

## **FREQUENTLY ASKED QUESTIONS FOR SUPPLIERS (Updated June 1, 2009)**

### **Reorganization Process**

**1. Why did Visteon file for reorganization under Chapter 11 in the U.S.?**

We are taking this necessary and responsible step to maximize the long-term value of our company. This action provides Visteon the opportunity to address our capital structure and legacy costs to make Visteon stronger and more competitive in the future.

Visteon has made significant business improvements as a result of our three-year plan and other actions. However, with the steep decline in vehicle production, Visteon's current capital structure is not sustainable given the company's current revenue base. Chapter 11 is a well-established process in the U.S. that many companies have used successfully to reorganize their operations and address their capital structures.

**2. Is Visteon going out of business?**

No. Visteon intends to operate throughout the reorganization process. We plan to use the reorganization process to improve our capital structure and the future competitiveness of our global business.

**3. Does Visteon have enough cash to stay in business?**

Visteon expects to fund its operations with its U.S. cash balance, cash flows from operations and a debtor-in-possession facility. Ford Motor Company has committed to providing financial support to Visteon, a preferred supplier to Ford, to ensure long-term continuity of supply. Other global customers have also expressed their support.

**4. Will Visteon continue to support non-U.S. operations?**

Yes.

**5. Why aren't Visteon's other operations part of this filing?**

The company made the strategic decision to file proceedings for Visteon Corporation and certain subsidiaries in the U.S. only.

**6. Some other suppliers have been in Chapter 11 for more than three years. What makes Visteon confident it will emerge from this process?**

Visteon has a strong product portfolio that is yielding new technologies and attracting new business. The company has a diversified customer base, a globally balanced manufacturing and engineering footprint, and world-class product quality. We believe those strengths, coupled with the tremendous operational improvements we have made over the past three and a half years, set Visteon apart. We're confident we will emerge from this process as a stronger company, well-positioned to compete in the global automotive industry.

## What this means for suppliers of U.S operations

### 7. Will suppliers and common carriers continue to be paid for goods and services they provide to Visteon operations in the U.S.?

The company intends to pay suppliers and common carriers under agreed-upon trade terms for goods provided or services rendered after the filing date. Any claims for goods and services provided after the filing date are considered “administrative claims” and receive priority status under bankruptcy law.

Suppliers that provided goods and services to Visteon prior to the filing date may have what are referred to as “pre-petition claims.” Under Chapter 11, the law prohibits Visteon from making any payments on account of unpaid debts for goods and services provided to Visteon prior to the filing date without specific court approval. Any such pre-petition claims will be addressed through the court-supervised reorganization process.

If you have a pre-petition claim, you must file a proof of claim with the U.S. Bankruptcy Court for the District of Delaware, or be scheduled by the debtors as a creditor in these cases, to receive payment on your claim. Proofs of claim forms are available on the Web site of our claims agent at: [www.kccllc.net/visteon](http://www.kccllc.net/visteon). Our claims agent will provide additional information on filing proofs of claim in the coming weeks. Visteon understands the importance of timely payment and sincerely regrets the hardship or inconvenience that this may cause you as a valued business partner.

### 8. How do I know if my claim is considered “pre-petition” or “post-petition”?

Debts for goods and services provided **before** the Chapter 11 filing generally are considered pre-petition obligations. Unpaid debts for goods and services provided **after** the Chapter 11 filing generally are considered post-petition obligations. If you are unsure of your claim’s status, please seek legal counsel.

### 9. Why can’t Visteon pay me what I am owed?

Under Chapter 11, the law prohibits Visteon from making any payments on account of unpaid debts for goods and services provided to Visteon prior to the filing date without specific court approval. Any such claims will be addressed as part of the court-supervised reorganization process.

### 10. What assurances can be provided that I will be paid for post-petition goods and services?

All claims for goods and services delivered to the company **on or after the filing date** are considered “administrative claims” against the company’s bankruptcy estate. This means that the company is obligated by law to pay you in full and in the ordinary course of business, and according to existing trade terms, for all goods and services provided after the filing date.

### 11. I am a supplier to Visteon in the U.S. with unpaid invoices dated before the Chapter 11 filing (i.e. pre-petition invoices). What should I do?

Once the Bankruptcy Court has confirmed the procedures and deadlines for filing claims, the company will distribute, to all creditors that are known to have claims, a “proof-of-claim” form and instructions on how to file the form with the debtors’ notice and claims agent or the court (usually within about 90 days after the petition date). You do not have to receive a proof of claim form to file a claim; proofs of claim forms are available on the Web site of our notice and claims agent at [www.kccllc.net/visteon](http://www.kccllc.net/visteon).

**12. Will I need a claim form, or will I automatically be paid for outstanding pre-petition invoices? How do I file a claim in this process for unpaid pre-petition bills? How do I file a proof-of-claim?**

The company will make every effort to list all creditors in a filing of its liabilities with the court. Suppliers on this list will be receiving a proof of claim form from our claims agent with instructions about how to file a claim. However, you do not have to wait to receive a proof of claim form to file a claim; proofs of claim forms are available on the Web site of our claims agent at [www.kccllc.net/visteon](http://www.kccllc.net/visteon). If you have any questions regarding this process, please seek legal counsel.

**13. What is my current balance? What is my pre-petition balance?**

We cannot provide current outstanding balances at this point because the company is in the process of reviewing all of its records and separating pre- and post-petition invoices. Within the next few months, Visteon will be filing a "Schedule of Assets and Liabilities" with the U.S. Bankruptcy Court. In this document, the company will list balances it believes are owed to its creditors. If you have further questions, please seek legal counsel.

**14. Can you give me an idea of how much I will get paid for pre-petition bills?**

While we cannot promise what amount or percentage of your claims will be paid, Visteon will do everything it can to achieve the maximum recovery for all creditors.

**15. What value will suppliers with outstanding pre-petition claims receive for unpaid invoices?**

At this time it is not possible for Visteon to estimate what value a general unsecured claim will have in this Chapter 11 process. But, claims paid through a distribution under a plan of reorganization typically are less than 100 percent of the asserted claim. We sincerely regret the hardship or inconvenience that our filing may cause.

**16. What are "First Day Motions"? Do these motions affect suppliers?**

Visteon filed a group of motions with the court seeking relief to fulfill certain pre-petition obligations that are critical to the continued operations of our business. Included in these motions are requests to pay employee wages and benefits, non-production suppliers such as energy providers and other utilities, common carriers and warehouses, very limited number of critical pre-petition supplier claims and other such requests. The court approved all of Visteon's First Day Motions on May 29, 2009.

**17. I understand that companies that file for Chapter 11 protection are able to put some suppliers on a "critical vendors list" that allows them to continue to be paid under existing trade terms, even for invoices owing at the time of the filing. Which suppliers are on this list? How can I get onto that list?**

The courts have placed very strict limits on such a designation. The company has requested, and expects to receive, very limited authority to pay certain critical suppliers. If you think your company should qualify as a "critical vendor," please contact your attorneys and ask them to write a letter explaining why to your Visteon purchasing contact.

**18. What is Section 503(b)(9) and what does it mean to suppliers?**

Under Section 503(b)(9) of the Bankruptcy Code, a supplier may have a right to an administrative expense claim for the value of any goods that the supplier provided to the debtor within 20 days of a Chapter 11 filing. It's important to note that 503(b)(9) applies only to goods, not services.

**19. Do suppliers who provided goods to Visteon during the 20-day period prior to the Chapter 11 filing date need to submit a claim, or will they be paid for past goods under 503(b)(9)?**

All suppliers with claims under Section 503(b)(9) should submit a proof of claim to ensure payments for past goods and services.

**20. If I will not be paid for goods and services already provided, am I required to make future deliveries to Visteon?**

Yes. If you have a contract with Visteon, you are expected to fulfill the terms of that contract as required by law. Even if you don't have a contract, keep in mind that Visteon intends – and is obligated – to pay suppliers in full, under existing trade terms, for goods provided and services rendered after the filing date.

**21. I have goods in transit to Visteon in the U.S. Will I be paid upon delivery? Should I call back this delivery?**

It is extremely important for Visteon to continue to operate as usual throughout this restructuring. Therefore we ask that you deliver these goods. Additionally, if you have a contract with Visteon, failure to deliver those goods would be a breach of that contract, and Visteon may have a cause of action against you.

**22. What happens to payments that were sent via check and were in the process of clearing while the filing took place?**

Checks that have not cleared prior to the petition date will not be honored. You will have to file a pre-petition claim for the outstanding obligation with the court.

**23. Can I raise my prices to Visteon?**

While Visteon is entering the reorganization process with adequate liquidity to support its business, the company cannot pay more for goods and services at this time, or provide payments on shorter payment terms. Additionally, the automatic stay provision associated with Chapter 11 filings prevents you as a supplier from raising prices in an effort to recoup pre-petition claims.

**24. Can I take back my goods for which I have not been paid?**

Chapter 11 law prohibits a seller from repossessing goods after a purchaser has filed Chapter 11 petitions, absent specific Bankruptcy Court approval.

**25. How long is this process likely to take?**

It is unclear at this point how long this reorganization will take. Our goal is to emerge as quickly as possible. We will have a better idea as the process unfolds and are committed to keeping you informed.

**26. Where can I get more information about this filing?**

Visit our corporate Web site at [www.visteon.com/reorganization](http://www.visteon.com/reorganization) for more information. You can also contact our claims center at 1-866-967-0260 (in the U.S. or Canada); or 1-310-751-2660 (direct dial).

## What this means for suppliers of non-filing Visteon entities

### **27. Will suppliers be paid for goods and services they provide to non-filing Visteon entities?**

Suppliers to Visteon entities excluded from Visteon's Chapter 11 filing will be paid in full for all goods provided and services rendered before and after the filing.

### **28. I provide materials to Visteon's U.S. operations as well as Visteon operations in another country. Will I continue to be paid in the normal course of business?**

For the goods and services you provide to Visteon's U.S. operations, you will be paid in full in accordance with existing trade terms for all post-petition claims. For goods and services provided before the filing, you will need to submit a claim. Proofs of claim forms are available on the Web site of our claims agent at: [www.kccllc.net/visteon](http://www.kccllc.net/visteon).

You will be paid in full, under agreed-upon terms, for the goods and services you provided – before and after the filings – to all other Visteon entities around the world and the U.S.-based joint ventures that are not part of this filing.

For information regarding the payment process for Visteon UK Ltd, please contact the administrators, KPMG.