

FREQUENTLY ASKED QUESTIONS FOR U.S. RETIREES (Updated Dec. 18, 2009)

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The Reorganization Process in the U.S.

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1. Why did Visteon file for Chapter 11?

Visteon has made significant improvements to its business as a result of its three-year restructuring plan and other actions. However, with the steep decline in worldwide vehicle production, our current capital structure is not sustainable given our reduced revenue base. We made this filing to address this imbalance.

2. What does it mean to voluntarily file for reorganization under Chapter 11 of the U.S. Bankruptcy Code?

The Chapter 11 process is a well-established U.S. legal practice that many companies have used successfully to reorganize their operations and address their capital structures under court protection. It is not liquidation.

3. Is Visteon going out of business?

No, Visteon intends to continue operating its business throughout the Chapter 11 process. Our plan is to use the reorganization process to make Visteon financially stronger and more competitive for the future.

4. How will the reorganization process help Visteon?

This process provides us with an opportunity to improve our capital structure to allow Visteon to become financially stronger and more competitive for the future. Given the tremendous progress we have made improving our operations over the past three years, we are confident we can emerge a strong, financially sound company, well-positioned to succeed in the global automotive industry.

5. How long is Visteon's reorganization likely to take?

It is unclear how long this process will take, but we are focused on emerging as quickly as possible. We will have a better idea as the process unfolds and we will keep you informed.

6. Will I continue to receive my monthly pension check from Fidelity?

As a member of Visteon's qualified defined benefit pension plan, you will continue to receive your monthly pension check as usual. Fidelity will continue to mail your check directly to your home or deposit the sum directly into your bank account.

7. Is it possible that Visteon's defined benefit pension plan could be changed or terminated as a result of the Chapter 11 filing?

Nothing changed with regard to Visteon's defined benefit pension plan upon the company's Chapter 11 filing in the U.S. on May 28, 2009. However, the company's Plan of Reorganization, filed with the U.S. Bankruptcy Court on Dec. 17, anticipates that responsibility for Visteon's U.S. pension plans ultimately will transfer to the Pension Benefits Guaranty Corporation (PBGC). No final determination has been made.

The status of the qualified defined benefit pension plan administered by Fidelity and held in trust by Northern Trust has not changed. The Caribbean plan is administered by Hewitt and assets are held by John Hancock; this also is unchanged.

In the U.S., qualified defined benefit pension plans are not automatically terminated when an employer files for protection under Chapter 11. In fact, qualified defined benefit pension plans cannot be terminated unless they meet the standards for termination set out by U.S. federal law, and a decision to seek to terminate a qualified defined benefit pension plan would have to comply with those standards.

While U.S. federal law protects qualified defined benefit pension plans from retroactive changes to plan benefits, it is possible that there could be changes to the qualified defined benefit pension plan in the future. Any such changes would be announced as appropriate. In the U.S., the Pension Benefit Guaranty Corporation also provides protection for qualified defined benefit pension programs.

8. What happens if a defined benefit pension plan is terminated?

In the U.S., if a qualified defined benefit pension plan is terminated, the liabilities of the plan are determined and the assets of the plan are used to satisfy those liabilities. If it is determined that the plan has sufficient assets, then all plan benefits are paid in accordance with the plan terms and the Employee Retirement Income Security Act of 1974 (ERISA). In the event that there are insufficient assets to pay certain benefits, then the plan will be assumed by the Pension Benefit Guaranty Corporation (PBGC), an independent agency chartered under federal law.

The rules governing distribution of plan assets are complex. Generally speaking, however, all reasonable administrative expenses are paid by the plan first. Then the plan's remaining assets would be distributed in accordance with guidelines of ERISA.

For more information about the PBGC insurance protections and its limitations, go to www.pbqc.gov.

9. Q. What is the funded status of Visteon's pension plans? Has Visteon made the minimum contributions due?

Visteon has four U.S. pension plans, three of which had minimum funding contributions due Sept. 15, 2009. Visteon made a scheduled minimum funding contribution to the plan covering certain active and deferred-vested hourly employees who are leased to ACH. To ensure that we keep all pension restructuring options open as we progress through the reorganization, Visteon did not make the full minimum funding contribution to the Visteon Pension Plan – which covers approximately 16,000 active employees and retirees, including those salaried employees leased to ACH and those hourly employees located at the North Penn plant – and the Pension Plan of Visteon Systems, LLC Connersville and Bedford Plants, which covers about 5,000 former hourly employees of the now-closed plants in Connersville and Bedford, Ind. There was no minimum contribution due on a fourth Visteon pension plan, covering former employees and retirees of the closed Puerto Rico plant. The decision not to make contributions to certain plans does not affect any current pension benefits. However, the company's Plan of Reorganization, filed with the U.S. Bankruptcy Court on Dec. 17, 2009, anticipates that the company will seek to terminate its U.S. pension plans. Visteon's U.S. pension plans remain in place while the company continues discussions with stakeholders including the PBGC.

10. Will I continue to receive benefits if I am part of a non-qualified pension plan?

No. Payments provided by the non-qualified pension plans to the company's employees and retirees have been discontinued as of the Chapter 11 filing date. Benefits owed under the plans will be categorized as unsecured claims in the Chapter 11 proceedings.

11. I was separated from the company and told I will be eligible for certain retirement benefits when I reach the required retirement age. What happens to those benefits?

U.S. federal law protects the assets in qualified pension plans from the claims of a company's creditors. The assets are held in trust by a separate entity from Visteon. This means that Visteon cannot use these assets to meet its other obligations. You may apply for and begin receiving retirement benefits when you reach retirement age. If the plan is assumed by the PBGC, your retirement benefits may be limited.

12. What will happen to the Visteon stock that I own?

As always, market conditions determine what happens to the value of the stock. However, it is not uncommon for the stock of a company that files for Chapter 11 to have little or no value, and ultimately to be canceled, as a result of the reorganization proceedings. Visteon's Plan of Reorganization as filed with the U.S. Bankruptcy Court on Dec. 17, 2009, anticipates no recovery for holders of current Visteon stock. Visteon's stock was de-listed from trading on the New York Stock Exchange and is currently trading in the over-the-counter market, where it may be more difficult to buy and sell shares of the stock and to obtain an accurate stock price. You may wish to consult a professional investment advisor with questions regarding your personal investment decisions.

13. Are the assets in Visteon's 401(k) plan for retirees protected from creditors' claims in the bankruptcy proceedings?

Yes. U.S. federal law protects the funds in 401(k) savings plans from the claims of a company's creditors. All individual 401(k) accounts are set up in the individual employee's name and the assets are held in a trust that is separate from the corporation. This means that Visteon cannot use these assets to meet other obligations or pay debts.

14. What happens to the accounts of retirees who are participants in the 401(k) plan?

The assets in our 401(k) plans are held in a trust by Fidelity Trust Company, which is separate from the company. These assets are protected under U.S. federal law against the claims of Visteon's creditors, which means that the company cannot use any of these assets to meet other obligations or to pay its debts. While the company could make changes to its 401(k) plans during the reorganization proceedings, those changes would only affect future company contributions to the plan, not past contributions. Irrespective of the filings, all investments contained in an individual's 401(k) account are subject to some level of market risk.

1. Explain the U.S. Bankruptcy Court's ruling on Dec. 10, 2009, related to U.S. retiree health care and life insurance benefits.

In June, Visteon filed a court motion seeking authority, to the extent bankruptcy court approval was required, to amend or terminate plans and programs providing company-paid health care and life insurance benefits for current and future retirees in the U.S., their spouses, surviving spouses, domestic partners and dependants. After a court hearing on August 14, the judge took the matter under advisement. On Dec. 10, the judge affirmed Visteon's authority to amend or terminate these plans and programs, unless precluded by a current collective bargaining agreement (CBA). This ruling affirmed that, with the exception of individuals covered by the current CBA at Visteon's North Penn plant in Lansdale, Pa., Visteon has authority to modify these plans.

2. What are Visteon's intentions with regard to health care and life insurance benefits for current and future retirees in the U.S.?

Visteon will eliminate company-paid medical, prescription drug and life insurance coverage, effective April 1, 2010, for current and future U.S. retirees, their spouses, surviving spouses, domestic partners and dependents, with the exception of participants covered by the current collective bargaining agreement at the North Penn plant.

3. Why is Visteon taking this step?

Retiree health care benefits are one of Visteon's largest liabilities and pose a major obstacle to the company's ability to reorganize and emerge from Chapter 11. By the end of 2009, Visteon projects that its current and future costs to provide retiree health care and life insurance benefits will exceed \$300 million. Despite taking significant restructuring and cost-reduction efforts, Visteon cannot sustain these costs, which place the company at a severe competitive disadvantage. Addressing this OPEB liability is a difficult course of action, but one that is essential to Visteon emerging from the Chapter 11 process.

4. Who will be impacted by these changes?

These changes pertain to current and future retirees receiving, or anticipated to receive, company-paid retiree health care and life insurance benefits under the following plans:

- Visteon Corporation Health & Welfare Program for Salaried Employees
- Visteon Systems, LLC Health and Welfare Benefits Plan for Hourly Employees – Connersville and Bedford locations
- Visteon Caribbean, Inc. Employee Group Insurance Plan
- Visteon Systems, LLC Health and Welfare Benefits Plan for Hourly Employees – North Penn location (participants with a retirement date prior to April 2, 2005).

5. Is anything changing right now? When will retirees be notified of any benefit changes?

No. The elimination of company-paid retiree health care and life insurance benefits for those named above is effective April 1, 2010. Beginning in January 2010, Visteon will provide detailed information to current U.S. retirees to explain this change and the various health care coverage options available to them.

6. How are Group I and Group II employees and retirees affected?

Visteon does not provide retiree health care and life insurance benefits for Groups I and II employees. Group I and II employees receive benefits directly from Ford Motor Company after their retirement from Visteon, and those benefits are not affected by this ruling.

7. Will this impact my Medicare Part A, B or D benefits?

No. The decision is specific to your health care and life insurance benefits received from Visteon.

8. Can I continue to use my Visteon medical and prescription drug coverage?

Yes, for now. This coverage is still in effect. You will be notified before any changes are made.

9. Should I start looking for other medical or prescription drug coverage?

You are welcome to research the topic. Beginning in January 2010, Visteon will provide detailed information to current U.S. retirees to explain this change and the various health care coverage options available, so they can assess alternatives and make decisions.

10. Where should retirees go for more information about the reorganization?

Additional information can be found on our Web site in a new reorganization section at www.visteon.com/reorganization. In addition, retirees may also call 1-866-967-0260 (in the U.S. or Canada) or 1-310-751-2660 (direct dial) to speak to a representative. Retirees can also submit questions by e-mail at visteoninfo@kccllc.com.