

Dear Colleagues,

You may have read recently about the situation that Visteon pensioners find themselves in after the collapse of Visteon UK. We would like to take a few moments to clarify the facts:

Your colleagues were transferred into Visteon supported by guarantees made by Ford to employees and Trades Unions. Jac Nasser in September 1999 said *"The Visteon team has my personal assurance that employee considerations are uppermost in our minds as we look at various options. Whatever we (FORD) do will only be in the best long-term interest to the people of Visteon and with proper protection of their rights and benefits"* 3,000 people were guided by these words and actions of Ford to accept a transfer of their pensions to Visteon UK, in return for those lifetime guarantees.

With the collapse of Visteon UK in March 2009, the pension fund entered assessment for the Pension Protection Fund (PPF), with current pensioners immediately having their pension reduced (by in some cases over 40%) In addition, any service earned prior to 1997 (which is the majority in most pensioners' cases) will see no future increases. We have some pensioners (not all in good health) that have over 30 years of service in Ford (prior to joining Visteon) seeing their pensions decimated, while some were in Visteon for a matter of days before retirement.

The initial Pension Fund was transferred by Ford to Visteon with a 20% deficit (unknown to Visteon employees) as people moved back to Ford on flow back Ford would only accept pension transfers at 100% funding levels - further increasing the underfunding in the Visteon scheme. In 2002 the UK Trades Unions signed agreements with Visteon Corporation directed towards providing a fully funded UK scheme. It appears these agreements were a sham and never met by Visteon.

Visteon in the UK never made a single pound profit. Worse in fact, it lost £400million over the 9 year period of its existence, whilst during that time Ford received 90% of the Visteon UK production, after aggressive price reductions by Ford its not to difficult to see how the loss was generated.

We understand that you may feel challenged by the noise being created by the Visteon Pensioners but a huge majority of us have amassed significant years of loyal Ford service, possibly longer than many current Ford employees and financially the challenge for Ford to reassume the responsibility for our pension fund is relatively minor given that pension deficits are typically eliminated over a ten year period and the earned surplus in the Ford scheme was not transferred to Visteon, additionally Ford retained our surplus pension value.

Most importantly please don't let the same happen to you and your pension - the threat is not from Visteon pensioners but how Ford will deal with you in the future. If the promises made by Ford as Visteon was separated are allowed to pass without challenge and resolution, then you could be next.

On behalf of our pension scheme members we are pressing Ford Management to do the right thing and meet their clear commitments. This is not a personal attack but something you would surely do if it happened to you. The Unite union is fully supportive of our claim and is taking a leading role in seeking pension justice from Ford.

Thank you for taking the time to read this - we are ex-Ford employees who were made 'lifetime' commitments by Ford to enable the Visteon spin-off to take place. We remain your colleagues determined to secure our Ford pensions and highlight the real risk to your pensions.

Visteon Pension Action Group. For information see: www.visteonpensionactiongroup.co.uk