

**ANNOUNCEMENT TO MEMBERS OF
The Visteon UK Pension Plan
("the Plan")**

Announcement No. 4

The purpose of this Announcement is to update Plan members on the current position of the Plan following Visteon UK Limited entering into Administration (a form of insolvency event) on 31st March 2009.

All members should have received Announcement No. 2 in June 2009 and Announcement No. 3 in September 2009. This latest Announcement is intended to provide an update from those previous Announcements. All of these Announcements have been prepared and issued by the Trustee of the Plan.

Most of this Announcement is aimed at members who are entitled to defined benefit ('final salary') pensions rather than defined contribution ('money purchase') pensions. Section D of this Announcement is relevant to all members of the Plan.

Please keep this Announcement in a safe place, together with all of your other papers relating to the Plan.

This Announcement covers the following: -

- A. Trustee Actions
- B. Pensioners who retired under the age of 55 on or after 31st March 2006
- C. PPF Assessment Administration Tasks
- D. Defined Contribution Administration and AVCs
- E. Communication

A. Trustee Actions

The Trustee wishes to reassure all Plan members that it remains committed to securing the best outcome for the Plan and its members. As mentioned in Announcement No. 3 (Section D), the Trustee has been in discussions with the Pensions Regulator.

Those discussions are continuing. However, for legal reasons, the Trustee is limited in the amount of information it can share with members at this point in time. The Trustee is mindful of the need not to divulge confidential information as doing so could seriously prejudice actions which may be able to be taken on behalf of the Plan.

Where the Trustee is sure that it can share information without potentially damaging members' interests, it will look to do so as appropriate. At the current time, the Trustee is able to confirm that:

- The Trustee has filed claims in Visteon Corporation's insolvency ('Chapter11') court proceedings. The Trustee, the Pensions Regulator and the Pension Protection Fund ("PPF") continue to actively monitor the Plan's position in light of those court proceedings. The purpose of the claims is to seek to recover funds from Visteon Corporation and other Visteon companies to improve the funding position of Plan.

- The Trustee understands that the Pensions Regulator is conducting investigations into the position of the Plan. It will be for the Pensions Regulator to decide if it is appropriate to exercise its "moral hazard" power against any particular entity or entities.

For the reasons mentioned above, this is all the Trustee can safely say at this point. Please be assured that as soon as the Trustee is in a position to do so, it will provide a more detailed update to members.

B. Pensioners who retired under the age of 55 on or after 31st March 2006

The Trustee has been in detailed discussion with the PPF to work out the compensation which should be paid to these members. Affected members have already been contacted. Those members' benefits are still in payment and have been reduced to an interim PPF level whilst this issue is being discussed with the PPF.

The Trustee and PPF are in the process of obtaining legal advice to determine the correct answer and affected members will be informed as soon as this is resolved. It is hoped that this will be quite soon.

C. PPF Assessment Administration Tasks

Whilst the Plan is in the PPF Assessment Period, the Trustee has certain obligations including: recovering any unpaid contributions, adjusting members' pensions so that they are in line with the PPF levels of compensation, recovering amounts of pension which have been overpaid by the Trustee and, processing retirements and other member claims in line with the PPF levels of compensation.

This is a complex process and the Trustee has been working closely with PPF, its advisors and the Plan's administrator, Xafinity Paymaster, to meet its obligations. Xafinity Paymaster has processed pension adjustments for 1,247 members whose pensions are in payment, in line with the timetable shown in Announcement No. 3.

Xafinity Paymaster has also processed 300 new retirements since 31st March 2006.

The Trustee appreciates that this has been a difficult time for many members. The Trustee and Xafinity Paymaster have worked together to complete the pension adjustments as quickly as possible and also to ensure that members have been kept informed throughout the process.

As noted in Announcement No. 3, the Trustee and the PPF have reviewed medical disability retirement pensions granted on or after 31st March 2006. These cases were all approved and no further action is required.

D. Defined Contribution Administration and AVCs

Please note that Xafinity Paymaster have transferred the administration of defined contribution pensions to their Stirling office (see address below). You should contact Xafinity Paymaster in Stirling regarding all queries relating to any pension (including defined contribution, additional voluntary contributions or defined benefit).

As noted in Announcement No. 2, PPF compensation is only provided for defined benefit ('final salary') members of the Plan.

This means that benefits for members who **only** have defined contribution accounts under the New Hire section of the Plan will not be affected by the Plan entering the Assessment Period and they will not be subject to reduction by the PPF.

For defined benefit members who also have defined contribution benefits or have also paid additional voluntary contributions, your defined contribution benefits and additional voluntary contributions will be paid separately (and in addition) to PPF compensation. Defined contribution benefits and additional voluntary contributions will not be reduced. Please note that the Trustee is liaising with the PPF over the treatment of Protected Rights underpins.

The Trustee will arrange for defined contribution benefits and additional voluntary contributions to be transferred out of the Plan during the Assessment Period. Members will be contacted individually with further details in due course.

Please note that all of the content of this Announcement and that of previous Announcements is based on the Trustee's current understanding of matters and is subject to confirmation by the PPF.

E. Communication

The Trustee's policy is to issue regular communications to members to ensure that there is an adequate flow of information to members. Members can contact the Scheme Administrators (acting on behalf of the Trustee) by telephone, email and post:

Visteon Pensions
Xafinity Paymaster
Scotia House
Castle Business Park
Stirling
FK9 4TZ

Tel 01786 434 378

Email VUK-Visteon@xafinitypaymaster.com

Fax 0845 345 9517

For further general information regarding the PPF, please see their website at www.pensionprotectionfund.org.uk or contact them at: -

Knollys House
17 Addiscombe Road
Croydon
Surrey
CR0 6SR

Tel 0845 600 2541

Text phone 0845 600 2542

Fax 020 8633 4903

Email information@ppf.gsi.gov.uk

Please note that the PPF does not hold Plan membership details and cannot comment on your individual case. They will be unable to help you if you contact them directly to ask about your personal circumstances, however, they will be able to assist you if you have general queries about the PPF.