any changes relating to the Business as contemplated by this Agreement and the Related Agreements).

(d) Seller and Buyer shall:

(i) supply the other with any information needed to make the Antitrust Filings or Other Filings;

(ii) notify the other promptly if they receive:

(A) comments in connection with the Antitrust Filings or Other Filings; or

(B) requests for amendments or supplements to the Antitrust Filings or Other Filings or for additional information;

(iii) supply the other with copies of all correspondence with a government official about the transactions contemplated by this Agreement, the Antitrust Filings or Other Filings;

(iv) respond as promptly as practicable to inquiries or requests made by a governmental authority relating to the transactions contemplated by this Agreement, the Antitrust Filings or Other Filings;

(v) cause all documents that it files to comply in all material respects with all applicable requirements of Law; and

(vi) promptly inform the other if an event occurs that requires an amendment or supplement to the Antitrust Filings or Other Filings and cooperate with each other in filing the amendment or supplement.

(e) Seller and Buyer shall each pay one half (1/2) of all filing fees required in connection with the Antitrust Filings or Other Filings.

9.2 Payments and Communications Received. Each Party shall promptly deliver to the other any cash, checks with appropriate endorsements (using their best efforts not to convert checks into cash), or other property or communications that it receives that belongs to the other Party, including any payments of accounts receivable and insurance proceeds.

9.3 Further Assurances. Each Party shall, at its own expense, execute and deliver such other instruments of conveyance and transfer the other Party reasonably requests to effectuate the transactions contemplated by this Agreement, the Related Agreements or the Autopal Restructuring.

9.4 Preparation and Filing of Tax Returns; Payment of Taxes.

(a) For any taxable period ending on or before the Closing Date, Seller shall submit the Tax Returns for Autopal (and any additional information regarding those Tax Returns as may reasonably be requested by Buyer) to Buyer (and Autopal) for filing at least thirty (30) calendar days in advance of the due date of the filing to allow Buyer and Autopal to review, comment, and object to the Tax Return based on Buyer's reasonable review.

(i) All Autopal Tax Returns for taxable periods ending on or before the Closing Date shall be prepared in a manner consistent with historical practice, except to the extent otherwise required by Law.

(ii) In the event of any objection by Buyer with respect to Autopal Tax Returns for taxable periods ending on or before the Closing Date, Buyer and Seller shall negotiate in good faith in an attempt to resolve the objection to the reasonable satisfaction of both parties and, if they are unable to resolve the dispute within five (5) Business Days, Buyer shall cause Autopal to file the disputed Tax Return in the manner prescribed by Seller; except if Buyer is advised by counsel that the filing of any Tax Return and the reporting on that Tax Return in the manner proposed by Seller may subject Buyer to any penalties, Buyer may cause Autopal to file that Tax Return in a manner which shall be as consistent as possible with the position taken by Seller but which would not subject Buyer or Autopal to a material risk of the imposition of penalties in the view of Buyer's counsel.

(iii) Seller shall make or cause to be made all payments required with respect to any Tax Returns referred to in this Section 9.4(a). Buyer shall promptly reimburse Seller for the amount of any taxes paid by Seller to the extent those Taxes are attributable (as determined under Section 9.5 hereof) to taxable periods (or portions thereof) beginning after the Closing Date.

(b) Except as otherwise provided by Section 9.4(e), Buyer shall be responsible for the preparation and filing of all other Tax Returns for the Business that are due after the Closing Date and that are not legally required to be filed by Seller, including all Tax Returns related to Mexican Taxes related to customs, IMMEX Program compliance, and foreign trade related matters. Buyer shall make all payments required with respect to those Tax Returns, provided that Seller shall be responsible for the portion of those Taxes as required by Section 9.5 of this Agreement.

(c) Any Tax Return to be prepared and filed for a taxable period beginning before the Closing Date and ending after the Closing Date (a "Straddle Period") shall be prepared on a basis consistent with the last previous similar Tax Return and in a manner consistent with applicable Law.

(i) Buyer shall consult with Seller concerning each Tax Return for a Straddle Period.

(ii) Buyer shall provide Seller with a copy of each proposed Tax Return (and any additional information regarding that Tax Return as may reasonably be requested by Seller) at least twenty (20) days prior to the filing of that Tax Return.

(d) Buyer shall be responsible for the payment of any and all Taxes not incurred in the ordinary course of business attributable to the acts or omissions of Buyer or Buyer's Affiliates occurring after the Closing on the Closing Date.

(e) Seller shall be responsible for the preparation and filing of all Tax Returns for Seller for all periods (including the consolidated, unitary, and combined Tax Returns for Seller) which include the operations of the Business

for any period (or portion thereof).

9.5 Allocation of Certain Taxes.

(a) Buyer and Seller agree that if Seller or Autopal is permitted but not required under applicable foreign, state, or local Tax Laws to treat the Closing Date as the last day of a taxable period, Buyer and Seller shall treat the Closing Date as the last day of a taxable period and make all applicable elections under such Tax Laws required to achieve such treatment.

(b) Any Taxes for a Straddle Period shall be paid by Buyer to the relevant Taxing Authority, and the Taxes for that period shall be apportioned for purposes of Section 9.4 between Seller and Buyer based on the provisions of Section 9.5(c) hereof.

(c) For purposes of this Agreement:

(i) Seller shall retain all obligations and liabilities for Taxes with respect to the Transferred Assets and the Business related to any period (or portion thereof) that ends on or before the Closing Date ("Pre-Closing Period");

(ii) Buyer shall be responsible for all obligations and liabilities for Taxes related to any period (or portion thereof) that ends after the Closing Date;

(iii) In the case of any income, sales or gross receipts (or similar) Taxes of Autopal that are payable with respect to a Straddle Period, the portion of the Taxes relating to a Pre-Closing Period shall be determined on the basis of a closing of the books and records of Autopal as of the Closing Date.

(iv) In the case of any Taxes with respect to the Transferred Assets of the Business (including Taxes other than income, sales, gross receipts, or similar Taxes of Autopal) that are payable with respect to a Straddle Period:

(A) the portion of Taxes relating to a Pre-Closing Period shall be equal to the product of all Taxes that are payable with respect to a Straddle Period multiplied by a fraction the numerator of which is the number of days in the taxable period from the commencement of the period through and including the Closing Date and the denominator of which is the number of days in the Straddle Period; except that,

(B) appropriate adjustments shall be made to reflect specific events that can be identified and allocated as occurring on or prior to the Closing Date or occurring after the Closing Date.

9.6 Refunds and Carrybacks.

(a) Seller shall be entitled to any refunds (including any interest paid thereon) or credits of Taxes of Autopal attributable to taxable periods ending (or deemed pursuant to Section 9.5(c) to end) on or before the Closing Date, including any credit attributable to any overpayment of estimated Taxes paid by Autopal on or prior to the Closing Date to the extent such overpayment of estimated Taxes exceeds the liability for such Tax allocated to Seller under Section 9.5(c).

(b) Buyer and/or its Affiliates, as the case may be, shall be entitled to any refunds (including any interest paid thereon) or credits of Taxes of Autopal attributable to taxable periods beginning (or deemed pursuant to Section 9.5(c) to begin) after the Closing Date.

(c) Buyer shall promptly forward to, or reimburse, Seller for any refunds (including any interest paid thereon) or credits due Sellers after receipt thereof, and Seller shall promptly forward to Buyer or reimburse Buyer for any refunds (including any interest paid thereon) or credits due Buyer after receipt thereof.

(d) Buyer and Seller agree that, with respect to any Tax, Autopal shall not carry back any item of loss, deduction, or credit which arises in any taxable period ending after the Closing Date to any taxable period ending on or before the Closing Date.

9.7 Cooperation on Tax Matters; Tax Audits.

(a) Buyer and Seller and their respective Affiliates shall cooperate (and, in the case of VTYC, Seller shall use its commercially-reasonable efforts to cause VTYC to cooperate) in the preparation of all Tax Returns for any Tax periods for which any of them could reasonably require the assistance of the other in obtaining any necessary information.

(i) Cooperation shall include, but not be limited to, furnishing prior years' Tax Returns or return preparation packages to the extent related to the Business illustrating previous reporting practices or containing historical information relevant to the preparation of those Tax Returns, and furnishing other information within that party's possession requested by the party filing the Tax Returns as is relevant to their preparation.

(ii) Cooperation and information also shall include provision of powers of attorney for the purpose of signing Tax Returns and defending audits and promptly forwarding copies of appropriate notices and forms or other communications received from or sent to any applicable governmental authority responsible for the imposition of Taxes (the "Taxing Authority") which relate to the Business, and providing copies of all relevant Tax Returns to the extent related to the Business, together with accompanying schedules and related workpapers, documents relating to rulings or other determinations by any Taxing Authority and records concerning the ownership and Tax basis of property, which the requested party may possess.

(iii) Buyer and Seller and their respective Affiliates shall make their respective employees and facilities available on a mutually convenient basis to explain any documents or information provided hereunder.

9.8 Tax Audits.

(a) Each of Seller and the Asset Subsidiaries, as applicable, shall have the right, at its own expense, to control any audit or examination by any Taxing Authority ("Tax Audit"), initiate any claim for refund, contest, resolve and defend against any assessment, notice of deficiency, or other adjustment or proposed adjustment relating to any and all Taxes for any taxable period ending on or before the Closing Date with respect to the Business.

(b)

(i) Except as provided in Section 9.8(b)(ii), Buyer shall have the right, at its own expense, to control any other Tax Audit, initiate any other claim for refund, and contest, resolve and defend against any other assessment, notice of deficiency, or other adjustment or proposed adjustment relating to Taxes with respect to the Business; except that, with respect to any state, local, or foreign Taxes for any Straddle Period, Buyer shall consult with Seller with respect to the resolution of any issue that would affect any Seller or Asset Subsidiary, and not settle that issue, or file any amended Tax Return relating to a Straddle Period, without the consent of Seller or the affected Asset Subsidiary, which may not be unreasonably withheld. In addition, (i) Seller and the affected Asset Subsidiary shall have the right, at their own expense, to participate in any such Tax Audit and (ii) Buyer shall promptly inform Seller and the affected Subsidiary, of any meeting or other proceeding relating to such Tax Audit, shall provide Seller and the affected Asset Subsidiary with copies of any proposed written submission to the relevant Taxing Authority relating to such Tax Audit at least ten (10) days prior to submission, and shall consider in good faith any suggestions made by Seller or the affected Asset Subsidiary, with respect to such submission.

(ii) In the event of any Tax Audit for a Straddle Period in which Seller or an Asset Subsidiary has at issue a larger amount of Taxes for which it is responsible than Buyer, Seller and the affected Asset Subsidiary shall have the right, at their own expense, to control the conduct of such Tax Audit, provided that Seller and the affected Asset Subsidiary shall consult with Buyer with respect to the resolution of any issue that would affect Buyer, and not settle that issue, or file any amended Tax Return relating to that issue, without the consent of Buyer, which may not be unreasonably withheld.

(c) Where consent to a settlement is withheld by Seller pursuant to this Section, Seller may continue or initiate any further proceedings at its own expense, provided that any liability of Buyer, after giving effect to this Agreement, shall not exceed the liability that would have resulted had Seller not withheld its consent.

9.9 Visteon Marks. Buyer acknowledges and agrees that it does not have and, upon consummation of the transactions contemplated by this Agreement, will not have, any right, title, interest, license or other right to use the Visteon Marks, except as provided in the PRTLA.

9.10 Disclosure Generally. Headings in the Disclosure Schedule have been inserted for convenience of reference only and shall not be deemed to affect or alter the express description of the representations and warranties contained in this Agreement. Any information set forth in any Disclosure Schedule or incorporated in any section of this Agreement shall be considered to have been set forth in each other Disclosure Schedule to the extent such information is disclosed in a way as to make its relevance to the information called for by such other section reasonably clear on its face. The inclusion of information in the Disclosure Schedule shall not be construed as or constitute an admission or agreement that a violation, right of termination, default, liability or other obligation of any kind exists with respect to any item, nor shall it be construed as or constitute an admission or agreement that such information is material to Seller, the Asset Subsidiaries, the Stock Selling Subsidiaries, the Stock Group or the Business. Neither the specifications of any dollar amount in any representation, warranty or covenant contained in this Agreement nor the inclusion of any specific item in the Disclosure Schedule is intended to imply that such amount, or higher or lower amounts, or the item so included or other items, are or are not material, and no Person shall use the fact of the setting forth of any such amount or the inclusion of any such item in any dispute or controversy between the parties as to whether any obligation, item or matter not described herein or included in the Disclosure Schedule is or is not material for purposes of this Agreement. All Disclosure Schedules attached hereto are incorporated herein and expressly made a part of this Agreement as though completely set forth herein.

9.11 Financing Activities

(a) Buyer shall use its commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to (i) maintain in effect the Debt Financing and the Debt Commitment Letters, (ii) arrange and obtain the proceeds of the Debt Financing on terms and conditions described in the Debt Commitment Letters, (iii) enter into definitive financing agreements with respect to the Debt Financing, so that such agreements are in effect on the Closing Date, (iv) satisfy on a timely basis all conditions and covenants in the Debt Commitment Letters to be satisfied by Buyer, and (v) consummate the Debt Financing at the Closing. Buyer shall (upon request) keep Seller reasonably informed of material developments in respect of the Debt Financing process relating to this transaction. Without Seller's prior written approval, prior to the Closing Buyer shall not amend, supplement or modify, or agree to amend, supplement or modify, the Debt Commitment Letters, in any manner that would reasonably be expected to materially impair, delay or prevent the funding of the Debt Financing or the occurrence of the transactions contemplated under this Agreement.

(b) In the event that any portion of the Debt Financing becomes unavailable in the manner or from the sources contemplated in the Debt Commitment Letters (or any definitive financing agreement relating thereto), (i) Buyer shall promptly notify Seller and (ii) Buyer shall use its commercially reasonable efforts until the Termination Date to arrange to obtain any such portion from alternative sources (on terms, which in the aggregate, are not less favorable to Buyer) (the "Alternative Financing" and, together with the Debt Financing, the "Financings"), as promptly as practicable following the occurrence of such event, including by entering into definitive agreements with respect thereto. Buyer shall keep Seller reasonably informed on a current basis in reasonable detail of the status of Buyer's efforts to arrange or obtain the proceeds of the Debt Financing.

(c) Prior to the Closing, Seller shall, and shall cause its Subsidiaries and Affiliates to, and shall use commercially reasonable efforts to cause its Affiliates' and Subsidiaries' respective directors, officers, employees, representatives and advisors (including legal, financial and accounting advisors) to, provide to Buyer such cooperation with the Financings as may be reasonably requested by Buyer, which cooperation shall include (provided, that such requested cooperation does not (x) interfere with the ongoing operations of Seller and its Affiliates, (y) cause any representation, warranty or covenant in this Agreement to be inaccurate or breached or (z) cause any Closing condition set forth in Article 10 to fail to be satisfied), but not be limited to:

(i) participation in a reasonable number of meetings, presentations, due diligence sessions;

(ii) as promptly as reasonably practicable, furnishing Buyer and its Financings sources with financial and other information regarding the Business;

provided, that, none of Seller or any of its respective Subsidiaries or Affiliates shall be required to pay any commitment or other similar fee or incur any other liability in connection with the Financings prior to the Closing. Buyer acknowledges and agrees that neither Seller nor any of its respective Affiliates or any of their respective directors, officers, employees, representatives and advisors (including legal, financial and accounting advisors) shall have any responsibility for, or incur any liability to any Person under or in connection with, the arrangement of the Financings that Buyer may raise in connection with the transactions contemplated by this Agreement.

(d) Buyer shall promptly, upon Seller's request, reimburse Seller for all reasonable and documented out-of-pocket costs (including reasonable attorneys' fees) incurred by Seller or any of its Affiliates in connection with the cooperation of Seller contemplated by Section 9.11(c) and shall indemnify and hold harmless Seller, its Affiliates and their respective directors, officers, employees and representatives from and against any and all losses, damages, claims, costs or expenses suffered or incurred by any of them in connection with the arrangement of the Debt Financing or any Alternate Financing and any information used in connection therewith.

9.12 Tax Withholding. Notwithstanding anything in this Agreement to the contrary, Buyer shall be entitled to deduct and withhold from the consideration otherwise payable to Seller pursuant to this Agreement, such amounts as are required to be deducted and withheld with respect to the making of such payments under any provision of U.S. federal, state, local and/or non-U.S. Tax law, and to the extent that amounts are so withheld by Buyer, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Seller. Buyer shall provide Seller notice of any anticipated amounts to be withheld under this Section 9.12 at least 10 calendar days in advance of the Closing Date. Prior to Closing, Buyer and Seller shall negotiate in good faith to attempt to minimize or avoid any amounts being withheld under this Section 9.12, including by potentially restructuring all or a portion of the transactions contemplated by this Agreement in a manner that is not materially disadvantageous to Buyer. Buyer and Seller currently anticipate that withholding will be required by China with respect to the sale of the shares of VTYC and that no additional withholding will be required in connection with the transactions contemplated by this Agreement. This conclusion is based on the assumption that each of the entities acquiring the Transferred Assets will be a legal entity resident in the same country as that of the Visteon Sale Entity from which it is purchasing the applicable Transferred Assets, except that the Maquila Assets and some or all of the Intellectual Property, will be acquired by a legal entity resident in the Czech Republic. In the event that Buyer proposes a change to this acquisition structure, and such change results in the imposition of a withholding Tax that would not otherwise have been imposed in the absence of such change, the parties agree to treat such withholding Tax as a transfer Tax subject to Article 13 and not as a withholding Tax subject to this Section 9.12.

9.13 Additional Related Agreements. Following the date hereof, the Parties shall negotiate in good faith the terms and conditions of, and use their respective commercially reasonable efforts to enter into, as of the Closing Date, the agreements set forth on Section 9.13 of the Disclosure Schedule and any other agreement or forms as may be mutually agreed between the Parties (the "Additional Related Agreements"). Any such Additional Related Agreements shall be deemed to be "Related Agreements" for all purposes hereunder.

ARTICLE 10
CONDITIONS PRECEDENT

10.1 Conditions Precedent to Seller's, the Asset Subsidiaries' and Stock Selling Subsidiaries' Performance. Seller, the Asset Subsidiaries and the Stock Selling Subsidiaries are obligated to consummate the transactions described in this Agreement on the Closing Date and to perform their other covenants and agreements according to the terms and conditions of this Agreement if, on or before the Closing Date, each of the conditions set forth in this Section 10.1 is satisfied:

(a) *Representations and Warranties of Buyer*.

(i) The Buyer Fundamental Representations shall be true and correct in all respects when made and on the Closing Date as though made as of the Closing Date; provided that, any representations and warranties that are made as of a specified date shall continue on the Closing Date to be true and complete in all respects as of the specified date.

(ii) Buyer's representations and warranties (other than the Buyer Fundamental Representations) in this Agreement that are qualified as to materiality or Buyer Material Adverse Change are true and complete in all respects (without giving effect to any qualification as to "materiality" or "Buyer Material Adverse Change" set forth therein) when made and on the Closing Date as though made as of the Closing Date, except to the extent that the failure of such representations and warranties to be true and correct would not, in the aggregate, reasonably be expected to have a Buyer Material Adverse Change; provided that, any representations and warranties in this Agreement that are qualified as to materiality or Buyer Material Adverse Change that are made as of a specified date shall continue on the Closing Date to be true and complete in all respects as of the specified date (without giving effect to any qualification as to "materiality" or "Buyer Material Adverse Change" set forth therein), except to the extent that the failure of such representations and warranties to be true and correct as of such specified dates have not had and would not, in the aggregate, reasonably be expected to have a Buyer Material Adverse Change.

(iii) Buyer's representations and warranties (other than the Buyer Fundamental Representations) in this Agreement that are not qualified as to materiality or Buyer Material Adverse Change are true and complete in all material respects when made and on the Closing Date as though made as of the Closing Date; provided that, any representations and warranties that are made as of a specified date shall continue on the Closing Date to be true and complete in all material respects as of the specified date.

(b) *Performance of Buyer*. Buyer has performed, satisfied and complied with all of its covenants and agreements, and satisfied all of its obligations and conditions required by this Agreement and the Related Agreements to be performed, complied with, or satisfied on or before the Closing Date, in each case, in all material respects.

(c) *Absence of Litigation*. No order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been enacted, entered, promulgated or enforced by any court or other governmental authority which restrains or prohibits the transactions contemplated by this Agreement or the Related Agreements. Seller, the Stock Selling Subsidiaries and the Asset Subsidiaries shall use their commercially reasonable efforts to have any of the foregoing vacated, dismissed or withdrawn by the Closing Date.

(d) *Buyer Certificate*. Buyer has delivered a certificate in a form mutually agreed by the Parties, dated as of the Closing Date and signed by a duly authorized officer, certifying that the conditions specified in Section 10.1(a) and Section 10.1(b) are fulfilled.

(e) *Approvals*. All waiting periods, if any, under Antitrust Laws relating to the transactions contemplated in this Agreement and the Related Agreements set forth on Section 9.1(c)(i) of the Disclosure Schedule have expired or terminated early and all material antitrust approvals required to be obtained prior to the Closing in connection with the transactions contemplated in this Agreement and the Related Agreements have been obtained.

(f) *Autopal Restructuring*. The Autopal Restructuring has been completed; provided this item will only be a condition precedent to Seller's performance if Seller has complied in all material respects with its obligation under Section 9.1(a) with respect to effecting the Autopal Restructuring.

10.2 Conditions Precedent to Buyer's Performance. Buyer is obligated to consummate the transactions described in this Agreement on the Closing Date and to perform its other covenants and agreements according to the terms and conditions of this Agreement if, on or before the Closing Date, each of the conditions set forth in this Section 10.2 is satisfied:

(a) *Representations and Warranties*.

(i) The Seller Fundamental Representations shall be true and correct in all respects when made and on the Closing Date as though made as of the Closing Date; provided that, any representations and warranties that are made as of a specified date shall continue on the Closing Date to be true and complete in all respects as of the specified date.

(ii) Seller's representations and warranties (other than the Seller Fundamental Representations)

in this Agreement that are qualified as to materiality or Material Adverse Change are true and complete in all respects (without giving effect to any qualification as to "materiality" or "Material Adverse Change" set forth therein) when made and on the Closing Date as though made as of the Closing Date, except to the extent that the failure of such representations and warranties to be true and correct would not, in the aggregate, reasonably be expected to have a Buyer Material Adverse Change; provided that, any representations and warranties in this Agreement that are qualified as to materiality or Material Adverse Change that are made as of a specified date shall continue on the Closing Date to be true and complete in all respects (without giving effect to any qualification as to "materiality" or "Material Adverse Change" set forth therein) as of the specified date, except to the extent that the failure of such representations and warranties to be true and correct as of such specified dates have not had and would not, in the aggregate, reasonably be expected to have a Material Adverse Change.

(iii) Seller's representations and warranties (other than the Seller Fundamental Representations) in this Agreement that are not qualified as to materiality or Material Adverse Change are true and complete in all material respects when made and on the Closing Date as though made as of the Closing Date; provided that, any representations and warranties that are made as of a specified date shall continue on the Closing Date to be true and complete in all material respects as of the specified date.

(b) *Performance of Seller*. Seller, the Stock Selling Subsidiaries and the Asset Subsidiaries have performed, satisfied, and complied with all of their respective covenants and agreements and satisfied all of their respective obligations and conditions required by this Agreement and any Related Agreement to be performed, complied with or satisfied on or before the Closing Date, in each case, in all material respects.

(c) *Absence of Litigation*. No order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been enacted, entered, promulgated or enforced by any court or other governmental authority which restrains or prohibits the transactions contemplated by this Agreement or the Related Agreements. Buyer shall use its commercially reasonable efforts to have any of the foregoing vacated, dismissed or withdrawn by the Closing Date.

(d) *Seller Certificate*. Seller, the Stock Selling Subsidiaries and the Asset Subsidiaries have delivered a certificate substantially in a form mutually agreed by the Parties, dated as of the Closing Date and signed by a duly authorized officer, certifying that the conditions specified in Section 10.2(a) and Section 10.2(b) are fulfilled.

(e) *Consents*. Seller, the Asset Subsidiaries, the Stock Selling Subsidiaries or the Stock Group have obtained and delivered to Buyer the consents and approvals required in connection with the transactions contemplated in this Agreement and the Related Agreements that are set forth on Section 10.2(e) of the Disclosure Schedule; which consents shall be in full force and effect on the Closing Date.

(f) *Stock*. The Stock Selling Subsidiaries have delivered (i) provided that Buyer does not exercise the VTYC Withdrawal Right, certificates representing all of the VTYC Stock, accompanied by appropriate stock powers or similar instruments of transfer duly endorsed in blank by the registered owners of the certificates, as required to permit Buyer to acquire the Stock free and clear of any Lien, and (ii) an extract from the Czech Commercial Registry evidencing the Autopal Stock free and clear of any Lien

(g) *Approvals*. All waiting periods, if any, under Antitrust Laws relating to the transactions contemplated in this Agreement and the Related Agreements set forth on Section 9.1(c)(i) of the Disclosure Schedule have expired or terminated early and all material antitrust approvals required to be obtained prior to the Closing in connection with the transactions contemplated in this Agreement and the Related Agreements have been obtained.

(h) *Autopal Restructuring*. The Autopal Restructuring has been completed.

(i) *IMMEX Program.* All the necessary steps have been taken so that the IMMEX Transfer can be completed on the Closing Date, except for any filings, notices and other administrative steps required for the IMMEX Transfer that would customarily be completed after the Closing Date in accordance with Section 2.3 and do not prohibit Buyer from operating the portion of the Business involving the Maquila Assets after the Closing Date in the same manner that such Business is operated by Carplastic prior to the Closing Date.

(j) *Indian Tax Certificate*. Seller shall have delivered to Buyer a Certificate under Section 281 of the Income Tax Act in the form attached hereto as Exhibit M.

10.3 Waiving Conditions. Seller and the Stock Selling Subsidiaries may waive any of the conditions set forth in Section 10.1 and Buyer may waive any of the conditions set forth in Section 10.2, in whole or in part, each in its sole and absolute discretion.

ARTICLE 11
EMPLOYEES AND EMPLOYEE BENEFITS

11.1 Employment.

(a) At the Closing, Buyer shall (or shall cause an Affiliate to) continue the employment of all Business Employees (with the exception of employees of VTYC) on Section 11.1(a)(1) of the Disclosure Schedule who transfer to Buyer pursuant to the sale of Stock and shall provide compensation and benefits to such Business Employees in accordance with the requirements of applicable Law. Effective as of the Closing, Buyer shall (or shall cause an Affiliate to) offer employment to all of the Business Employees set forth on Section 11.1(a)(2) of the Disclosure Schedule who do not otherwise transfer to Buyer pursuant to the sale of the Stock and, subject to the requirements of applicable Law, provide for a period of twelve (12) months following the Closing Date compensation and benefits (excluding equity-based incentive compensation, defined benefit retirement plans and retiree medical benefits) to such Business Employees that, taken as a whole, are no less favorable in the aggregate to the compensation and benefits (excluding equity-based incentive compensation, defined benefit retirement plans and retiree medical benefits) received by such Business Employees immediately prior to the Closing Date, including base salary or base wages that are at least equal to the base salary or base wages payable to such Business Employees immediately prior to the Closing Date; provided, however, that (i) any offer of employment shall be contingent upon the occurrence of the Closing and (ii) if any Business Employee is on disability (long term or short term) leave or on leave of absence on the Closing Date, such offer of employment shall be effective upon the return of any such employee to active employment within six months after the Closing Date, unless otherwise required by Law. Business Employees who affirmatively accept the Buyer's or its Affiliate's offer of employment, if applicable, and commence working for the Buyer or its Affiliate (including Business Employees who continued to be employed by the Stock Group) on the Closing Date (or, with respect to such employees on leave, within such six-month period) are hereinafter referred to as "Transferred Employees". Subject to the requirements of applicable Law, offers of employment to Business Employees may be made by Buyer or its Affiliate on an "at-will" basis; provided that, any such "at-will" employment offers will (i) be contingent on the Closing occurring; (ii) be subject to and in compliance with the Buyer's standard human resources, ethics and compliance policies and procedures; (iii) supersede any prior employment agreements with Seller or any of its Affiliates; and (iv) in the discretion of Buyer, be contingent on the employee (A) completing, in a manner reasonably satisfactory to the Buyer, an employment application (including work status verification), (B) passing a standard background check, and (C) signing such restrictive covenants and other contractual provisions as the Buyer or its Affiliate may in its discretion require in the ordinary course of its business; provided, that nothing in this Section 11.1 shall be construed as to confer upon any Transferred Employee any right to continued employment for any period or continued receipt of any specific employee benefit, or to prevent the Buyer or its Affiliate from terminating the employment of any Transferred Employee at any time after the Closing Date for any reason (or no reason). From the date of this Agreement until the Closing Date, Buyer and Seller agree to use commercially reasonable efforts to cooperate with such other Party to update Section 11.(a)(1) and Section 11.1(a)(2) of the Disclosure Schedules and consider in good faith any proposed revisions thereto of such other Party.

(b) Notwithstanding the foregoing, a Subsidiary of Buyer (which Subsidiary will be the same entity that acquires the Carplastic Assets) will become the employer as of the Closing Date, of the active and inactive employees employed by Carplastic (as determined under Mexican Federal Labor Law (the "MFLL")) as of the Closing Date (all such current workers are separately identified in Section 11.1(a)(2) of the Disclosure Schedule, which will be updated no later than five (5) days prior to the Closing Date, and are referred hereafter as "Carplastic Personnel") and will do so by carrying out an "employer substitution" as provided for in the MFLL and Social Security Law. For the purposes of this section "inactive employees" means those employees set forth on Section 11.1(b) of the Disclosure Schedule on leave for maternity, illness, injury or other similar reason, but are expected to return to work. Accordingly, (i) subject to the provisions of the MFLL, no severance will be payable to the Carplastic Personnel who are transferred by Carplastic pursuant to such employer substitution, (ii) the Subsidiary of Buyer will maintain the labor conditions and recognize the seniority of all Carplastic Personnel and agrees to pay them after the date of this Agreement upon the same basis as the

salaries, fringe benefits and any other compensation, which they are receiving as of the date of the Closing Date, to the extent required under the MFLL and (iii) Carplastic shall, at the time required by applicable Law, pay the mandatory Mexican profit sharing accrued to the Closing Date in accordance to the MFLL.

If any (i) wages or fringe or labor payments due to any Carplastic Personnel for services rendered prior to the date of this Agreement, and/or (ii) social security payments (*cuotas obrero-patronales*) due to the Mexican Social Security Institute ("IMSS") and/or contributions to the National Workers' Housing Fund Institute ("INFONAVIT") and the National Pension Fund System ("SAR"), with respect to any period of time ending on or prior to the Closing Date, are not paid by Carplastic, Seller agrees to cause Carplastic to either (a) pay the applicable and due amounts directly to them; or (b) deliver to Buyer's affiliate all amounts necessary to make such payments so that Buyer's affiliate may pay the same on the next succeeding payment date, with the understanding that Buyer's affiliate shall provide Carplastic with the corresponding payment receipts issued by the Carplastic's personnel and/or the corresponding authorities, as applicable, within five (5) calendar days after payment of such.

Seller (for itself and on behalf of Carplastic) and Buyer agree to provide each other information and assistance, and execute such documents as are reasonably necessary and required by applicable Mexican Law related to the employer substitution, including but not limited to agreements with the union and notices to each of the Carplastic Personnel, as well as notices to the IMSS, INFONAVIT, SAR and any other governmental agency, within the time periods established by applicable Mexican Law. Carplastic and Buyer's affiliate will jointly file the applicable notices to effectuate the transfer of Carplastic Personnel mentioned herein.

(c) As of the Closing Date, the Buyer or its Affiliate shall assume and maintain the Assumed Employee Benefit Plans for the benefit of the Transferred Employees and the Seller and the Buyer shall cooperate with each other to take all actions and execute and deliver all documents and furnish all notices necessary to establish the Buyer or its Affiliate as the sponsor of such Assumed Employee Benefit Plans. Notwithstanding the foregoing, to the extent permitted by the applicable Law, and subject to the terms of any labor agreement, including, without limitation, any collective bargaining agreement, the Buyer or its Affiliate may, in its sole discretion, amend, suspend, or terminate any such Assumed Employee Benefit Plan at any time in accordance with its terms.

(d) With respect to any "employee benefit plan" maintained by Buyer or any of Buyer's Subsidiaries (including any vacation, paid time off and severance plans) in which Transferred Employees participate after the Closing Date, for all purposes, including determining eligibility to participate, level of benefits, benefit accruals (other than benefit accrual under any defined-benefit pension plan or similar arrangements) and vesting, each Transferred Employee's service with Seller, the Asset Subsidiaries or a member of the Stock Group (as well as service with any predecessor employer of Seller, the Asset Subsidiaries or a member of the Stock Group to the extent service with such predecessor employer is recognized by Seller, the Asset Subsidiaries or such member of the Stock Group) shall be treated as service with Buyer or any of Buyer's Subsidiaries to the same extent that such service was recognized as of the Closing under a comparable Business Employee Benefit Plan in which the Transferred Employee participated; provided, that such crediting of service does not result in any duplication of benefits.

(e) Buyer shall waive, or cause to be waived, any pre-existing condition limitation, exclusions, actively-at-work requirements and waiting periods under any welfare benefit plan maintained by Buyer or any of its Subsidiaries (other than the Business Employee Benefit Plans) in which the Transferred Employees (and their eligible dependents) will be eligible to participate from and after the Closing Date to the extent such conditions and exclusions were satisfied or did not apply to such employees under the Business Employee Benefit Plans prior to the Closing. Buyer shall use commercially reasonable efforts to recognize, or cause to be recognized, the dollar amount of all expenses incurred by each Transferred Employee (and his or her eligible dependents) during the calendar year in which the Closing Date occurs for purposes of satisfying such year's deductible and co-payment limitations under the relevant welfare benefit plans in which they will be eligible to participate from and after the Closing Date.

(f) Notwithstanding the foregoing, the employment by Buyer of all Business Employees who are employed by VTSC shall in all respects be undertaken in accordance with the Transfer of Business Agreement.

11.2 Severance Payment Responsibilities. Except as specifically provided otherwise in this Section 11.2, and subject, as to employees of VTSC, to the Transfer of Business Agreement, as of the Closing Date, Buyer shall assume all liabilities, responsibilities and obligations for severance payments or other separation benefits to which any Transferred Employee may be or become entitled, or claim to be entitled, after the Closing Date. The severance payments and separation

benefits provided by Buyer to any Transferred Employee on and after the Closing shall comply with the requirements of applicable Law. Notwithstanding the foregoing, Buyer shall provide, or cause an Affiliate of Buyer to provide, each Transferred Employee who is terminated without cause during (a) the twelve (12) month period following the Closing or (b) such mandatory period, if longer, during which severance related payments are required by applicable Law to be paid, with severance benefits equal to the separation pay and benefits under Seller's (or Seller's applicable Affiliate's) severance program in effect on the Closing Date or as otherwise required by applicable Law. For purposes of the calculation of the foregoing severance pay and benefits, employment service and compensation with both Seller and Seller's Affiliates and Buyer and Buyer's Affiliates shall be aggregated and recognized.

11.3 COBRA. The Seller shall be responsible for providing, and shall assume all liabilities in respect of, the provision of COBRA Continuation Coverage and all other legally mandated continuation of health care coverage for all M&A Qualified Beneficiaries and any other Business Employees, including Transferred Employees, and any of their covered dependents who become eligible for such coverage on or prior to the Closing Date and for the maximum period that any M&A Qualified Beneficiary is eligible for COBRA Continuation Coverage, Seller shall maintain, or cause an ERISA Affiliate to maintain, a "group health plan," within the meaning of Section 5000(b)(1) of the Code, to provide COBRA Continuation Coverage to each such M&A Qualified Beneficiary in accordance with Section 4980B of the Code and Sections 601 through 608 of ERISA.

11.4 WARN. The Seller shall be solely responsible for obligations (including notice) under WARN that arise based in any part on events that occur prior to, on or after the Closing with respect to any Business Employees that are not Transferred Employees. For the avoidance of doubt, the Seller shall be solely responsible for any liabilities arising under WARN in connection with the transactions contemplated herein.

11.5 Employee Communications. Prior to making any written communications to the Business Employees pertaining to compensation or benefit matters that are affected by the transactions contemplated by this Agreement, Seller shall provide Buyer with a copy of the intended communication, Buyer shall have a reasonable period of time to review and comment on the communication, and Buyer and the Seller shall cooperate in providing any such mutually agreeable communication.

11.6 Cooperation. Following the date hereof, the Parties shall, and shall cause their Affiliates to, use their respective commercially reasonable efforts to cooperate with respect to any employee, employee compensation or benefits matters that the Parties reasonably agree require the cooperation of both Parties and that are not the subject of a specific agreement in any other provision of this Agreement, including the taking of any actions necessary to give effect to the provisions of this Agreement, including, without limitation, Articles 2 and 3.

11.7 No Amendment; No Third Party Beneficiaries. Nothing contained in this Article 11, express or implied, is intended to constitute an amendment to or any other modification of any Business Employee Benefit Plan or Assumed Employee Benefit Plan. Further, this Article 11 shall be binding upon and inure solely to the benefit of each of the parties to this Agreement, and nothing in this Article 11, express or implied, is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason of this Article 11.

11.8 Labor Negotiations. Prior to the Closing Date, the Seller shall update the Buyer on a current basis (but not less frequently than once weekly) regarding any substantive negotiations or discussions with Trade Union KOVO (or any other labor union) in connection with active bargaining over the terms and conditions for any successor collective bargaining agreement applicable to the Business Employees and/or the extension or amendment of an existing collective bargaining agreement applicable to the Business Employees.

ARTICLE 12
CLOSING

12.1 Closing Date. The Closing will take place at Visteon Corporation, One Village Center Drive, Van Buren Township, Michigan 48111 at 10:00 a.m. on the second Business Day following the date on which the last of the conditions set forth in Article 10 is satisfied or waived. The parties may mutually agree in writing to have the Closing at another place and time. The Closing will be effective as of 12:01 a.m. Detroit time on the day the Closing occurs ("Closing Date").

12.2 Deliveries by Buyer. At the Closing (unless a different date is expressly specified below), Buyer shall deliver to Seller or each Asset Subsidiary as appropriate:

(a) the Purchase Price required by Section 4.1 of this Agreement;

(b) the Assumption Agreement in the form of Exhibit D;

(c) the VTYC Transfer Agreement;

(d) the Czech Transfer Agreement in a form to be mutually agreed to by the Parties;

(e) the Maquila Assets Bill of Sale in the form of Exhibit E;

(f) the Mexico Real Property Deed in the form of Exhibit F;

(g) the Transfer of Business Agreement in the form of Exhibit G and all deliverables required under the Transfer of Business Agreement;

(h) the Transition Services Agreement in the form of Exhibit H with any modifications thereto as may be agreed between Buyer and Seller prior to the Closing Date; provided that Buyer shall have the right to update Exhibit A to the Transition Services Agreement upon written notice to the Seller prior to the Closing Date to remove or reduce any Services (as such term is defined therein) and the costs corresponding to such removed Services, and Seller agrees to notify Buyer in writing prior to the Closing Date to the extent that any such Services to be removed or reduced are interdependent with other Services and require termination of other aspects of the Services;

(i) the Autopal Facility Lease in the form of Exhibit I, which will be signed and become effective on the day following the Closing;

(j) the PRTLA in the form of Exhibit J;

(k) the Purchase and Supply Agreement in the form of Exhibit K;

(l) the India Contract Manufacturing Agreement in the form of Exhibit L; and

(m) all other documents required to be delivered by Buyer under this Agreement or any Related Agreement.

12.3 Deliveries by Seller. At the Closing, Seller, the Stock Selling Subsidiaries and the Asset Selling Subsidiaries, as applicable, shall deliver to Buyer:

(a) certificates representing the Stock, or with respect to the Autopal Stock, other evidence of the transfer of ownership;

(b) a general assignment and bill of sale in the form of Exhibit C;

(c) assignments of Seller's ownership rights to each of the Proprietary Rights in form satisfactory to counsel for Buyer and Seller and in recordable form to the extent necessary to assign these rights;

(d) a special warranty deed (or the local equivalent) for the Real Property subject to the Real Property Permitted Exceptions and in form acceptable for filing with and recording in the records of the jurisdiction where the Real Property is located;

(e) an assignment of Seller's leasehold interest in the Leased Real Property identified on Section 5.6(c) of

the Disclosure Schedule, in form satisfactory to counsel for Buyer and Seller and in recordable form to the extent necessary to assign such interest;

(f) the VTYC Transfer Agreement;

(g) the Czech Transfer Agreement;

(h) the Maquila Assets Bill of Sale in the form of Exhibit E;

(i) the Mexico Real Property Deed in the form of Exhibit F, duly executed by Carplastic's legal representative before a Mexican Notary Public;

(j) the Mexican formal invoices (*facturas*) issued by Carplastic as owner of the Mexican Assets, in compliance with the applicable Mexican tax Laws;

(k) the Transfer of Business Agreement in the form of Exhibit G and all deliverables required under the Transfer of Business Agreement;

(l) the Transition Services Agreement in the form of Exhibit H with any modifications thereto as may be agreed between Buyer and Seller prior to the Closing Date; provided that Buyer shall have the right to update Exhibit A to the Transition Services Agreement upon written notice to the Seller prior to the Closing Date to remove or reduce any Services (as such term is defined therein) and Seller agrees to notify Buyer in writing prior to the Closing Date to the extent that any such Services to be removed or reduced are interdependent with other Services and require termination of other aspects of the Services;

(m) the Autopal Facility Lease in the form of Exhibit I, which will be signed and will become effective on the day following the Closing;

(n) the PRTLA in the form of Exhibit J;

(o) the Purchase and Supply Agreement in the form of Exhibit K, and

(p) the India Contract Manufacturing Agreement in the form of Exhibit L; and

(q) all other documents required to be delivered by Seller under this Agreement or any Related Agreement.

ARTICLE 13
SALES AND TRANSFER TAXES

Any sales, use, transfer, and documentary taxes (and any similar taxes), as well as any recording and filing fees imposed by any foreign, federal, state, local or other Taxing Authority as a result of the consummation of the transactions contemplated by this Agreement, including but not limited to the transfer of the Transferred Assets and the Stock, and the assumption of the Assumed Liabilities, shall be borne equally by Buyer and Seller. In the event that such taxes discussed in this Article 13 are assessed at a greater amount on either Buyer or Seller (calculated by including taxes assessed on a related party of either Buyer or Seller), the other party agrees that it will promptly provide reimbursement for the excess amount of such taxes assessed. In the event any tax subject to this Article 13 (including any value-added tax) is recoverable in whole or in part by Buyer subsequent to the consummation of the transactions contemplated by this Agreement, such tax shall nevertheless be borne equally by Buyer and Seller in the first instance, provided, however, that in the event of any subsequent recovery of such tax by Buyer, Buyer shall promptly notify Seller of such recovery and promptly pay to Seller fifty percent (50%) of any such recovery. Notwithstanding anything else to the contrary in this Agreement, Seller, the Asset Subsidiaries and the Stock Selling Subsidiaries will solely bear their own income (and any similar) taxes (including capital gains taxes) that result from the sale of stock or Transferred Assets.

ARTICLE 14
SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS

14.1 Survival. The representations, warranties, covenants and agreements contained in this Agreement and delivered in any certificate delivered pursuant to this Agreement will survive the Closing only for the applicable period set forth in this Article.

14.2 Representations and Warranties. All of the representations and warranties contained in this Agreement terminate at 5:00 p.m. Detroit, Michigan time on the fifteen month anniversary of the Closing Date, except:

(a) the representations and warranties in Section 5.11 (Taxes) terminate upon the expiration of the applicable statute of limitations;

(b) the representations and warranties in Section 5.12 (Environmental Matters) terminate on the Closing Date except that the representations and warranties in Section 5.12(d) shall terminate on the five (5) year anniversary of the Closing Date;

(c) the representations and warranties in Section 5.19(c) shall terminate on the five (5) year anniversary of the Closing Date; and

(d) the representations and warranties in Section 5.1 (Organization, Existence and Standing of Seller), Section 5.2 (Qualification), Section 5.3 (Capitalization), Section 5.4 (Corporate Authority), Section 5.7 (Title to Personal Property), Section 5.15 (Finders, Brokers and Investment Bankers), Section 5.19(b) (Stock Group Indebtedness) (collectively, the "Seller Fundamental Representations") and Section 6.1 (Organization, Existence and Standing of Buyer), Section 6.2 (Corporate Authority) and Section 6.5 (Finders, Brokers and Investment Bankers) (collectively, the "Buyer Fundamental Representations") survive indefinitely.

14.3 Covenants and Agreements. Covenants and agreements that do not have specific time periods of applicability survive the Closing Date indefinitely. Covenants and agreements that have specific time periods of applicability survive the Closing Date for the periods prescribed.

14.4 Notice of Claim. No party is obligated to indemnify the other for breach of any representation, warranty, covenant or agreement unless notice of a claim for indemnification with respect to that breach has been delivered to it as provided in Article 15 or Article 16, as the case may be, prior to the end of the applicable survival period.

ARTICLE 15
ENVIRONMENTAL MATTERS

15.1 Environmental Indemnity. Seller shall defend, indemnify and hold harmless Buyer and its Affiliates, and their respective officers, directors, employees, agents ("Buyer's Indemnified Persons") from and against any and all Losses arising under Environmental Laws related to ownership of the Real Property or operation of the Business prior to the Closing Date ("Environmental Liabilities") that arise from:

(a) an Environmental Claim for the Legacy Autopal Matters by a governmental authority or other Third Party not acting at the behest of Buyer, which is not resolved by the actions of Ministry of Finance or other applicable Czech authority in accordance with its undertakings in the Indemnity Agreements; provided each of Buyer and, following the Closing, Autopal, has complied with its obligations under Section 15.2 below and in the Autopal Facility Lease by providing assistance to and cooperating with Seller, Visteon – Autopal, s.r.o. and Visteon – Autopal Services s.r.o. in connection with their performance of the respective obligations under the Indemnity Agreements;

(b) any other Environmental Claim by a governmental authority or other Third Party not acting at the behest of Buyer, other than any claim addressed in Section 15.1(a) above, or

(c) violation of any Environmental Law where notification to a governmental authority is required, other than any claim addressed in Section 15.1(a) above;

provided, however, that in no event shall Seller be liable pursuant to this Article 15 for any Losses arising from the operations of VTYC.

15.2 Indemnity Procedures.

(a) Seller shall have the right to direct, through counsel, consultants and contractors of its choosing, the defense, settlement, negotiation and resolution, including any related remedial or response action ("Resolution") of any Environmental Liabilities, at Seller's expense.

(b) If Seller elects to direct the Resolution of any Environmental Liability, Buyer may participate at Buyer's own expense in the Resolution. Seller shall provide reasonable advance notice to Buyer regarding Seller's plan for Resolution and shall consider in good faith any reasonable alternatives proposed by Buyer. Buyer shall cooperate fully with Seller with respect to the Resolution. If Seller elects to direct the Resolution of any Environmental Liability, Buyer shall not settle or otherwise pay any Losses for the Environmental Liability, unless Seller consents in writing.

(c) If Seller does not elect to direct the Resolution of any Environmental Liability, or if Seller fails to prosecute or withdraws from the Resolution, Buyer may direct the Resolution at Seller's expense. If Buyer assumes the direction of any Resolution and proposes to settle the Environmental Liability or to forego an available appeal, then Buyer will give Seller prompt notice and Seller may participate in the Resolution of the Environmental Liability.

(d) Nothing in this Agreement shall prevent Buyer from directing in accordance with applicable Environmental Law the Resolution of any condition where:

(i) it is necessary to prevent an imminent hazard to human health or the environment; and

(ii) time would not permit Seller to assume the direction of the Resolution;

provided, however, that Buyer shall immediately notify Seller of any condition that it asserts falls within this Section 15.2(d) and any actions taken in response thereto.

(e) For the avoidance of doubt, in the event of any inconsistency between the procedures required under the Indemnity Agreements and this Section 15.2, the procedures of the Indemnity Agreements shall apply. Buyer shall without undue delay and at its own expense, provide or ensure that Autopal provides any assistance reasonably requested from time to time by the Seller or Existing Autopal Companies in writing in connection with any and all of the Seller's or Existing Autopal Companies' obligations under the Indemnity Agreements or in connection with performance under the Indemnity Agreements that would be commercially reasonable if Buyer or Autopal were the owner of the real property benefiting from the Indemnity Agreements..

15.3 Indemnity Limitations.

(a) Seller shall have indemnification obligations under Article 15 only to the extent of the Lowest-Cost Commercially Reasonable Resolution. Buyer may elect a Resolution other than the Lowest-Cost Commercially Reasonable Resolution if it agrees to pay any additional costs associated with the alternative.

(b) Seller shall have no indemnification obligations under this Article 15 to the extent Losses result from:

(i) any Change in use of the Real Property after the Closing Date by Buyer or any subsequent owner;

(ii) any sampling by Buyer after the Closing Date, unless the sampling is (A) required by

Environmental Law, (B) in response to any Environmental Claim by a governmental authority or other Third Party, (C) in response to a material development or discovery after the Closing that would likely lead to a requirement to undertake sampling, or (D) to complete the scope of work, if any, as mutually agreed between the Buyer and Seller prior to Closing, for the establishment of baseline environmental conditions on Real Property;

(iii) any exacerbation of preexisting contamination due to activities by Buyer or any subsequent owner; and

(iv) any gross negligence of Buyer or a material breach of this Agreement.

(c) No claim may be asserted against Seller under Article 15 unless Buyer provides notice to Seller describing in reasonable detail the basis of the claim or action before the third anniversary of the Closing Date. Once notice is properly made, Seller's indemnity obligations will continue until that claim is satisfied in accordance with this Agreement.

15.4 Exclusive Remedy and Release. Seller's obligations under Article 15 are Buyer's exclusive remedy for any Environmental Liabilities and any other claims arising under Environmental Laws, and Buyer waives, and unconditionally releases Seller from, any remedies that Buyer may otherwise have against Seller under any Environmental Laws, including, but not limited to, any claims under the Comprehensive Environmental Response, Contamination and Liability Act, as amended, 42 U.S.C. § 9601 *et seq.*, or common Law. Notwithstanding the foregoing, claims for fraud or intentional misrepresentation are not be limited by this Section 15.4.

15.5 Relation to Article 16. The terms of Article 16 (other than Section 16.3 and Section 16.9) shall apply to this Article 15 except as set forth in such Article 16 or to the extent there is a conflict, in which event the terms of Article 15 shall control.

ARTICLE 16
GENERAL INDEMNIFICATION

16.1 Indemnification of Buyer. Subject to this Article, Seller shall indemnify Buyer's Indemnified Persons against all Losses incurred by Buyer's Indemnified Persons as a result of:

(a) any breach of a representation, warranty, covenant or agreement of Seller or the Stock Selling Subsidiaries contained in this Agreement; or

(b) the assertion against Buyer of any of the Retained Liabilities.

16.2 Indemnification of Seller. Subject to this Article, Buyer shall indemnify Seller, the Asset Subsidiaries, the Stock Selling Subsidiaries and their Affiliates, and their respective officers, directors, employees, agents ("Seller's Indemnified Persons") against any Losses incurred by Seller's Indemnified Persons as a result of:

(a) any breach of any representation, warranty, covenant or agreement of Buyer contained in this Agreement; or

(b) the assertion against Seller, the Asset Subsidiaries or the Stock Selling Subsidiaries or any member of the Stock Group of any of the Assumed Liabilities.

16.3 Deductible Amount.

(a) A Party has no right to indemnification unless it can bring claims in the aggregate amount exceeding $500,000, in which case Losses will be indemnified only to the extent they exceed that amount.

(b) The limitation for claims in this Section 16.3 does not apply to claims relating to the Seller Fundamental Representations and the representations and warranties of Seller in Section 5.11 (Taxes), Section 5.19(c), the Buyer Fundamental Representations, Section 9.4, Section 9.5, Article 15, Assumed Liabilities, Retained Liabilities, claims brought pursuant to Section 16.1(b) or any breach following the Closing Date of a covenant or agreement set forth herein.

(c) The parties hereto hereby acknowledge and agree that solely for purposes of determining the amount of Losses resulting from a breach of any representation or warranty for purposes of this Article 16 (but not for the purposes of determining whether any representation or warranty has been breached), any and all "Buyer Material Adverse Change", "Material Adverse Change", "materiality" and similar exceptions and qualifiers set forth in any such representations and warranties shall be disregarded.

16.4 Procedures for Claims.

(a) Within thirty (30) days after it becomes aware of a claim for which it intends to seek indemnification under this Article 16, a Party shall provide notice of the claim to the other Party, stating:

(i) the amount claimed to be due;

(ii) the basis of the claim; and

(iii) the provisions of this Agreement under which the claim is asserted.

(b) Within thirty (30) calendar days after receipt of this notice, a Party shall by notice to the other Party concede or deny liability in whole or in part.

(c) The Parties shall use reasonable good faith efforts to resolve any dispute over a claim brought under this Article for thirty (30) days after a Party provides notice denying liability in whole or in part. If any dispute over a claim is not settled by the Parties within such thirty (30) day period, it shall be referred to an executive nominated by each of Buyer and Seller who has authority to settle such dispute who shall endeavor in good faith to resolve such dispute for an additional period of thirty (30) days prior to the commencement of any legal action in respect of such disputed claim.

16.5 Third Party Claims.

(a) If a Party may be responsible for a claim made against the other Party ("Third Party Claim"), it may assume and conduct the defense of the Third Party Claim using counsel selected by it so long as the Third Party Claim involves solely monetary damages ("Litigation Condition"). If the Party wishes to assume and conduct the defense, it shall notify the other Party within thirty (30) days of receipt of notice from the other Party of the commencement of the lawsuit.

(b) If a Party does not assume the defense of a Third Party Claim, the other Party may defend the claim in the manner it deems appropriate, including, but not limited to, settling the claim after giving notice of the proposed settlement to the other Party.

(c) If a Party has assumed the defense of a Third Party Claim, it is not liable for any legal expenses subsequently incurred by the other Party in connection with that defense. However, the Party that originally assumed the defense will be liable for all reasonable expenses incurred by the other Party in connection with the defense if:

(i) the Litigation Condition ceases to be met; or

(ii) the other Party assumed its own defense because the defending Party failed to take reasonable steps to defend diligently the Third Party Claim within 30 days (or shorter period as may be required to defend diligently the Third Party Claim) after being notified that the other Party believed the defending Party had failed to take reasonable steps, and, in either case.

(d) a Party that has assumed defense of a Third Party Claim shall not consent to a settlement of, or the entry of any judgment arising from, the claim unless the other Party consents in writing to the settlement or judgment, which consent may not be unreasonably withheld.

16.6 Exclusive Remedy. Except as otherwise provided for in this Agreement, including the rights of the parties hereunder to specific performance or other equitable relief pursuant to Section 19.12, following the Closing Date, the indemnification provided by this Article is the exclusive remedy for the Parties with respect to this Agreement (other than those matters addressed by Article 15) and the transactions contemplated by this Agreement and the Related Agreements. Notwithstanding the foregoing, claims for fraud or intentional misrepresentation are not be limited by this Section 16.6.

16.7 Payment of Amounts. A Party shall pay in immediately available funds any amounts due and owing to the other Party as a result of any occurrence that gives rise to indemnification under this Article. All indemnification payments are adjustments to the Purchase Price.

16.8 Insurance Offset. The amount of any Losses suffered by a Party will be reduced by the net effect of any insurance coverage that may be realized by that Party in respect of the Losses. This reduction, if any, will be applied as follows:

(a) all Losses shall be paid or reimbursed promptly upon determination; and

(b) the Party incurring the Losses shall reimburse the other Party for the coverage effect of insurance, if any, upon the date of recovery of any insurance proceeds.

16.9 Maximum Amount of Any Indemnification.

(a) Notwithstanding any provision to the contrary in this Agreement, the aggregate liability of Seller (i) under this Article 16 of this Agreement for Losses related to breaches of representations and warranties (other than Seller Fundamental Representations, and the representations and warranties of Seller in Section 5.11 (Taxes), Section 5.19(c) and Section 5.12(d)) contained in this Agreement and (ii) under Section 15.1(a) shall not exceed 10% of the Purchase Price (the "Maximum Amount"); *provided*, *that*, should Buyer incur Losses related to breaches of the representations and warranties of Seller under Section 15.1(a) in an amount that, when added to the aggregate amount of all other Losses incurred by Buyer that are subject to the limitation of this Section 16.9(a), exceeds the Maximum Amount (the amount of such excess, the "Excess Autopal Environmental Losses"), Seller shall indemnify Buyer for the amount of such Excess Autopal Environmental Losses, up to a maximum aggregate amount of Five Million Dollars ($5,000,000).

(b) Notwithstanding any provision to the contrary in this Agreement, the aggregate liability of Buyer under this Article 16 of this Agreement for Losses related to breaches of representations and warranties (other than Buyer Fundamental Representations) shall not exceed the Maximum Amount.

ARTICLE 17
EXPENSES

Except as otherwise expressly set forth in this Agreement, each of the Parties shall pay its own expenses incurred by it in negotiating, preparing, closing and performing this Agreement and the Related Agreements, including any legal and accounting fees, whether or not the transactions contemplated hereby are consummated.

ARTICLE 18
TERMINATION; VTYC REVIEW PERIOD

18.1 Termination of Agreement.

(a) The Parties may terminate this Agreement prior to the Closing as provided below:

(i) the Parties may terminate this Agreement by mutual written consent;

(ii) Seller may terminate this Agreement by giving written notice to Buyer if any of the conditions precedent under Section 10.1 are not capable of being fulfilled;

(iii) Buyer may terminate this Agreement by giving written notice to Seller if any of the conditions precedent under Section 10.2 are not capable of being fulfilled;

(iv) Buyer or Seller may terminate this Agreement by giving written notice to the other if the Closing shall not have occurred on or before July 31, 2012 (the "Termination Date") because of the failure of any condition precedent under Section 10.1 or 10.2; provided, however, that if the only condition set forth in Section 10.1 or Section 10.2 that remains to be satisfied as of the Termination Date is the IMMEX Program described in Section 10.2(i), then such Termination Date may be extended by any Party (provided that such Party has not breached its obligations under Section 2.3 in any material respect or in any manner that shall have proximately caused the failure of the condition set forth in Section 10.2(i)) for an additional thirty-one (31) days and the "Termination Date" shall be deemed to be August 31, 2012 for all purposes under this Agreement; provided, further, that if the only condition set forth in Section 10.1 or Section 10.2 that that remains to be satisfied as of August 31, 2012 is the IMMEX Program described in Section 10.2(i), then such extended Termination Date may be extended by any Party (provided that such Party has not breached its obligations under Section 2.3 in any material respect or in any manner that shall have proximately caused the failure of the condition set forth in Section 10.2(i)) for an additional thirty (30) days and the "Termination Date" shall be deemed to be September 30, 2012 for all purposes under this Agreement;

(v) Seller may terminate this Agreement if (A) all of the conditions set forth in Sections 10.1 and 10.2 have been and continue to be satisfied or waived (other than those conditions that by their terms are to be satisfied at Closing), and (B) Buyer (1) fails to consummate the Closing within five (5) Business Days following the date on which the Closing should have occurred; or (2) notifies Seller in writing that the Debt Financing or the Alternative Financing is unavailable; provided that any termination of this Agreement by Seller under Section 18.1(a)(iv) shall be deemed to be a termination under this Section 18.1(a)(v) if the Seller was entitled to terminate this Agreement under this Section 18.1(a)(v) at the time of such termination.

(b) Notwithstanding the foregoing, no Party may terminate this Agreement under Sections 18.1(a)(ii) through 18.1(a)(v) if the basis for termination or the reason for the failure of the Closing to be consummated results from a breach by the Party of any of its agreements or covenants contained in this Agreement.

18.2 Effect of Termination. If either Party terminates this Agreement under Section 18.1, all obligations of the Parties under this Agreement or the Related Agreements will terminate without any liability of either Party to the other Party with the exception of: (i) the provisions of this Article 18, Section 7.2(a), Section 8.1(c), Article 17, Section 18.3 and Article 19, each of which provisions shall survive such termination and remain valid and binding obligations of the parties, and (ii) any liability for any intentional or willful breach by a party hereto of any of its representations or warranties contained in, or failure to perform any of its obligations under, this Agreement prior to such termination. For this purpose "intentional" means an action or omission that the breaching party knows or reasonably should have known is or would result in a breach of this Agreement. The Confidentiality Agreement dated August 12, 2011 (the "Confidentiality Agreement") will survive the termination of this Agreement for any reason.

18.3 Payment of the Deposit Amounts. In the event that this Agreement is validly terminated or validly deemed terminated pursuant to Section 18.1(a)(v), then in such event Seller and Buyer shall jointly instruct the Escrow Agent to immediately disburse to the Seller the Deposit Amounts by wire transfer of immediately available funds within three Business Days following such termination. In the event a final judgment or decree is entered by a court of competent jurisdiction that Seller was entitled to the Deposit Amounts and did not receive the Deposit Amounts when due, Buyer shall also reimburse Seller for all reasonable costs and expenses incurred by Seller (including attorney's fees) after the date such Deposit Amounts become due in connection with the collection under and enforcement of this Section 18.1 (the "Enforcement Costs"). In the event that the Deposit Amounts are paid to Seller, the payment of the Deposit Amounts and Enforcement Costs, if any, shall be the sole and exclusive remedy of each of Seller, the Stock Selling Subsidiaries, the Asset Subsidiaries, the members of the Stock Group and the respective Affiliates thereof and their respective officers, directors, employees, agents, successors and assigns for, and in no event shall Seller, the Stock Selling Subsidiaries, the Asset Subsidiaries, the members of the Stock

Group and the respective Affiliates thereof or their respective officers, directors, employees, agents, successors and assigns (x) seek to recover any other money damages or seek any other remedy for, any and all claims, causes of action, damages or liabilities in connection with or arising out of this Agreement or (y) be permitted or entitled to receive the grant of an injunction, specific performance, other equitable relief or payment of monetary damages. In the event that the Deposit Amounts and Enforcement Costs, if any, are paid to Seller, each of Seller, the Stock Selling Subsidiaries, the Asset Subsidiaries, the members of the Stock Group hereby expressly waives, and shall cause their respective Affiliates to waive, any and all other rights or causes of action it or its respective Affiliates may have against Buyer or its Affiliates now or in the future under any Law or otherwise in connection with or arising out of this Agreement.

18.4 VTYC Review Period.

(a) Buyer shall have a period of thirty (30) calendar days, commencing as of the date hereof (the "VTYC Review Period"), to:

(i) conduct such further reasonable and customary due diligence investigation of VTYC and the portion of the Business conducted thereby as it may reasonably determine to undertake (including site visits and environmental sampling if agreed by VTYC based on an initial environmental assessment), and

(ii) conduct discussions with the holders of equity interests in VTYC other than VIHI (the "VTYC Counterparties") with respect to the transfer of the VTYC Stock to Buyer or its designated Affiliate.

(b) During the VTYC Review Period, Seller shall use its commercially reasonable efforts to facilitate the production to Buyer and its representatives of such information, documents and materials relating to VTYC and the portion of the Business conducted thereby as may be reasonably requested by Buyer and its representatives. In addition, Seller shall arrange for Buyer and its representatives to meet with representatives of the VTYC Counterparties to discuss the proposed transfer of the VTYC Stock.

(c) During the VTYC Review Period, Buyer may elect to exercise the VTYC Withdrawal Right if:

(i) the information provided to Buyer during the VTYC Review Period is not sufficient, in Buyer's commercially reasonable judgment, to enable Buyer and its representatives to conduct a reasonably adequate due diligence review of VTYC and the portion of the Business conducted thereby; provided, that Buyer shall have the right to elect to extend the VTYC Review Period for an additional fifteen (15) calendar days to facilitate its receipt of such information (and thereafter the VTYC Review Period may be extended by mutual agreement between the Buyer and Seller);

(ii) information made available to Buyer during the VTYC Review Period relating to the business, assets, liabilities, operations, results of operations, or financial condition of VTYC provides a reasonable basis for concluding that the due diligence information provided to Buyer prior to the date hereof in respect of VTYC and the portion of the Business conducted thereby materially misstated, or failed to disclose, a material liability or other fact that would reasonably be viewed as having a material negative impact in the value of the VTYC Stock. For the avoidance of doubt, Buyer and Seller agree that a negative change on the value of the VTYC Stock in the amount of $2,000,000 or more shall be deemed to be a "material negative impact" for purposes of this Section 18.4(c)(ii); or

(iii) during the VTYC Review Period, Buyer shall have been unable to reach a commercially reasonable agreement with the VTYC Counterparties in respect of the transfer of the VTYC Stock to Buyer or its designated Affiliate in connection with the Closing of the Transaction; provided, however, that in connection with reaching a commercially reasonable agreement with the VTYC Counterparties, Buyer shall not be required to: (x) make or agree to make any payment, (y) undertake or grant any material accommodation that will adversely affect Buyer or its Affiliates (including the members of the Stock Group) or (z) enter into (1) any agreement with the VTYC Counterparties that is materially different from any of the agreements in effect on the date hereof by and between the VTYC Counterparties and Seller or any of Seller's Affiliates, except as set forth on Section 18.4(c)(iii)(z) of the Disclosure Schedule, or (2) any other agreement with the VTYC Counterparties that is materially adverse to the business of Buyer or the Business. If, during the VTYC Review Period, Buyer does

not elect to exercise the VTYC Withdrawal Right and is unable to reach an agreement with the VTYC Counterparties that would permit VIHI to deliver the VTYC Stock to Buyer on the Closing Date, the obligation of VIHI to deliver the VTYC Stock pursuant to Section 10.2(f) shall be deemed waived by Buyer and shall not be a condition precedent to Buyer's obligations hereunder.

(d) Buyer may exercise the VTYC Withdrawal Right at any time from and after the date hereof until 5:00 pm, Detroit, Michigan time, on the final day of the VTYC Review Period upon written notice to Seller pursuant to Section 19.1 below.

(e) Upon the receipt by Seller of Buyer's written notice of exercise of the VTYC Withdrawal Right:

(i) the Purchase Price payable pursuant to Section 4.1 for the Transferred Assets shall be reduced by the amount of Twenty Million U.S. Dollars (US $20,000,000) and the Maximum Amount (as such term is defined in Section 16.9(a), above) shall be proportionately reduced;

(ii) VIHI shall cease to be a "Stock Selling Subsidiary" for all purposes hereunder or under any Related Agreement;

(iii) the VTYC Stock shall cease to be a "Transferred Asset" for all purposes hereunder or under any Related Agreement, and shall be deemed to be an "Excluded Asset" for all purposes hereunder and thereunder;

(iv) the defined terms "Assets", "Stock", "Stock Group", "Transferred Assets", "Visteon Sale Entity" or "Visteon Operating Company" shall be deemed in all respects to exclude the VTYC Stock or VTYC, as the case may be, and no representation, warranty or covenant in respect of VTYC or the VTYC Stock shall be deemed to have been made or given by Seller hereunder or under any Related Agreement;

(v) the defined term "Assumed Liabilities" shall be deemed in all respects to exclude any liabilities and obligations related to the VTYC Stock or VTYC, as the case may be, and the definition of "Retained Liabilities" shall be deemed to include any and all liabilities and obligations related to the VTYC Stock and VTYC;

(vi) Section 4.3(a) shall be void and of no further force and effect and the execution and delivery of the VTYC Transfer Agreement shall not be a requirement of or a condition to Closing; and

(vii) the continued ownership by VIHI of the VTYC Stock shall be a permitted exception to the covenants set forth in Section 7.4 by virtue of clause (a)(iii) thereof.

ARTICLE 19
MISCELLANEOUS

19.1 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given: (a) on the date of service if served personally on the party to whom notice is to be given; (b) on the day of transmission if sent via facsimile transmission or email in Adobe (.pdf) format and confirmation of receipt is obtained promptly after completion of transmission; (c) on the day of delivery by Federal Express or similar overnight courier or the Express Mail service maintained by the United States Postal Service or (d) on the day of delivery, if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid and properly addressed, to the party as follows:

If to Seller:

c/o Visteon Corporation
One Village Center Drive
Van Buren Township, Michigan 48111 U.S.
Attention: Michael Sharnas
Facsimile: (734) 736-5560
Email: msharnas@visteon.com

With a copy (which shall not constitute notice to Seller) to:

Squire Sanders (US) LLP
4900 Key Tower
127 Public Square
Cleveland, Ohio 44114-1304
Attention: Cipriano S. Beredo
Daniel G. Berick
Facsimile: (216) 479-8780
Email: cipriano.beredo@squiresanders.com
daniel.berick@squiresanders.com

If to Buyer:

c/o Varroc Engineering Private Limited
B-24 / 25, MIDC Industrial area
Chakan, Dist - Pune 410 501
Maharashtra, India
Attention: Sanjay Sachdev
Facsimile: +91 240 2564540
Email: sachdev.sanjay@varrocgroup.com

With a copy (which shall not constitute notice to Buyer) to:

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, New York 10019
Attention: Robert B. Stebbins
Facsimile: (212) 728-9736
Email: rstebbins@willkie.com

19.2 Waiver. None of the provisions of this Agreement may be waived except in writing. A Party may enforce any provision of this Agreement even if it has not previously enforced that provision or any other provisions of this Agreement.

19.3 Headings. The article and section headings set forth in this Agreement are for convenience only and are not considered as part of this Agreement, nor affect in any way the meaning or interpretation of the terms and provisions of this Agreement.

19.4 Successors and Assigns. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assigns of the Parties. Neither Party, without the express written consent of the other Party, may assign this Agreement; provided, however, (i) without the consent of the Seller, Buyer may assign this Agreement or any of its rights or interests hereunder as collateral to any lender, or agent or trustee acting for the lenders, in connection with a secured financing undertaken by Buyer or any of its Affiliates, and (ii) either Party may assign all or part

of its rights and obligations under this Agreement to one or more of its Subsidiaries. No assignment pursuant to either clause (i) or clause (ii), above, will relieve the assigning Party of any of its obligations hereunder.

19.5 Enforceability. The Parties intend this Agreement to be enforced as written. However, if a court determines that a provision of this Agreement is:

(a) unlawful, the provision will be severed from this Agreement and the remainder of this Agreement will remain in full force and effect; or

(b) invalid or unenforceable:

(i) the provision will remain in effect in any other circumstances,

(ii) the Agreement will otherwise remain valid and enforceable, and

(iii) the court may reduce the duration or area, or both, of the provision, if the invalidity or unenforceability is because of the duration or area covered stated in the provision and in its amended form the provision will then be enforceable.

19.6 No Third Party Beneficiaries or Right to Rely. Notwithstanding anything to the contrary in this Agreement:

(a) nothing in this Agreement is intended to grant to any Third Party (including, but not limited to, to any former, current or future employees or officers of any Party or any of their shareholders, dependents or beneficiaries, any Subsidiary or any labor union) any rights, as a third party beneficiary or otherwise, except that Buyer's Indemnified Persons are intended third party beneficiaries of applicable provisions of Article 15 and Article 16 and Seller's Indemnified Persons are intended third party beneficiaries of the applicable provisions of Article 16;

(b) no Third Party may rely on any of the representations, warranties, covenants or agreements contained in this Agreement; and

(c) no Party will incur any liability or obligation to any Third Party because of any reliance by that Third Party on any representation, warranty, covenant or agreement in this Agreement.

19.7 Counterparts. This Agreement may be executed in more than one counterpart. Each counterpart is an original and together constitute one and the same agreement. A signature to this Agreement delivered by facsimile or other electronic means is valid.

19.8 Time of Essence. Time is of the essence with respect to this Agreement.

19.9 No Strict Construction. The language used in this Agreement is the language chosen by the Parties to express their mutual intent. No rule of strict construction will be applied against either Party.

19.10 Public Announcements. No party shall make any press release or public announcement concerning the transactions contemplated by this Agreement without the prior written approval of the other parties, unless a press release or public announcement is required by Law. If any such announcement or other disclosure is required by Law, the disclosing party shall give the nondisclosing party or parties prior notice of, and an opportunity to comment on, the proposed disclosure.

19.11 Currency/Method of Payment. Unless otherwise specifically provided in this Agreement, (a) all references to amounts of money are lawful money of the United States, and (b) all payments of money shall be made in immediately available funds.

19.12 Specific Enforcement. The parties agree that irreparable damage would occur in the event that any provision of this Agreement was not performed in accordance with its specific terms or was otherwise breached. It is

accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction, this being in addition to any other remedy to which they are entitled at Law or in equity, whether pursuant to this Agreement or otherwise.

19.13 Governing Law. This Agreement shall be construed, performed and enforced in accordance with, and governed by, the Laws of the State of Michigan (without giving effect to the principles of conflicts of Laws thereof). Any legal action or proceeding with respect to this Agreement or the transactions contemplated hereby may be brought in any court of the State of Michigan having jurisdiction thereof or in the United States District Court for the Eastern District of Michigan, and by execution and delivery of this Agreement, each of the Parties consents to the exclusive jurisdiction of those courts. Each of the Parties irrevocably waives any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Agreement or the transactions contemplated hereby.

19.14 Miscellaneous. As used in this Agreement, the Disclosure Schedule, the Exhibits and the Related Agreements:

(a) the singular and plural include each other;

(b) each gender includes both genders;

(c) words and phrases defined in this Agreement have the same meaning in the Disclosure Schedule, Exhibits and Related Agreements unless specifically provided to the contrary;

(d) the terms “hereof,” “herein,” “hereby,” and derivative or similar words refer to this entire Agreement as a whole and not to any other particular article, section or other subdivision;

(e) the words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation;” and

(f) “shall,” “will,” or “agrees” are mandatory, and “may” is permissive.

19.15 Entire Agreement; Amendment. This Agreement, together with the Related Agreements and the Confidentiality Agreement constitutes the sole understanding of the Parties and supersedes all other prior agreements and understandings, oral or written, between the Parties with respect to these matters. The Disclosure Schedule hereto and any documents and instruments delivered pursuant to any provision hereof are expressly made a part of this Agreement as fully as though completely set forth herein. No modification of this Agreement is binding unless the modification is in writing and duly executed by the Parties.

19.16 Bulk Transfer Laws. Buyer acknowledges that Seller shall not comply with the provisions of any so-called bulk sales or transfer Laws of any applicable jurisdiction (including Article 6 of the Uniform Commercial Code) in connection with the sale of Acquired Assets and the other transactions contemplated by this Agreement, and Buyer hereby waives Seller’s failure to comply with such Laws.

[Signature page follows]

IN WITNESS WHEREOF, the parties have caused this Asset Purchase Agreement to be executed by their respective officers or employees thereunto duly authorized as of the date first above written.

VISTEON CORPORATION

By: /s/ Michael K. Sharnas
Name: Michael K. Sharnas
Title: Vice President and General Counsel

VIHI, LLC

By: /s/ Peter M. Ziparo
Name: Peter M. Ziparo
Title: Assistant Secretary

VEHC, LLC

By: /s/ Peter M. Ziparo
Name: Peter M. Ziparo
Title: Assistant Secretary

CARPLASTIC S.A. DE C.V.

By: /s/ Michael K. Sharnas
Name: Michael K. Sharnas
Title: Power of Attorney

VISTEON GLOBAL TECHNOLOGIES, INC.

By: /s/ Michael K. Sharnas
Name: Michael K. Sharnas
Title: Vice President

VISTEON ELECTRONICS CORPORATION

By: /s/ Peter M. Ziparo
Name: Peter M. Ziparo
Title: Assistant Secretary

VISTEON HOLDINGS ESPANA, S.L.

By: /s/ Pierre Boulet
Name: Pierre Boulet
Title: Director

By: /s/ Francois SORDET
Name: Francois SORDET
Title: Director

By: /s/ Christophe Hertel
Name: Christophe Hertel
Title: Chairman and Director

VARROCCORP HOLDING BV

By: /s/Vineet Sahni
Name: Vineet Sahni
Title: Director

VARROC ENGINEERING PVT. LTD.

By: /s/ Tarang Jain
Name: Tarang Jain
Title: Managing Director

APPENDIX A
DEFINED TERMS

"Additional Related Agreements" shall have the meaning set forth in Section 9.13.

"Affiliate" means, with respect to any Person, at the time in question, any other Person controlling, controlled by or under common control with the Person. For purposes of this definition, "control" (including, but not limited to, the terms "controlling," "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

"Agreement" means this Asset Purchase Agreement.

"Alternative Financing" shall have the meaning set forth in Section 9.11(b).

"Antitrust Authority" means any national, super-national or other entity with antitrust jurisdiction over the transactions contemplated by this Agreement under Antitrust Law.

"Antitrust Filings" has the meaning set forth in Section 9.1(c)(i).

"Antitrust Law" means statutes, regulations, administrative and judicial doctrines and other Laws intended to effect, encourage or restrain competition.

"Asset Subsidiaries" has the meaning set forth in Recital E.

"Assets" has the meaning set forth in Section 2.1.

"Assignable Software" has the meaning set forth in Section 5.10(k).

"Assumed Employee Benefit Plan" shall mean the Business Employee Benefit Plans (or the portion thereof) listed on Section 11.1(c) of the Disclosure Schedule.

"Assumed Liabilities" has the meaning set forth in Section 3.1.

"Assumption Agreement" means an agreement in the form set forth on Exhibit D under which Buyer assumes the Assumed Liabilities.

"Autopal" shall have the meaning set forth in Recital C.

"Autopal Facility Lease" means an agreement in the form set forth on Exhibit I providing for the lease to Autopal of certain land and buildings currently owned by the Existing Autopal Companies.

"Autopal Lease Payment" shall have the meaning set forth in Section 4.1.

"Autopal Legacy Date" means June 25, 1993, being the effective date of the purchase agreement relating to Autopal entered into between The Fund of National Property of the Czech Republic and Ford Motor Company, the predecessor-in-interest to Seller.

"Autopal Restructuring" means the project of transformation to be completed in accordance with the Company Conversion Act and other applicable Law of the Czech Republic and Section 2.4 of this Agreement that will result in Visteon-Autopal, s.r.o. and Visteon-Autopal Services, s.r.o. transferring the assets and liabilities related to the portion of the Business conducted in the Czech Republic to Autopal prior to the Closing and acquiring all necessary licenses or Permits required for the

operation of the portion of the Business conducted in the Czech Republic.

"Autopal Stock" shall have the meaning set forth in Section 2.1.

"Business" has the meaning set forth in Recital A.

"Business Day" shall mean a day other than a Saturday, Sunday or other day on which banks in the State of Michigan are required or authorized to close.

"Business Employee Benefit Plan" shall have the meaning set forth in Section 5.21(a).

"Business Employees" means the Persons employed by the Visteon Operating Companies who regularly and consistently provide services to the Business, including Persons who spent a majority of their time providing services to the Business and part time providing services to other businesses of such Visteon Operating Companies.

"Buyer" shall have the meaning set forth in the Preamble.

"Buyer Affiliates" shall have the meaning set forth in Section 6.1.

"Buyer Fundamental Representations" shall have the meaning set forth in Section 14.2(d).

"Buyer Material Adverse Change" means any change, effect, circumstance or event that has been, is or is reasonably likely to be materially adverse to the business, assets, liabilities, operations, results of operations, or financial condition of Buyer and Buyer's Affiliates, taken as a whole. However, "Buyer Material Adverse Change" does not include:

(a) any change affecting economic or financial conditions generally (global, national, or regional, as applicable);

(b) any change caused by the announcement of the Transaction;

(c) any changes in national or international political conditions or instability; or

(d) any change of Laws;

except, in the case of clauses (a), (c) and (d), to the extent such change, effect, circumstance or event has a disproportionate adverse effect on Buyer and Buyer's Affiliates as compared to other Persons engaged in the same business.

"Buyer's Indemnified Persons" has the meaning set forth in Section 15.1.

"Carplastic" shall have the meaning set forth in Recital B.

"Carplastic Personnel" has the meaning set forth in Section 11.1(b).

"CAS" means the Chinese accounting standards.

"Change" means, for purposes of Article 15 (a) voluntary closure (or involuntary closure that does not arise out of Environmental Laws) of all or a portion of the Real Property or the Business; or (b) change in use of the Real Property from its current industrial use to any other use; provided, however, for the avoidance of doubt, that use of the Real Property for the lighting business, including any expansion of such business, shall not constitute a "Change."

"Closing" means the closing of the transactions contemplated by this Agreement.

"Closing Date" has the meaning set forth in Section 12.1.

"Closing Date Inventory" means, as of as of 11:59 p.m., Detroit time, on the Closing Date, the amount of Inventory as of such time, determined in accordance with GAAP, consistently applied.

"COBRA Continuation Coverage" shall mean the continuation coverage requirements under Section 4980B of the Code and Part 6 of Title I of ERISA or any similar provision under other applicable Law.

"Competitive Business" has the meaning set forth in Section 7.4(a).

"Conclusive Inventory Adjustment Statement" has the meaning set forth in Section 4.5(d).

"Conclusive Inventory Statement" has the meaning set forth in Section 4.5(d).

"Confidentiality Agreement" has the meaning set forth in Section 18.2.

"Contracts" has the meaning set forth in Section 2.1(d).

"Criminal Liability Act" has the meaning set forth in Section 5.18(e).

"Czech Transfer Agreement" has the meaning set forth in Section 4.3(b).

"Debt Commitment Letters" shall have the meaning set forth in Section 6.6(a).

"Debt Financing" shall have the meaning set forth in Section 6.6(a).

"Deposit Amounts" shall have the meaning set forth in Section 4.2(a).

"Dispute Notice" has the meaning set forth in Section 4.5(b).

"Disputed Items" has the meaning set forth in Section 4.5(b).

"Employee Benefit Plan" shall mean each "employee benefit plan," as defined in Section 3(3) of ERISA (including any "multiemployer plan" as defined in Section 3(37) of ERISA) and each profit-sharing, bonus, stock option, stock purchase, restricted stock units/shares, stock ownership, pension, retirement, severance, deferred compensation, excess benefit, supplemental unemployment, post-retirement medical or life insurance, welfare, incentive, sick leave or other leave of absence, short- or long-term disability, salary continuation, medical, hospitalization, life insurance, other insurance plan, or other employee benefit plan, program or arrangement, whether written or unwritten, qualified or non-qualified, funded or unfunded, foreign or domestic, maintained, sponsored or contributed to by the Visteon Sale Entities or their Affiliates.

"Environmental Claim" means any claim, complaint, notice, information request, order or decree in each case received or issued in writing alleging any liability under or violation of Environmental Law.

"Enforcement Costs" has the meaning set forth in Section 18.3.

"Environmental Laws" means all applicable Laws including, but not limited to, common law, rules, ordinances, orders, directives, permits, approvals, decisions or decrees, and regulations relating to pollution or protection of human health or the environment, including but not limited to, Laws relating to Releases or threatened Releases of Hazardous Materials or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, disposal, presence, transport or handling of Hazardous Materials as such Laws exist at the Closing Date.

"Environmental Liabilities" has the meaning set forth in Section 15.1.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" means any Person that at any relevant time is or was considered a single employer with Seller, the Asset Subsidiaries, the Stock Selling Subsidiaries or the Stock Group under Section 414 of the Code or under ERISA Section 4001(b), or part of the same "controlled group" as Seller, the Asset Subsidiaries, the Stock Selling Subsidiaries or the Stock Group for purposes of ERISA Section 302(d)(3).

"Escrow Account" shall have the meaning set forth in Section 4.2(a).

"Escrow Agent" shall have the meaning set forth in Section 4.2(a).

"Escrow Deposit" shall have the meaning set forth in Section 4.2(a).

"Excess Autopal Environmental Losses" has the meaning set forth in Section 16.9(a).

"Excluded Assets" has the meaning set forth in Section 2.2.

"Excluded Employee Liabilities" shall mean (i) any payments, compensation, benefits or entitlements that the Seller or any of its Affiliates owes or is obligated to provide, whether currently, prospectively or contingent basis, whether pre-Closing, as of Closing, or post-Closing, with respect to any Business Employee, including wages, other remuneration, holiday or vacation pay, bonus, severance pay (statutory or otherwise), commissions, post-employment medical or life obligations, pension contributions, insurance premiums, and Taxes, (ii) any Liabilities, payments, obligations, costs, expenses or disbursements related to current or former Business Employees or any other employees, directors or consultants, including under, or with respect to, ERISA, WARN, COBRA Continuation Coverage, right or actions under any labor or similar Laws that is incurred, accrued or arising prior to, or in connection with, the Closing, (iii) any Employee Benefit Plan (other than an Assumed Employee Benefit Plan) and any liabilities, payments, obligations, costs, expenses or disbursements of the Seller or any of its Affiliates which arises under or relates to any Employee Benefit Plan (other than an Assumed Employee Benefit Plan) or any other employee benefit plan or arrangement, including liability with respect to, or arising under (a) any such plan that is subject to Title IV of ERISA, Sections 302 or 303 of ERISA, Sections 412, 430 and 4971 of the Code, (b) COBRA Continuation Coverage or (c) any other statute or regulation that imposes liability on a so-called "controlled group" basis with or without reference to any provision of Section 414 of the Code or Section 4001 of ERISA, including by reason of the Seller's affiliation with any of its ERISA Affiliates or Buyer being deemed a successor to any ERISA Affiliate of the Seller; and (iv) any Liabilities, payments, obligations, costs, expenses or disbursements incurred in connection with the termination of employment or other service relationship of any Business Employee or other employee, director or consultant of the Seller, the Stock Selling Subsidiaries, the Stock Group, the Asset Subsidiaries or any of their its Affiliates or ERISA Affiliates, regardless of whether or not such Business Employee becomes a Transferred Employee, arising under any Employee Benefit Plan or other severance policy or agreement or under any applicable Law or otherwise (other than any severance as may be offered by Buyer or its Affiliates to any Transferred Employee or any severance obligations arising under applicable Law as a result of a termination by Buyer or its Affiliates of any Transferred Employee after the Closing).

"Existing Autopal Companies" means, collectively, Visteon – Autopal, s.r.o. and Visteon – Autopal Services, s.r.o.

"FCPA" means the Foreign Corrupt Practices as of 1977, as amended.

"Financial Information" means the financial information relating to the Business attached to Section 5.5 of the Disclosure Schedule.

"Financings" has the meaning set forth in Section 9.11(b).

"GAAP" means United States applicable generally accepted accounting principles.

"Governing Documents" means the legal document(s) by which any Person (other than an individual) establishes its legal existence or which govern its internal affairs. For illustrative purposes only, the "Governing Documents" of a corporation

are its certificate of incorporation or articles of incorporation and bylaws, the "Governing Documents" of a limited partnership are its limited partnership agreement and certificate of limited partnership and the "Governing Documents" of a limited liability company are its operating agreement and certificate of formation.

"Hazardous Materials" includes:

(a) any element, compound or chemical that is defined, listed or otherwise classified as a contaminant, pollutant, toxic pollutant, toxic or hazardous substance, extremely hazardous substance or chemical, hazardous waste, medical waste, special waste, or solid waste under Environmental Laws;

(b) petroleum, petroleum-based or petroleum-derived products; and

(c) polychlorinated biphenyls.

"IFRS" means the international financial reporting standards.

"IMMEX Program" means an authorization issued by the Mexican Department of Economy (*Secretaría de Economía*) for a business entity to temporarily import goods and equipment under a foreign commerce program, for further export.

"**IMMEX Transfer**" shall have the meaning set forth in Section 2.3.

"IMSS" shall have the meaning set forth in Section 11.1(b).

"Income Tax Act" has the meaning set forth in Section 5.11(l).

"Indebtedness" shall mean (without duplication), as to any Person, (a) all obligations for the payment of principal, interest, penalties, fees or other Liabilities for borrowed money (including guarantees and notes payable) and collection costs thereof, incurred or assumed, (b) all obligations with respects to deposits, holdbacks or advances, (c) any Liability relating to any capitalized lease obligation, (d) any obligations to reimburse the issuer of any letter of credit, surety bond, debentures, promissory notes, performance bond or other guarantee of contractual performance, in each case to the extent drawn or otherwise not contingent, (e) all obligations under conditional sale or other title retention agreements relating to the property or assets included in the Transferred Assets, (f) all indebtedness of Third Parties secured by an Lien on property included in the Transferred Assets, (g) any obligation that, in accordance with GAAP, would be required to be reflected as debt on a balance sheet of Seller or any of its Subsidiaries, (h) all obligations for the deferred purchase price of assets, property or services included in the Transferred Assets, (i) any pre-Closing Tax Liabilities, and (j) all Indebtedness of others referred to in clauses (a) through (i) above guaranteed directly or indirectly in any manner by such Person, or in effect guaranteed directly or indirectly by such Person through an agreement to pay or purchase such Indebtedness, to advance or supply funds for the payment or purchase of such Indebtedness or otherwise to assure a creditor against loss, in each case including all accrued interest and prepayment penalties, if any.

"Indemnity Agreements" shall mean collectively, (i) the Purchase Agreement dated June 25, 1993 between the National Property Fund ("**NPF**") and Ford Motor Company, a Delaware corporation, and (ii) the Remediation Implementation Agreement dated November 24, 2009 among the Czech Republic – Ministry of Finance (as successor to the NPF), Visteon International Holdings, Inc., a Delaware corporation, Visteon – Autopal, s.r.o. and Visteon – Autopal Services s.r.o.

"India Contract Manufacturing Agreement" means an agreement in the form set forth on Exhibit L providing for Buyer to provide certain manufacturing services to Visteon Automotive (India) Private Ltd.

"INFONAVIT" shall have the meaning set forth in Section 11.1(b).

"Initial Deposit" shall have the meaning set forth in Section 4.2(a).

"Insurance Policies" has the meaning set forth in Section 5.22.

"Intellectual Property" has the meaning set forth in Section 2.1(f).

"Interest Amount" means interest on the Inventory Deficiency Amount or the Inventory Excess Amount, as applicable, accruing from the Closing Date to the date of payment of such Inventory Deficiency Amount or Inventory Excess Amount, as applicable, at a rate equal to the U.S. dollar prime rate per annum as quoted by Bloomberg on the Closing Date. Such Interest Amount shall be calculated based on a year of 365 days and the number of days elapsed since the Closing Date.

"Inventory" has the meaning set forth in Section 2.1(c).

"Inventory Adjustment Statement" has the meaning set forth in Section 4.5(a).

"Inventory Deficiency Amount" has the meaning set forth in Section 4.5(a).

"Inventory Excess Amount" has the meaning set forth in Section 4.5(a).

"Inventory Statement" has the meaning set forth in Section 4.5(a).

"Knowledge" means the actual knowledge of Jeff Stevenson, Brad Tolley, Clifford Peterson, Brent Ericson, Michael Sharnas, James Sistek and Scott Womack, in each case after reasonable inquiry.

"Law" means any provision of law, regulation, rule or other legal requirement of any agency, division, subdivision, audit group, procuring office or governmental or regulatory authority in any event or any adjudicatory body thereof, of the United States, any state thereof or any foreign government.

"Leased Real Property" has the meaning set forth in Section 5.6(b).

"Legacy Autopal Matters" has the meaning set forth in Section 5.12.

"Liability" shall mean any indebtedness, liability, claim, loss, damage, deficiency, obligation or responsibility, fixed or unfixed, choate or inchoate, liquidated or unliquidated, secured or unsecured, absolute, contingent or otherwise, whether or not accrued, whether known or unknown, disputed or undisputed, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

"Lien" means any lien (statutory or other), mortgage, hypothecation, charge, pledge, security interest, restriction (including any restriction on use), reservation or condition on transferability, lease, title retention agreement, conditional sale agreement, equitable interest, license, option, encumbrance, right of way, easement, encroachment, servitude, defect of title or other claim, encroachment or other encumbrance of any nature, right of first option, right of first refusal, restriction on voting (in the case of any security or equity interest), transfer, receipt of income or exercise of any other attribute of ownership or any other claim or charge similar in purpose or effect to any of the foregoing.

"Litigation Condition" has the meaning set forth in Section 16.5(a).

"Loss" means any loss, Liability, expense (including, but not limited to, reasonable fees and expenses of outside counsel), diminution in value, deficiencies, interest, penalty, imposition, assessment, fine, cost or damage, but shall not include lost profits or remote or speculative damages.

"Lowest-Cost Commercially Reasonable Resolution", which shall mean, with respect to investigation, remediation, removal, corrective action, containment, monitoring and/or other Resolution, the lowest cost methods permitted by applicable Environmental Laws determined from the view of a reasonable business person acting without regard to the availability of indemnification to achieve compliance with Environmental Laws (taking all relevant circumstances into consideration, including, but not limited to, the lowest-cost method that would minimize exposure to additional Losses or Environmental Claims that would be subject to indemnification). Lowest-Cost Commercially Reasonable Resolution shall include, where appropriate, the use of

risk-based remedies, institutional or engineering controls, or deed restrictions, provided those measures do not: (A) interfere with the operations of the Business as conducted; or (B) materially restrict the ability to use the Real Property for industrial purposes, including expansion.

"M&A Qualified Beneficiary" shall mean, in connection with the transactions contemplated hereby, any Person who is, or becomes an "M&A qualified beneficiary" within the meaning of Treasury Regulation Section 54.4980B-9.

"Maquila Assets" means the assets imported into Mexico by Carplastic on a temporary basis as set forth on Section 2.1(b) of the Disclosure Schedule.

"Maquila Assets Bill of Sale" means a bill of sale, in the form set forth on Exhibit E, under which Carplastic transfers the Maquila Assets to Buyer in accordance with the applicable Mexican customs Laws.

"Material Adverse Change" means any change, effect, circumstance or event that (i) has been, is or is reasonably likely to be, materially adverse to the business, assets, liabilities, operations, results of operations, or financial condition of the Business, taken as a whole, or (ii) materially adversely affects the ability of Seller, the Asset Subsidiaries or the Stock Selling Subsidiaries to perform their respective obligations under this Agreement or consummate the transactions contemplated by this Agreement. However, "Material Adverse Change" does not include:

(a) any change affecting economic or financial conditions generally (global, national, or regional, as applicable);

(b) any change affecting the automotive industries of which the Business is a part generally;

(c) any change caused by the announcement of the transaction;

(d) any changes in national or international political conditions or instability; or

(e) any change of Laws;

except, in the case of clauses (a), (b), (d) and (e), to the extent such change, effect, circumstance or event has a disproportionate adverse effect on the Business as compared to other Persons in the same industry as the Business.

"Material Contracts" has the meaning set forth in Section 5.9(a).

"Maximum Amount" has the meaning set forth in Section 16.9(a).

"Mexican Assets" means the assets owned by Carplastic that have been purchased in Mexico or permanently imported into Mexico and as set forth on Section 2.1(b) of the Disclosure Schedule.

"Mexican Real Property" means the Real Property owned by Carplastic which will be conveyed to a Subsidiary of Buyer.

"Mexico Real Property Deed" means the Mexican deed of property for the Real Property owned by Carplastic, in the form set forth on Exhibit F, conveying title to such Real Property to a Subsidiary of Buyer.

"MFLL" has the meaning set forth in Section 11.1(b).

"Neutral Arbitrator" has the meaning set forth in Section 4.5(c).

"Noncompetition Party" means Seller and, as of any time, any entity that is a direct or indirect Subsidiary of Seller.

"Non-Transferable Assets" has the meaning set forth in Section 2.5(a).

"Other Filings" has the meaning set forth in Section 9.1(c)(ii).

"Owned Real Property" has the meaning set forth in Section 5.6(a).

"Party" means Buyer or Seller, referred to individually, and **"Parties"** means Buyer and Seller referred to collectively.

"Pension Plan" has the meaning set forth in Section 3(2) of ERISA.

"Permits" has the meaning set forth in Section 2.1(h).

"Permitted Exceptions" means the Real Property Permitted Exceptions and the Personal Property Permitted Exceptions.

"Person" means an individual, corporation, limited liability company, partnership, association, estate, trust, unincorporated organization, governmental or quasi-governmental authority or body or other entity or organization.

"Personal Property" has the meaning set forth in Section 2.1(b).

"Personal Property Permitted Exceptions" means the following:

(a) Liens for taxes not yet due and payable or that are being contested in good faith;

(b) Liens reflected in the Financial Information; and

(c) Liens or imperfections of title that do not reduce the value or interfere with the present use of the Transferred Assets.

"Pre-Closing Period" shall have the meaning set forth in Section 9.5(c)(i).

"Proceeding" means an investigation, claim, action, suit, dispute or proceeding by or before any court, arbitrator or governmental authority.

"Proprietary Rights" has the meaning set forth in Section 2.1(f).

"Proprietary Software" shall have the meaning set forth in Section 5.10(j).

"PRTLA" means the Proprietary Rights Transfer and License Agreement in the form of Exhibit J hereto.

"Purchase and Supply Agreement" means the Purchase and Sale Agreement in the form of Exhibit K hereto.

"**Purchase Price"** has the meaning set forth in Section 4.1.

"Real Property" has the meaning set forth in Section 5.6(b).

"Real Property Permitted Exceptions" means the following:

(a) Liens for taxes or assessments, whether general or special, that are not yet due and payable or for which adequate reserves have been established, as reflected in the Financial Information and that are being contested in good faith;

(b) easements for electricity, water, gas and telephone lines, which are not violated by the current use or occupancy of the Real Property to which they apply;

(c) any Laws, regulations or ordinances (including, but not limited to, those related to or affecting zoning, building and environmental matters) adopted or imposed by any governmental authority, which are not violated by the current use or occupancy of the Real Property to which they apply or the operation of the business of the Visteon Operating Companies;

(d) mechanic's, materialmen's, worker's or other similar Liens imposed by Law and arising in the ordinary course of business for amounts that are (i) not delinquent and would not, in the aggregate, have a Material Adverse Change; or (ii) being contested in good faith by appropriate proceedings and for which adequate reserves have been established;

(e) provided the following does not have, individually or in the aggregate, a materially adverse affect upon the use or operation of the Real Property as currently used and operated and provided further, that the following arise or have arisen in the ordinary course of business:

(i) any matters that would be revealed by an accurate survey of the Real Property; and

(ii) any covenant, condition, restriction, easement or matter of record; and

(f) other Liens that cost, individually or in the aggregate, less than $25,000 to remove.

"Reference Inventory Statement" has the meaning set forth in Section 4.5(a).

"Related Agreements" means the Transfer of Business Agreement, the VTYC Transfer Agreement, the Czech Transfer Agreement, the PRTLA, and the other related agreements contemplated by this Agreement that are attached to this Agreement as Exhibits.

"Release" means any release, spill, emission, discharge, leaking, pumping, injection, deposit, disposal, dispersal, leaching or migration of Hazardous Materials into the environment (including, but not limited to, ambient air, surface water, groundwater and surface or subsurface strata).

"Resolution" has the meaning set forth in Section 15.2(a).

"Resolution Period" has the meaning set forth in Section 4.5(b).

"Retained Liabilities" has the meaning set forth in Section 3.2.

"SAR" shall have the meaning set forth in Section 11.1(b).

"Seller" shall have the meaning set forth in the Preamble.

"Seller Fundamental Representations" shall have the meaning set forth in Section 14.2(d).

"Seller's Indemnified Persons" has the meaning set forth in Section 16.2.

"Software" shall have the meaning set forth in Section 5.10(j).

"Stock" shall have the meaning set forth in Section 2.1.

"Stock Group" has the meaning set forth in Recital D.

"Stock Selling Subsidiaries" has the meaning set forth in the Preamble.

"Straddle Period" has the meaning set forth in Section 9.4(c).

"Subsidiary" means any Person, the capital stock or other equity interests of which represent more than 50% of the general voting power under ordinary circumstances of such Person, which is directly or indirectly owned or controlled by another Person.

"Target" has the meaning set forth in Section 7.4(a)(v)(A).

"Target Inventory" means $35,500,000.

"Tax" or **"Taxes"** means any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Tax Code § 59A), customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

"Tax Audit" has the meaning set forth in Section 9.8(a).

"Taxing Authority" has the meaning set forth in Section 9.7(a)(ii).

"Tax Code" means the Internal Revenue Code of 1986, as amended.

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Tenant Leases" has the meaning set forth in Section 5.6(b).

"Termination Date" has the meaning set forth in Section 18.1(a)(iv).

"Third Party" means any Person not a signatory to this Agreement.

"Third Party Claim" has the meaning set forth in Section 16.5(a).

"Title Policies" has the meaning set forth in Section 5.6(a).

"Transaction" has the meaning set forth in Recital G.

"Transfer of Business Agreement" has the meaning set forth in Recital H.

"Transferred Assets" has the meaning set forth in Section 2.1.

"Transferred Employees" has the meaning set forth in Section 11.1(a).

"Transition Services Agreement" means an agreement in the form set forth on Exhibit H under which Seller and the Asset Subsidiaries provide transition services to Buyer.

"Transition Services Software" has the meaning set forth in Section 5.10(k).

"Visteon Marks" has the meaning set forth in Section 2.2(c)(i).

"Visteon Operating Company" and **"Visteon Operating Companies"** have the meaning set forth in Section 5.6(a).

"Visteon Sale Entity" and **"Visteon Sale Entities"** have the meaning set forth in Section 5.1(a).

"VHE" shall have the meaning set forth in the Preamble.

"VEHC" shall have the meaning set forth in the Preamble.

"VGTI" shall mean Visteon Global Technologies, Inc.

"VIHI" shall have the meaning set forth in the Preamble.

"VTSC" shall have the meaning set forth in Recital H.

"VTYC" shall have the meaning set forth in Recital D.

"VTYC Counterparty" shall have the meaning set forth in Section 18.4(a)(ii).

"VTYC Review Period" has the meaning set forth in Section 18.4(a).

"VTYC Stock" has the meaning set forth in Section 2.1.

"VTYC Transfer Agreement" has the meaning set forth in Section 4.3(a).

"VTYC Withdrawal Right" shall mean the right of Buyer, pursuant to the terms and subject to the conditions set forth in Section 18.4(c), to elect to (i) decline to acquire the VTYC Stock as a Transferred Asset and (ii) not assume any liabilities (except with respect to the license and service obligations under the PRTLA) related to VTYC or the VTYC Stock hereunder.

"WARN" shall mean the Worker Adjustment and Retraining Notification Act of 1988, as amended, and any similar provision under other applicable Law.

Exhibit 10.2

Visteon Engineering Services Ltd Visteon European
Corporate Office & UK
Innovation Centre
1 Springfield Lyons Approach
Chelmsford
Essex, CM2 5LB
United Kingdom

Phone: +44 1245 395069

Fax: +44 1245 395657

December 12, 2011

Robert Pallash
Visteon Asia Pacific Inc.
9th Floor, Modern Logistic Building
448 Hongcao Road
Shanghai, 200233, China

Dear Mr. Pallash:

Visteon Engineering Services Ltd (VES Ltd) is pleased to confirm your employment with VES Ltd and your aggregated service since September 17, 2001, when you started with Visteon UK Ltd.

This letter confirms and serves to document our mutual understanding of terms and conditions applicable to your employment with VES Ltd and any temporary overseas assignments as may be required by the company from time to time. It is not intended to increase your current pay or benefits or change any of your existing terms and conditions of employment.

Your current position in VES Ltd is Senior Vice President, Global Customer Group and you report to Don Stebbins, Chairman and CEO, Visteon Corporation. Your duties and responsibilities in VES Ltd include representing the company in the management of customer interaction and playing a lead role in the company's growth strategy. You also have the accountability for company-wide customer marketing, market research and marketing communications and events.

Compensation

Base Salary: you remain on the VES Ltd payroll and are paid an annual amount of GBP 267,799.92, subject to home country income tax, or hypothetical home country income tax if you take a temporary overseas assignment. Please refer to Visteon Tax Equalization and Hypothetical Tax Policy for additional information.

VES Ltd policies and practices will continue to apply to your salary administration including the merit increase process.

Bonus Plans:

Short Term Incentive: you are eligible for participation in the Annual Incentive Program in effect from time to time with a target annual incentive of 60% of base salary paid in cash.

Long Term Incentive: you are eligible for participation in the Long Term Incentive (LTI) Program with a target opportunity of 150% of base salary at target performance. Your 2011 LTI was delivered as Stock Appreciation Rights (SARs) that will vest 1/3 in 2012, 1/3 in 2013, and 1/3 in 2014.

All incentive awards are governed by the terms of the 2010 Incentive Plan and the terms and conditions of any grants under this plan. The company reserves the right to change the form, terms and opportunities of the Incentive Plan.

All bonus payments will be paid via VES Ltd payroll and will have home country, or hypothetical home country, tax withheld.

Benefits

You remain eligible for the VES Pension Plan, subject to the rules of this plan as well as company contributions to the VES Limited Savings Plan. Your pension through a combination of funded approved and un-funded unapproved plans will be based on your annual base salary. Additionally, the company will contribute the equivalent of 5 percent of annual base salary to a funded unapproved defined contribution plan. VES Pension Plan and VES Stakeholder Plan booklets will be sent to you upon your request.

The VES Pension Plan provides life insurance coverage equivalent to four (4) times your annual base salary or four (4) times the annual government earnings cap for pension calculation purposes, whichever is the lesser amount.

You remain eligible for the supplemental Pension through Generali.

You remain eligible for the company's Flexible Perks Program.

Allowances

Living Cost Allowance: when you are on a temporary overseas assignment, you will be paid approximately GBP 4312.5 per month, which is based on proportionate stay overseas, to address the differences of cost of goods and services in the host country location relative to your home country.

LCA is based on indices supplied to the company by an external data provider and you will be notified should the amount change.

Hardship Allowance: when you are on a temporary overseas assignment, you will be paid an allowance of approximately GBP 985.0 per month based on guidelines set by an external data provider's assessment of variations in living conditions between the home and the host locations. The hardship allowance is calculated based on proportionate stay overseas, capped at the appropriate salary range and you will be notified should the amount change.

Automobile Allowance: you will be paid an allowance of GBP 110.0 each month

Automobile Deduction: a GBP 235.0 will be deducted from your pay each month

The Automobile Allowance and Deductions are subject to change based on your choice of vehicle.

All above mentioned allowances and deduction are effective on the same date your temporary overseas assignment starts and will automatically terminate on the date your assignment ends.

Storage of Household Goods

VES Ltd will cover the cost of storage for reasonable and customary normal household goods not shipped for the duration of the overseas assignment in the home country. Storage coverage includes the movement of

goods into and out of the storage facility, applicable storage fees and appropriate insurance coverage.

Medical Coverage

You are eligible for participation in the CIGNA and AXA International Medical Plans and the Private Patients Plan coverage for your family members in the UK. Plan details are included in the enrollment information.

Vacation, Working Hours, and Public Holidays

You are entitled to 26 days vacation per annum. Working hours and public holidays will be observed in accordance with local custom and laws.

Repatriation to UK on Completion of Overseas Assignment

If you are taking a temporary overseas assignment, a separate temporary overseas Employment Agreement will cover all repatriation terms.

Overseas Assignment Host Country Tax Liability

Visteon host country legal entity pays all host country individual income tax liability for you as a result of your overseas assignment in the host country.

Post Overseas Assignment Tax Services

Visteon will support the first (1) full year home and host country individual income tax returns following repatriation. The returns will be prepared by Deloitte.

General Terms and Conditions of Employment

Whilst you remain in the category of employment, your terms and conditions will be as described in the Employee Handbook, in addition to any global policies and programs that may apply to you as an officer of the Visteon Corporation group, as may be in effect from time to time.

Please return one signed and dated original copy of this letter signifying your acceptance of our offer and its terms.

Very truly yours,

/s/ Kate Holland

Acceptance of this Employment Letter

I accept the employment terms and conditions contained in this letter.

Signed: /s/ R. C. Pallash Dates: 12-12-2011

Print Name: R. C. Pallash

Visteon Asia Pacific Inc. 9th Floor,
Modern Logistic Building
448 Hongcao Road
Shanghai, 200233
People's Republic of China

Phone: 86-21-6192-9900

Fax. 86-21-6145-5301

P.R. China Employment Agreement

This employment agreement (this "**Agreement**") is entered into by and between Visteon Asia Pacific Inc. (VAPI, or the "PRC Employer") and **Robert Charles Pallash** ("Employee") on **December 12, 2011.**

This Agreement is concurrent with the employment letter with mutual understanding of employment terms and conditions between **Visteon Engineering Services Ltd (VES Ltd)** ("Overseas Employer") and the Employee on **December 12, 2011** (the "Overseas Agreement").

Employee's duties and responsibilities included in this Agreement have been distinct from the duties and responsibilities included in the Overseas Agreement.

Employee's position is **Managing Director and Chairman of the Board, VAPI** with specified leadership responsibilities in **VAPI**, which is a PRC company located in Shanghai, PRC. In this capacity, Employee reports to **Don Stebbins, Chairman and Chief Executive Officer, Visteon Corporation.**

Employee's PRC employment begins on **January 1, 2011** and lasts for a term of two (**2) Years**. The terms and conditions outlined in this Agreement are only relating to, and are fixed for, the duration of Employee's PRC employment.

Employee's compensation and benefits package for PRC employment will be designed to provide a level of income and benefits in consideration of Employee's duties and responsibilities for VAPI only.

The PRC laws and policies will apply to this Agreement.

1. Duties and Responsibilities

Employee's remuneration for the following duties and responsibilities for this Agreement will be paid and borne by PRC Employer. Employee's job performance in relation to the following duties and responsibilities will be evaluated by PRC Employer on a regular basis against established performance objectives during the term of this Agreement. Employee's compensation is subject to adjustments based on the employee's China role and performance.

Duties and Responsibilities

- Executive leadership for China and Asia Pacific Marketing and Customer functions
- Management oversight for AP regional headquarters business and functional activities
- Representative of the Board of Directors of VAPI and other Visteon Chinese entities
- Identification of China and Asia Pacific strategic growth opportunities
- Development of multinational and Chinese Customer and Partner relationships
- Sponsorship for local leadership talent development and succession planning

2. Compensation

Employee’s PRC compensation is paid through PRC Employer's payroll.

2.1 Housing Allowance

PRC Employer pays for Employee's housing in the form of a housing allowance to cover up 100% of the cost of housing and fees, currently at RMB 91,000.0 per month and basic utilities of approximately RMB 3,500.0 per month.

2.2 Home Leave Allowance

PRC Employer provides a home leave allowance for airfares for the Employee and accompanying family members to their home country each year during the assignment in accordance with published travel guidelines. The Employee can also request reimbursement of up to 30 day car rental for one vehicle per leave. For 2011, the Home Leave Allowance is capped at RMB 110,000.0.

2.4 Rest and Relaxation (R&R) Allowance

PRC Employer provides a rest and relaxation allowance for the Employee and accompanying family members each year during the assignment. The R&R Leave will include five (5) business days off. For 2011, the R&R Allowance is capped at RMB 224,000.0.

2.5 VIP Membership and Fees

PRC Employer provides a VIP Airport Membership Fee of RMB 22,000.0 per year during the assignment.

3. Travel at the beginning and end of Employee's PRC employment

PRC Employer will fund the costs associated with Employee's travel at the beginning and end of his PRC employment in accordance with published travel guidelines.

4. Vacation, Working Hours, and Public Holidays

Employee’s Annual Leave eligibility will be in accordance with Overseas Employer's leave policy (currently 26 days per annum). Working hours and public holiday will be observed in accordance with local Chinese custom and laws.

5. Personal Taxation

While under this employment agreement, Employee will be tax equalized and responsible for any tax liability up to the amount of the home country tax liability calculated on the base salary and any company incentive compensation. PRC Employer is responsible for Employee's PRC IIT resulting from Employee's working in the PRC.

6. Termination of the PRC Agreement

This Agreement may be modified or terminated at any time as a result of a change in business needs. In that event, PRC Employer may amend this agreement to modify or expand Employee's responsibilities at any time in order to accommodate the need of PRC Employer.

Notwithstanding the foregoing, the termination, modification of this Agreement shall not reduce, mitigate or prejudice Employee’s rights and benefits under the Overseas Agreement with VES Ltd and applicable global

policies of Visteon Corporation.

7. Repatriation

7.1 Return Shipment of Household Goods and Personal Effects

The PRC Employer will provide a 40” container (or additional container upon request and approval) and an air shipment of up to 726 pounds, including 60 days in-transit storage.

7.2 Return Settling-In Allowance

The PRC Employer will provide a Settling-In allowance of RMB 65,000 net of tax to cover most expenses associated with the repatriation.

7.3 Return Travel Expenses

The PRC Employer will reimburse travel costs in accordance with the Company’s travel guidelines for the Employee and accompanying family members via the most direct route.

7.4 Temporary Living

The PRC Employer will cover up to 60 days in total of interim living expenses for the Employee and accompanying family, to be utilized in either the home or host locations.

7.5 Tax Services

Visteon will support the first (1) full year home and host country individual income tax returns following repatriation. The returns will be prepared by Deloitte.

This employment agreement has been drawn up in two copies which have been distributed to **Robert Charles Pallash** and **Visteon Asia Pacific Inc (VAPI)**, respectively.

Signed: /s/ R. C. Pallash Signed: /s/ Lian Li

Print Name: R. C. Pallash Print Name: Lian Li

Exhibit 10.5

FOURTH AMENDMENT TO REVOLVING LOAN CREDIT AGREEMENT

This FOURTH AMENDMENT TO REVOLVING LOAN CREDIT AGREEMENT (this "Amendment"), dated as of April 3, 2012, by and among VISTEON CORPORATION, a Delaware corporation ("Visteon"), and certain of its domestic subsidiaries signatory hereto, as borrowers (collectively, referred to herein as the "Borrowers" and each, individually, as a "Borrower"); the other Credit Parties signatory hereto; MORGAN STANLEY SENIOR FUNDING, INC. ("MSSF"), as administrative agent for the Lenders (together, with any permitted successor in such capacity, "Agent"); MSSF and Bank of America, N.A., as co-collateral agents for the Lenders (the "Co-Collateral Agents"); and the Lenders and L/C Issuers signatory hereto.

W I T N E S S E T H:

WHEREAS, the Borrowers, the other Credit Parties signatory thereto, the financial institutions party thereto as "Lenders" (the "Lenders"), Agent and the other agents party thereto are parties to that certain Revolving Loan Credit Agreement, dated as of October 1, 2010, as amended by that certain First Amendment to Revolving Loan Credit Agreement, dated as of January 27, 2011, as amended by that certain Second Amendment to Revolving Loan Credit Agreement, dated as of April 6, 2011, and as amended by that certain Third Amendment to Revolving Loan Credit Agreement, dated as of June 15, 2011 (as may be further amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the "Credit Agreement"); and

WHEREAS, the Borrowers have requested that certain terms and conditions of the Credit Agreement be amended, and the Requisite Lenders and Agent have agreed to the requested amendments on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained herein, the parties hereto hereby agree that all capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Credit Agreement, and further agree as follows:

Section 1. Amendments to the Credit Agreement.

(a) Section 5.2 of the Credit Agreement, "Collateral Reporting", is hereby amended and modified by deleting subsection (e) in its entirety and inserting the following in lieu thereof:

> "(e) Borrowers shall pay all reasonable fees incurred by Co-Collateral Agents in connection with (i) Inventory and, to the extent included in the Borrowing Base, Real Estate and Aircraft appraisals (which will be FIRREA compliant with respect to Real Estate) on an annual basis (including one full appraisal and one "desk-top" appraisal, each on an annual basis) at the discretion of Agent and Co-Collateral Agents; provided, that notwithstanding the foregoing, Co-Collateral Agents may perform physical appraisals and collateral audits at any time during any Fiscal Year at its own expense; provided, further, that upon the occurrence and during the continuance of a Default or Event of Default or if Excess Availability is less than $50,000,000, Co-Collateral Agents may perform physical appraisals and collateral audits at any time and at Borrower's reasonable expense without regard to the limits set forth above and (ii) two (2) field examinations per Fiscal Year; provided, if not more than $25,000,000 of Revolving Credit Advances have been outstanding at any time during the twelve (12) month period immediately prior to such date of determination, then field examinations shall be limited to one (1) field examination per Fiscal Year; and"

(b) Section 7.8 of the Credit Agreement, "Sale of Stock and Assets", is hereby amended and modified by (i) deleting the "and" at the end of subsection (u), (ii) deleting the "." at the end of subsection (v) and inserting "; and" in lieu thereof and (iii) inserting the following new subsection (w) at the end of such Section:

> "(w) Dispositions of designated assets listed on Schedule 7.8(w); provided that the Borrowers shall deliver to Agent prior to such Disposition a Borrowing Base Certificate giving Pro Forma Effect to such Disposition evidencing whether such Disposition results in an Overadvance; provided, if an Overadvance occurs after giving effect to such Disposition, the Borrowers shall immediately repay such Overadvance in accordance with Section 2.3(b)(i)."

(c) Section 7.12 of the Credit Agreement, "Sale-Leaseback Transactions", is hereby amended and modified by deleting subsection (b) in its entirety and inserting the following in lieu thereof:

> "(b) Sale-Leaseback Transactions for fair value (as determined at the time of the consummation thereof in good faith by the applicable Credit Party or Restricted Subsidiary) with respect to (i) the "Grace Lake" facility located at One Village Center Drive, Van Buren Township, MI 48111 or (ii) other property not to exceed $50,000,000 in the aggregate, in each case, so long as (A) eighty percent (80%) of the consideration received by such Credit Party or Restricted Subsidiary from such Sale-Leaseback Transaction is in the form of cash and (B) the Net Cash Proceeds from any such Sale-Leaseback Transaction are applied to repay the Obligations in accordance with Section 2.3(b),"

(d) the Credit Agreement is hereby amended and modified by inserting Schedule (7.8(w)), as attached hereto as Exhibit A, as a new schedule to the Credit Agreement.

Section 2. Representations and Warranties. Each Credit Party represents and warrants as follows:

(a) The execution, delivery and performance by each Credit Party of this Amendment are within such Person's powers, have been duly authorized by all necessary corporate, limited liability company or limited partnership action, and do not (i) require any consent or approval of any of the holders of the Stock of any Credit Party except for such consents and approvals which have been obtained and remain in full force and effect; (ii) contravene the charter, bylaws or partnership or operating agreement, as applicable, of any Credit Party; (iii) violate any material applicable law or regulation or any order or decree of any court or Governmental Authority; (iv) conflict with or result in the breach or termination of, constitute a default under or accelerate or permit the acceleration of any performance required by, any material indenture, mortgage, deed of trust, material lease, loan agreement or other instrument to which such Person is a party or by which such Person or any of its property is bound; or (v) result in the creation or imposition of any Lien upon any of the property of such Person other than those in favor of Agent, on behalf of itself and Lenders, pursuant to the Loan Documents;

(b) No authorization or approval of any Governmental Authority or other Person is required for the due execution, delivery or performance by any Credit Party of this Amendment and each other Loan Document contemplated hereby to which it is or is to be a party, except authorizations or approvals that have been obtained and notices or filings that have been made;

(c) This Amendment and each other document required hereunder to be delivered by any Credit Party has been duly executed and delivered by each such Person party thereto, and constitutes the legal, valid and binding obligation of each such Person, enforceable against such Person in accordance with the respective terms of such document, except, in each case, as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity (regardless of whether enforcement is being sought in equity or at law);

(d) The representations and warranties contained in Section 4 of the Credit Agreement and in each of the other Loan Documents are true and correct in all material respects (with respect to any representation or warranty that is not otherwise qualified as to materiality) on and as of the date hereof as though made on and as of such date; provided, however, representations and warranties which by their terms are applicable only to a specific date shall be deemed made only at and as of such date; and

(e) Immediately after giving effect hereto, no event has occurred and is continuing which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

Section 3. Conditions Precedent to Effectiveness of this Amendment. This Amendment shall be effective as of the date first set forth above (the "Fourth Amendment Effective Date") when Agent shall have received, in form and substance satisfactory to it, each of the following:

(a) this Amendment, duly executed by the Borrowers, the other Credit Parties identified on the signature pages hereto, Agent, the Co-Collateral Agents and the Requisite Lenders;

(b) reimbursement and payment of all of Agent's costs and expenses incurred in connection with this Amendment in accordance with Section 12.3 of the Credit Agreement to the extent invoiced as of such date; and

(c) the delivery of such other documents, instruments, and information as Agent may reasonably request.

Section 4. Reference to and Effect on the Credit Agreement. Upon the effectiveness of this Amendment as set forth in Section 3 hereof, on and after the date hereof, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import shall mean and be a reference to the Credit Agreement, and each reference in the other Loan Documents to the Credit Agreement shall mean and be a reference to the Credit Agreement.

Section 5. Costs, Expenses and Taxes. Subject to Section 12.3 of the Credit Agreement, the Borrowers agree, jointly and severally, to pay on demand all reasonable, out-of-pocket costs and expenses of Agent in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered hereunder (including, without limitation, the reasonable fees and expenses of counsel for Agent with respect thereto).

Section 6. No Other Amendments. Except as otherwise expressed herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agent, Co-Collateral Agent or the Lenders under the Credit Agreement, or any of the other Loan Documents, nor constitute a waiver of any provision of the Credit Agreement or any of the other Loan Documents. Except for the amendments set forth herein, the text of all other Loan Documents shall remain unchanged and in full force and effect and the Credit Parties hereby ratify and confirm their respective obligations thereunder. This Amendment shall not constitute a modification of the Credit Agreement or a course of dealing with Agent at variance with the Credit Agreement such as to require further notice by Agent to require strict compliance with the terms of the Credit Agreement and the other Loan Documents in the future, except as expressly set forth herein. The Credit Parties acknowledge and expressly agree that the Agent, Co-Collateral Agent and the Lenders reserve the right to, and do in fact, require strict compliance with all terms and provisions of the Credit Agreement and the other Loan Documents (in each case as amended hereby).

Section 7. Execution in Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of a signature page hereto by facsimile transmission or other electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

Section 8. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 9. Final Agreement. This Amendment represents the final agreement between the Borrowers, the other Credit Parties, Agent, Co-Collateral Agents and the Lenders as to the subject matter hereof and may not be contradicted by evidence of prior or contemporaneous oral agreements of the parties. The Amendment shall constitute a Loan Document for all purposes.

Section 10. Severability. Wherever possible, each provision of this Amendment shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Amendment.

[remainder of the page is intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

CREDIT PARTIES:

VISTEON CORPORATION

By: /s/ Robert R. Krakowiak
Name: Robert R. Krakowiak
Title: Vice-President & Treasurer

VC AVIATION SERVICES, LLC

By: /s/ Robert R. Krakowiak
Name: Robert R. Krakowiak
Title: Treasurer

VISTEON ELECTRONICS CORPORATION

By: /s/ Robert R. Krakowiak
Name: Robert R. Krakowiak
Title: Treasurer

VISTEON GLOBAL TECHNOLOGIES, INC.

By: /s/ Robert R. Krakowiak
Name: Robert R. Krakowiak
Title: Treasurer

VISTEON GLOBAL TREASURY, INC.

By: /s/ Robert R. Krakowiak
Name: Robert R. Krakowiak
Title: Vice-President

VISTEON SYSTEMS, LLC

By: /s/ Robert R. Krakowiak
Name: Robert R. Krakowiak
Title: Treasurer

VISTEON INTERNATIONAL BUSINESS DEVELOPMENT, INC.

By: /s/ Robert R. Krakowiak
Name: Robert R. Krakowiak
Title: Treasurer

VISTEON INTERNATIONAL HOLDINGS, INC.

By: /s/ Robert R. Krakowiak
Name: Robert R. Krakowiak
Title: Treasurer

VISTEON EUROPEAN HOLDINGS, INC.

By: /s/ Robert R. Krakowiak
Name: Robert R. Krakowiak
Title: Treasurer

AGENTS AND LENDERS:

MORGAN STANLEY SENIOR FUNDING, INC., as Agent and Co-Collateral Agent

By: /s/ Stephen B. King
Name: Stephen B. King
Title: Vice President

MORGAN STANLEY BANK, N.A., as a Lender and L/C Issuer

By: /s/ Chris Whelan
Name: Chris Whelan
Title: Authorized Signatory

BANK OF AMERICA, N.A., as Co-Collateral Agent and a Lender

By: _/s/ John D. Whetstone_____
Name: John D. Whetstone
Title: Vice President

BARCLAYS Bank PLC, as a Lender

By: /s/ Gregory Fishbein
Name: Gregory Fishbein
Title: Assistant Vice President

THE BANK OF NOVA SCOTIA, as a Lender

By: ___/s/ Kim Snyder_____
Name: Kim Snyder
Title: Director

RB International Finance (USA) LLC
F/K/A RZB FINANCE LLC, as a Lender

By: /s/ Peter Armieri
Name: Peter Armieri
Title: Vice President

By: /s/ Astrid Noebauer
Name: Astrid Noebauer
Title: Group Vice President

SUMITOMO MITSUI BANKING CORPORATION, as a Lender

By: /s/ Shuji Yabe
Name: Shuji Yabe
Title: Managing Director

COMERICA BANK, as a Lender

By: /s/ Thomas VanderMeulen
Name: Thomas VanderMeulen
Title: Vice President

CITIBANK, N.A., as a Lender

By: /s/ Brendan Mackay
Name: Brendan Mackay
Title:

EXHIBIT A

Schedule (7.8(w))

Disposition of stock and assets related to the lighting product group, which are located primarily in the United States, China, Czech Republic, India, and Mexico.

EXHIBIT 31.1

CERTIFICATION PURSUANT TO EXCHANGE ACT RULE 13a-14(a)

I, Donald J. Stebbins, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Visteon Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2012

/s/ Donald J. Stebbins
Donald J. Stebbins
Chairman and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION PURSUANT TO EXCHANGE ACT RULE 13a-14(a)

I, Martin E. Welch III, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Visteon Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f))for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2012

/s/ Martin E. Welch III
Martin E. Welch III
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SS.1350
AND EXCHANGE ACT RULE 13a-14(b)

Solely for the purposes of complying with 18 U.S.C. ss.1350 and Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), I, the undersigned Chairman and Chief Executive Officer of Visteon Corporation (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2012 (the "Report") fully complies with the requirements of Section 13(a) of the Exchange Act and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/Donald J. Stebbins
Donald J. Stebbins

May 2, 2012

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SS.1350
AND EXCHANGE ACT RULE 13a-14(b)

Solely for the purposes of complying with 18 U.S.C. ss.1350 and Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), I, the undersigned Executive Vice President and Chief Financial Officer of Visteon Corporation (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2012 (the "Report") fully complies with the requirements of Section 13(a) of the Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/Martin E. Welch III
Martin E. Welch III

May 2, 2012