

MEMORANDUM OF AGREEMENT

WHEREAS Visteon Systems, LLC and its corporate predecessors (collectively, "Visteon") and the IUE-CWA, Industrial Division of the Communication Workers of America, AFL-CIO and several of its affiliated local unions (collectively, "IUE-CWA") have been parties to collective bargaining agreements, and

WHEREAS, Visteon has provided post-retirement health and other benefits to IUE-CWA represented employees and former employees, and their spouses, surviving spouses, domestic partners, dependents, and beneficiaries, pursuant to collective bargaining agreements with the IUE-CWA and/or Visteon's health and welfare plans (the "Post-retirement Benefits"), and

WHEREAS on May 28, 2009, Visteon, Visteon Corporation, and several affiliated corporations and entities (collectively, the "Visteon Debtors") commenced a Chapter 11 Bankruptcy Petition in the Bankruptcy Court for the District of Delaware in Case No. 09-11786 (CSS) (the "Chapter 11 Proceeding"), and

WHEREAS during the course of the Chapter 11 Proceeding, Visteon and certain other Visteon Debtors sought and obtained authority from the Bankruptcy Court to terminate the Post-retirement Benefits, and

WHEREAS the United States District Court for the District of Delaware affirmed the Bankruptcy Court's decision and order authorizing Visteon to terminate the Post-retirement Benefits, and

WHEREAS Visteon terminated the Post-retirement Benefits effective April 1, 2010 (the "Terminated Post-retirement Benefits"), and

WHEREAS as the result of an appeal of the decisions of the Bankruptcy Court and District Court regarding the Terminated Post-retirement Benefits, on July 13, 2010 in Case No. 10-1944, the Third Circuit Court of Appeals reversed the decisions of the District Court and the Bankruptcy Court, and ordered that the Terminated Post-retirement Benefits be reinstated by Visteon, and

WHEREAS Visteon has announced both its intention to reinstate the Terminated Post-retirement Benefits during the Chapter 11 Proceeding in compliance with the Order of the Third Circuit and its intention to terminate the Post-retirement Benefits upon Visteon's emergence from the Chapter 11 Proceeding, and

WHEREAS the IUE-CWA has advised Visteon that it will file an action to restrain and prevent Visteon from again terminating the Post-retirement Benefits if and when Visteon attempts to terminate those benefits, and

WHEREAS both Visteon and IUE-CWA desire to negotiate a mutually satisfactory solution to the dispute over the continuation or termination of the Post-retirement Benefits, and

WHEREAS in the Chapter 11 Proceeding, IUE-CWA has accepted the role of authorized representative of the Visteon retirees the IUE-CWA had previously represented for purposes of collective bargaining, and

WHEREAS Visteon has proposed under Section 1114(f) of the Bankruptcy Code that the IUE-CWA agree that Visteon has a right to again terminate the Post-retirement Benefits, and

WHEREAS Visteon has asserted that it will interfere with its ability to successfully reorganize under Chapter 11 if its obligation to provide Post-retirement Benefits is not resolved and Visteon is forced to engage in protracted and difficult litigation concerning Post-retirement Benefits upon emergence from the Chapter 11 Proceeding, and

WHEREAS Visteon and the IUE-CWA have negotiated in good faith regarding necessary modifications to the Post-retirement Benefits that are necessary to permit the successful reorganization of Visteon, and

WHEREAS Visteon has provided the IUE-CWA with such relevant information as is necessary to evaluate Visteon's proposal, and

WHEREAS Visteon and the IUE-CWA have conferred in good faith in attempting to reach a mutually satisfactory modification of the Post-retirement Benefits, and

WHEREAS Visteon and the IUE-CWA have reached the agreement set forth below in full settlement of any and all claims by the IUE-CWA, its affiliated local unions, its members, and all those whom the IUE-CWA has represented for purposes of collective bargaining and is now representing pursuant to 11 U.S.C. § 1114(c)(1), and

WHEREAS this agreement is subject to approval of the Bankruptcy Court in the Chapter 11 Proceeding,

IT IS AGREED:

1. Visteon will pay, as described in paragraph 2 below, the sum of Eleven and One Half Million Dollars and zero cents (\$11,500,000.00) (the "Settlement Sum") to be distributed substantially as provided herein in full satisfaction of any and all claims, however denominated, by the IUE-CWA and its affiliated local unions, members, and those whom the IUE-CWA has represented for purposes of collective bargaining and is now representing pursuant to 11 U.S.C. § 1114 (c)(1), for or relating to Post-retirement Benefits. It is the anticipation of the parties that individuals who were employees at the Visteon facilities in Connersville and Bedford, Indiana and who were eligible for Post-retirement Benefits (the "Post-retirement Benefit Eligibles") will receive payments in the following amounts as a result of the payment of the full Settlement Sum (the "Individual Settlement Amounts"):

Post-retirement Benefit Eligibles age 65 or over as of April 1, 2010 — \$2,000.00.

Post-retirement Benefit Eligibles under age 65 as of April 1, 2010 — \$8,000.00 plus \$500.00 for each full year of age under age 65, up to a maximum total payment of \$13,000.00.

The actual Individual Settlement Amounts for each Post-retirement Benefit Eligible may vary depending on the ultimate composition of the two groups of Post-retirement Benefit Eligibles and the re-distribution of any forfeited Individual Settlement Amounts as described in paragraph 5 below. Regardless of the actual Individual Settlement Amounts for each Post-retirement Benefit Eligible, in no event shall Visteon be obligated to make any payment for or relating to Post-retirement Benefits in an amount greater than \$11,500,000.00.

2. Visteon will pay the Settlement Sum to an escrow account to be established by the firm of Kennedy, Jennik & Murray, P.C. ("KJM") at the Amalgamated Bank in New York City, New York, in two equal installments of Five Million Seven Hundred Fifty Thousand Dollars and zero cents (\$5,750,000.00) payable by wire transfer on October 1, 2010 and on January 3, 2011.

3. Visteon will cooperate as necessary to ensure that the IUE-CWA is provided with the names and most current addresses of those individuals who were employees at the Visteon facilities in Connersville and Bedford, Indiana and were eligible for Post-retirement Benefits.

4. As promptly as possible after the IUE-CWA is reasonably satisfied that it has an accurate listing of the Post-retirement Benefit Eligibles, the IUE-CWA shall instruct KJM to pay the Post-retirement Benefit Eligibles the portion of the Individual Settlement Amounts available after Visteon pays each of the payment installments referred to in paragraph 2 above.

5. If a Post-retirement Benefit Eligible person does not negotiate either of the payments to him or her under paragraph 1 above within 180 days of the distribution of such payments, KJM shall be authorized to cancel that proposed payment and such forfeitures together with any assets remaining in the escrow account shall be redistributed by KJM to the participating Post-retirement Benefit Eligibles on or about October 1, 2011.

6. Visteon shall reopen an opportunity for Post-retirement Benefit Eligibles to enroll in a COBRA plan offered by Visteon (the "COBRA Option"). Coverage under the COBRA Option shall be at the sole expense of Post-retirement Benefit Eligibles and will have an effective date of coverage retroactive to as early as April 1, 2010. Visteon agrees that this settlement does not diminish in any way the entitlement of Post-retirement Benefit Eligibles and their beneficiaries to lifetime COBRA benefits.

7. Visteon agrees that if it enters into a settlement agreement with any other party or party-in-interest in the Chapter 11 Proceeding concerning post-retirement benefits that results in a higher average cash payment to Visteon retirees than this agreement, the IUE-CWA Post-retirement Benefit Eligibles will be entitled to receive the same average cash payment. Visteon agrees that the terms of this Memorandum of Agreement apply notwithstanding any inconsistent language in Visteon's Plan of Reorganization, as amended.

8. In addition to the Settlement Sum, Visteon shall pay the IUE-CWA the sum of Five Hundred Thousand Dollars and zero cents (\$500,000.00) in complete and full satisfaction of the IUE-CWA's attorneys' fees and costs in litigating the motion in the Bankruptcy Court for authority to terminate the Post-retirement Benefits, in moving before the Bankruptcy Court and the District Court to stay the termination of the Post-retirement Benefits, in moving for an expedited appeal in the Third Circuit Court of Appeals, and for successfully appealing to the Third Circuit the decisions of the District Court and the Bankruptcy Court (the "Attorneys' Fees Settlement"). The \$500,000.00 Attorneys' Fees Settlement shall be wired as the IUE-CWA shall subsequently direct on October 1, 2010.

9. On the effective date of the Visteon Plan of Reorganization, the IUE-CWA, its affiliated local unions, its members, all IUE-CWA represented employees and former employees of Visteon and its corporate predecessors, their spouses, surviving spouses, domestic partners, dependents, and beneficiaries, and all other persons or entities with claims derived from or related in any way to Post-retirement Benefits (collectively, the "IUE-CWA and Retiree Releasing Parties") shall waive and release and be deemed to have waived and released any and all claims of any nature, including but not limited to tort, contract, statutory or common law claims, whether liquidated or unliquidated, contingent or non-contingent, pre-petition or administrative expense, asserted or unasserted, existing at any time in the past and/or arising in the future against Visteon, the Visteon Debtors, their subsidiaries or affiliates, and the officers, directors, employees, fiduciaries, and agents of each (collectively, the "Visteon Released Parties") arising directly or indirectly from or in any way related to any obligations for Post-retirement Benefits or the termination or any modification of Post-retirement Benefits, provided that any employee claims for workers' compensation or pension benefits are not thereby waived.

10. The IUE-CWA and Retiree Releasing Parties hereby covenant not to sue any of the Visteon Released Parties based on claims released in paragraph 9 or the termination of Post-retirement Benefits as described in paragraph 11 below.

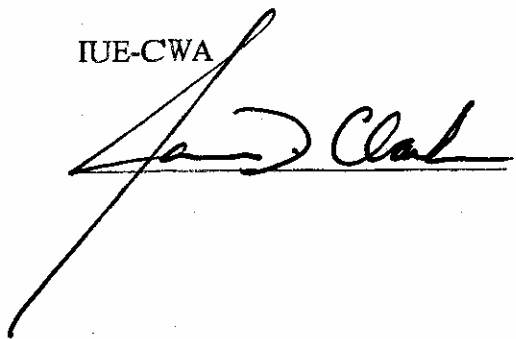
11. The parties agree that, on the effective date of the Visteon Plan of Reorganization, Visteon may terminate Post-retirement Benefits and the health and welfare plans under which such benefits are or have been provided, and may cease providing and reinstating any Post-retirement Benefits to the IUE-CWA and Retiree Releasing Parties. The parties further agree that the sole responsibility and liability of Visteon and the Visteon Debtors with respect to Post-retirement Benefits is as stated in this Memorandum of Agreement, and that this Memorandum of Agreement is in compliance with the Order of the Third Circuit in Case No. 10-1944 and 11 U.S.C. § 1114.

12. Visteon does not warrant any tax benefits and/or consequences arising from this Memorandum of Agreement or any payments made pursuant thereto.


13. The parties agree that the IUE-CWA has fairly and fully represented the Post-retirement Benefit Eligibles and the IUE-CWA and Retiree Releasing Parties, and that the Order of the Bankruptcy Court approving this settlement shall so recite.

Dated: August 30, 2010

IUE-CWA

A handwritten signature in black ink, appearing to read "A. J. Cal", written over a horizontal line. A long, thin diagonal stroke extends from the top left of the signature down towards the bottom left of the page.

Visteon Systems, LLC

A handwritten signature in black ink, written over a horizontal line. The signature is stylized and difficult to decipher, but appears to start with "W".