

VISTEON CORP  
Form DEF 14A  
April 30, 2013  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

**(Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**VISTEON CORPORATION**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

DATE: THURSDAY, JUNE 13, 2013  
TIME: 11:00 AM EASTERN DAYLIGHT TIME  
LOCATION: The London NYC  
151 West 54<sup>th</sup> Street  
New York, New York

To Visteon Stockholders,

We invite you to attend our 2013 Annual Meeting of Stockholders at The London NYC. At this meeting, you and the other stockholders will be able to vote on the following proposals, together with any other business that may properly come before the meeting:

1. *Elect the eight directors to the Board of Directors.* The Board has nominated for election Duncan H. Cocroft, Jeffrey D. Jones, Timothy D. Leuliette, Robert J. Manzo, Francis M. Scricco, David L. Treadwell and Harry J. Wilson, all current directors, as well as Yuen Kam Ho, George.
2. *Ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal year 2013.*
3. *Provide advisory approval of the Company's executive compensation.*
4. *Approve an amendment to the Visteon Corporation Non-Employee Director Stock Unit Plan.*

You may vote on these proposals in person or by proxy. If you cannot attend the meeting, we urge you to vote by proxy, so that your shares will be represented and voted at the meeting in accordance with your instructions. Instructions on how to vote by proxy are contained in the Proxy Statement and in the Notice of Internet Availability of Proxy Materials. Only stockholders of record at the close of business on April 16, 2013 will be entitled to vote at the meeting or any adjournment thereof.

By order of the Board of Directors

Heidi A. Sepanik

*Secretary*

Van Buren Township, Michigan

April 30, 2013

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**VISTEON CORPORATION**

**One Village Center Drive**

**Van Buren Township, Michigan 48111**

**PROXY STATEMENT**

April 30, 2013

**INTRODUCTION**

The Board of Directors of Visteon Corporation ( Visteon, the Company, we, us or our ) is soliciting your proxy to encourage your participation in the voting at the Annual Meeting of Stockholders. You are invited to attend the Annual Meeting and vote your shares directly. However, even if you do not attend, you may vote by proxy. As shown in the Notice of Annual Meeting, the Annual Meeting will be held on Thursday, June 13, 2013, at The London NYC in New York City, New York. Directions to the meeting location can be found in Appendix C.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE  
ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 13, 2013**

**Our Notice of Annual Meeting and Proxy Statement, Annual Report to Stockholders, electronic proxy card and other Annual Meeting materials are available on the Internet at [www.proxyvote.com](http://www.proxyvote.com), together with any amendments to any of these materials that are required to be furnished to stockholders.** The Notice of Internet Availability of Proxy Materials contains important information, including instructions on how to access and review the proxy materials online and how to vote your shares over the Internet or by telephone. If you receive a Notice, you will not receive a paper or email copy of the proxy materials unless you request one in the manner set forth in the Notice.

**VOTING**

**How to Vote Your Shares**

If you are a registered stockholder, you can vote at the meeting any shares that were registered in your name as the stockholder of record as of the record date. If your shares are held in street name through a broker, bank or other nominee, you are not a holder of record of those shares and cannot vote them at the Annual Meeting unless you have a legal proxy from the holder of record. If you plan to attend and vote your street name shares at the Annual Meeting, you should request a legal proxy from your broker, bank or holder of record and bring it with you to the meeting.

Whether or not you plan to attend the meeting, we strongly encourage you to vote by proxy prior to the meeting. You may vote your shares prior to the meeting by following the instructions provided on the Notice of Internet Availability of Proxy Materials, this proxy statement and the voter website, [www.proxyvote.com](http://www.proxyvote.com). If you requested a paper copy of the proxy materials, voting instructions are also contained on the proxy card enclosed with those materials.

If you are a *registered* stockholder, there are three ways to vote your shares before the meeting:

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*By Internet (www.proxyvote.com):* Use the Internet to transmit your voting instructions until 11:59 p.m. EDT on June 12, 2013. Have your Notice of Internet Availability of Proxy Materials with you when you access the website and follow the instructions to obtain your records and to create an electronic voting instruction form.

*By telephone (1-800-690-6903):* Use any touch-tone telephone to submit your vote until 11:59 p.m. EDT on June 12, 2013. Have your Notice of Internet Availability of Proxy Materials in hand when you call and then follow the instructions you receive from the telephone voting site.

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*By mail:* If you requested a paper copy of the proxy materials, mark, sign and date the proxy card enclosed with those materials and return it in the postage-paid envelope we have provided. To be valid, proxy cards must be received before the start of the Annual Meeting. Proxy cards should be returned to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

If your shares are held in street name, your broker, bank or other holder of record may provide you with a Notice of Internet Availability of Proxy Materials. Follow the instructions on the Notice to access our proxy materials and vote online or to request a paper or email copy of our proxy materials. If you received these materials in paper form, the materials included a voting instruction card so you can instruct your broker, bank or other holder of record how to vote your shares.

You should provide voting instructions for all proposals appearing on the proxy/voting instruction card. The persons named as proxies on the proxy card will vote your shares according to your instructions. However, if you do not provide voting instructions with your proxy, then the designated proxies will vote your shares for the election of the nominated directors, for the ratification of the Company's independent registered public accounting firm, for the approval of the Company's executive compensation, and for approval of the amendment to the Non-Employee Director Stock Unit Plan. If any nominee for election to the Board is unable to serve, which is not anticipated, or if any other matters properly come before the meeting, then the designated proxies will vote your shares in accordance with their best judgment.

## **How to Revoke Your Proxy**

If you are a registered stockholder, you can revoke your proxy and change your vote at any time prior to the Annual Meeting by:

Notifying our Corporate Secretary in writing at One Village Center Drive, Van Buren Township, Michigan 48111 (the notification must be received by the close of business on June 12, 2013);

Voting again by Internet or telephone prior to 11:59 p.m. EDT on June 12, 2013 (only the latest vote you submit will be counted); or

Submitting a new properly signed and dated paper proxy card with a later date (your proxy card must be received before the start of the Annual Meeting).

If your shares are held in street name, you should contact your broker, bank or other holder of record about revoking your voting instructions and changing your vote prior to the meeting.

If you are eligible to vote at the Annual Meeting, you also can revoke your proxy or voting instructions and change your vote at the Annual Meeting by submitting a written ballot before the polls close.

## **Stockholders Entitled to Vote and Ownership**

You are entitled to one vote at the Annual Meeting for each share of the Company's common stock that you owned of record at the close of business on April 16, 2013. As of April 16, 2013, the Company had issued and outstanding 50,236,168 shares of common stock. Information regarding the holdings of the Company's stock by directors, executive officers and certain other beneficial owners can be found beginning on page 14.

A list of the stockholders of record entitled to vote at the Annual Meeting will be available for review by any stockholder, for any purpose related to the meeting, between 9:00 a.m. and 5:00 p.m. at the principal offices of the Company, located at One Village Center Drive, Van Buren Township, Michigan 48111, for ten days before the meeting.

## **Required Vote to Approve the Proposals**

The Company's Bylaws require that a majority of the Company's common stock be represented at the Annual Meeting, whether in person or by proxy, for the quorum that is needed to transact any business.



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*Election of Directors.* To be elected, directors must receive a majority of the votes cast (the number of shares voted For a director nominee must exceed the number of votes cast Against that nominee), except in the event of a contested election. A properly executed proxy marked Abstain with respect to such matter will not be counted as votes For or Against a director, although it will be counted for purposes of determining whether there is a quorum. In the event of a contested election (where the number of nominees exceeds the number of vacancies), the affirmative vote of a plurality of the votes cast at the meeting would be required for the election of directors. A properly executed proxy marked to withhold authority with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum.

*Other Proposals.* For each proposal other than the election of directors, the affirmative vote of the holders of a majority of the shares represented in person or by proxy and entitled to vote on the item will be required for approval. A properly executed proxy marked Abstain with respect to any such matter will not be voted, although it will be counted for purposes of determining whether there is a quorum. Accordingly, an abstention will have the effect of a negative vote.

If you hold your shares in street name through a broker or other nominee and you do not give voting instructions at least ten days before the meeting to your broker or other nominee, then your broker or other nominee may exercise voting discretion only with respect to matters considered to be routine by the New York Stock Exchange, such as the ratification of the appointment of the independent registered public accounting firm. On non-routine matters, such as the election of directors and the other proposals, the brokers or other nominees cannot vote your shares absent voting instructions from the beneficial holder, resulting in so-called broker non-votes. Broker non-votes are not deemed to be votes cast, and as a result have no effect on the outcome of any matters presented, but will be counted in determining whether there is a quorum.

### **Where to Find Voting Results**

The Company will publish the voting results in a Current Report on Form 8-K to be filed with the SEC within four business days after the voting results are known. You will also find the results in the investor information section of the Company's website ([www.visteon.com/investors](http://www.visteon.com/investors)).

### **Cost of Solicitation**

The Company will pay for soliciting these proxies. The Company's directors, officers and employees may solicit proxies in person or by telephone, mail, email, telecopy or letter. The Company has also retained Georgeson Inc. to assist it in distributing proxy solicitation materials and soliciting proxies at a cost of approximately \$8,000, plus reasonable out-of-pocket expenses. The Company will reimburse brokers and other nominees for their reasonable out-of-pocket expenses for forwarding proxy materials to beneficial owners.

## **ITEM 1. ELECTION OF DIRECTORS**

The first proposal on the agenda for the Annual Meeting will be electing eight directors to hold office until the Annual Meeting of Stockholders to be held in 2014. We expect each nominee for election as a director to be able to serve if elected. If any nominee is not able to serve, proxies will be voted in favor of the remainder of those nominated and may be voted for substitute nominees, unless the Board chooses to reduce the number of directors serving on the Board.

The Company's Bylaws provide that in any uncontested election (an election in which the number of nominees for director is not greater than the number to be elected), each director shall be elected if the number of votes cast for the nominee's election exceed the number of votes cast against that nominee's election. The Bylaws also provide that any nominee who does not receive more votes cast for the nominee's election than the number of votes cast against that nominee in an uncontested election is expected to promptly tender his or her resignation to the Chairman of the Board, which resignation shall be promptly considered through a process managed by the Corporate Governance and Nominating Committee, to determine if a compelling reason exists for concluding that it is in the best interests of the Company for such incumbent to remain a director based on certain factors. The Corporate Governance and Nominating

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Committee shall provide its recommendation to the Board with respect to any tendered resignation within 14 days of the certification of the election voting results and such recommendation shall be acted on by the Board within 30 days of the certification of the voting results. If a resignation offer is not accepted by the Board, it will publicly disclose its decision, including a summary of reasons for not accepting the offer of resignation. In a contested election (an election in which the number of nominees for director is greater than the number to be elected), the directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors.

### **Director Nomination Process**

The Corporate Governance and Nominating Committee assesses all director candidates, whether submitted by management, a stockholder or otherwise, and recommends nominees for election to the Board. The Corporate Governance and Nominating Committee commenced an active search in 2012 for potential director candidates to increase the Board's size to levels more comparable to its peers and to further enhance the Board's diversity. The Corporate Governance and Nominating Committee engaged Heidrick & Struggles, a director search firm, to assist it in identifying and evaluating potential director candidates, as well as utilizing the contacts of existing directors and executives of the Company. In August 2012, the Board appointed, following the recommendation of the Corporate Governance and Nominating Committee, Messrs. Scricco and Treadwell to the Board. In April 2013, the Corporate Governance and Nominating Committee determined that the incumbent directors wishing to stand for election this year be re-nominated and also determined that Yuen Kam Ho, George be nominated to stand for election at this Annual Meeting. Mr. Yuen was proposed as director candidate for this Annual Meeting by a current director. The key considerations for Board candidates in this process included: specific skills and intellectual capital aligned with the Company's future strategic and operating challenges, strong commitment to increasing shareholder value, core business competencies, including a record of success, financial literacy, and a high degree of ethics and integrity, interpersonal skills, enthusiasm, independence and prior board experience. As noted above, such process also highlighted selecting a Board that would have a diversity of international perspectives and experiences in light of the Company's global business.

The Board concurred with the recommendations of the Corporate Governance and Nominating Committee. The specific experiences, qualifications and skills that were considered in their initial selection, and considered by the Board in their nomination, are included after each of the individual biographies below. Messrs. Cocroft, Jones, Leuliette, Manzo and Wilson are current directors and nominees who have been elected by stockholders at the last annual meeting, and Messrs. Scricco and Treadwell are current directors and nominees who were appointed after the last annual meeting of stockholders.

***The Board of Directors Recommends that You Vote FOR the Election of Duncan H. Cocroft, Jeffrey D. Jones, Timothy D. Leuliette, Robert J. Manzo, Francis M. Scricco, David L. Treadwell, Harry J. Wilson and Yuen Kam Ho, George as Directors.***

### **Nominees for Directors**

**Duncan H. Cocroft** is 69 years old and he has been a director of Visteon since October 18, 2010. Mr. Cocroft is the former Executive Vice President, Finance and Treasurer of Cendant Corporation, a provider of consumer and business services primarily in the travel and real estate services industries, a position he held from June 1999 until March 2004. During that time, Mr. Cocroft also served as Executive Vice President and Chief Financial Officer of PHH Corporation, Cendant's wholly-owned finance subsidiary. Prior to joining Cendant in June 1999, Mr. Cocroft served as Senior Vice President, Chief Administrative Officer and Principal Financial Officer of Kos Pharmaceuticals, Inc. and as Vice President and Chief Financial Officer of International Multifoods Corporation. Mr. Cocroft also serves as a director of SBA Communications Corporation.

Mr. Cocroft has experience as a chief financial officer and other financial oversight positions at large, global public companies, as well as other senior management experience including the oversight of information systems and human resources. He also has experience chairing the audit committee of a public company.

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**Jeffrey D. Jones** is 60 years old and he has been a director of Visteon since October 1, 2010. Mr. Jones is an attorney with Kim & Chang, a South Korea-based law firm, a position he has held since 1980. Mr. Jones serves as Chairman of the Board of Partners for Future Foundation, a Korean non-profit foundation. Mr. Jones has also served as a director of POSCO and the Doosan Corporation during the past five years.

Mr. Jones has over thirty years of international legal experience, with particular focus on Asia. He has served on the board of multinational companies and has been active in civic and charitable activities. He has served as chairman of the American Chamber of Commerce in Korea, as an advisor to several organizations and government agencies in Korea, and as a recognized member of the Korean Regulatory Reform Commission.

**Timothy D. Leuliette** is 63 years old and he has been Visteon's Chief Executive Officer and President since September 30, 2012, and a director of the Company since October 1, 2010. From August 10, 2012 to September 30, 2012, Mr. Leuliette served as Visteon's Interim Chairman of the Board, Interim Chief Executive Officer and Interim President, and prior to that Mr. Leuliette was the Senior Managing Director of FINNEA Group, LLC, an investment and financial services firm, since October 14, 2010. Mr. Leuliette has also served as the President and Chief Executive Officer of Dura Automotive LLC, an automotive supplier, from July 2008, a director of Dura from June 2008, and the Chairman of the Board of Dura from December 2008. Mr. Leuliette also served as a Managing Director of Patriarch Partners LLC, the majority stockholder of Dura. Prior to that, he served as Co-Chairman and Co-Chief Executive Officer of Asahi Tec Corporation, a manufacturer of automotive parts and other products, and Chairman, Chief Executive Officer and President of Metaldyne Corporation, an automotive supplier, from January 2001 to January 2008. Over his career he has held executive and management positions at both vehicle manufacturers and suppliers and has served on both corporate and civic boards, including as Chairman of the Detroit Branch of the Federal Reserve Bank of Chicago.

Mr. Leuliette has extensive experience in the automotive industry, including leadership roles with diversified suppliers of automotive components, systems and modules. He has deep experience with integrating acquired business, overseeing sophisticated sale transactions and restructuring distressed companies.

**Robert J. Manzo** is 55 years old and has been a director of Visteon since June 14, 2012. Mr. Manzo is the founder and managing member of RJM I, LLC, a provider of consulting services to troubled companies, a position he has held since 2005. From 2000 to 2005, Mr. Manzo was the senior managing director of FTI Consulting, Inc., a global business advisory firm. Mr. Manzo is a graduate of Rider University and is a certified public accountant.

Mr. Manzo has extensive experience advising distressed companies in the automotive and other industries, and possesses financial and accounting expertise.

**Francis M. Scricco** is 63 years old. He was appointed Visteon's non-Executive Chairman of the Board on September 30, 2012, and has been a director of Visteon since August 10, 2012. Mr. Scricco is the former Senior Vice President, Manufacturing, Logistics and Procurement of Avaya, Inc., a global business communications provider, a position he held from February 2007 to October 2008. Prior to that he was Avaya's Senior Vice President, Global Services since March 2004. Mr. Scricco also served as the interim Chief Operating Officer of Oasys Water, Inc. from August 2011 to December 2011 and again from May 2012 to September 2012. Mr. Scricco also serves on the boards of Masonite, Inc., Tembec, Inc. and Wastequip, LLC.

Mr. Scricco has extensive global business leadership experience, including public company board service.

**David L. Treadwell** is 58 years old and has been a director of Visteon since August 10, 2012. Mr. Treadwell currently serves on the boards of Flagstar Bank and FairPoint Communications, which are listed on the New York Stock Exchange. Mr. Treadwell also serves, since January 2011, as Chairman of C & D Technologies, a producer and marketer of electrical power storage and conversion products; as Chairman, since March, 2012 of Revere Industries, a manufacturer of various plastic and metal components for industrial use; and as Chairman, since January 2013, of Grow Michigan, LLC, a \$30 million mezzanine debt fund targeted to promoting economic growth in Michigan's small business community. Mr. Treadwell served as President and CEO of EP Management Corporation, formerly known as EaglePicher Corporation, from August 2006 to September 2011. Mr. Treadwell was EaglePicher's chief operating officer from June 2005 to July 2006. Prior to that, he served as Oxford Automotive's CEO from 2004 to 2005 during their restructuring.

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Mr. Treadwell has extensive experience in advising and leading distressed companies in the automotive and other industries.

**Harry J. Wilson** is 41 years old and he has been a Director of Visteon since July 28, 2011. He has been the Chairman and Chief Executive Officer of MAEVA Group, LLC, a turnaround and restructuring boutique, since January 2011. Prior to that, he served as a Senior Advisor on the President's Automotive Task Force from March 2009 to August 2009, and he was a Partner at Silver Point Capital, a credit oriented investment fund, where he joined as a Senior Analyst in May 2003 and served until August 2008. Mr. Wilson was the Republican nominee for the office of New York State Comptroller in 2010. He also serves on the boards of Yahoo! Inc. and YRC Worldwide, Inc.

Mr. Wilson has extensive financial and transactional expertise including advising distressed companies in the automotive and other industries.

**Mr. Yuen Kam Ho, George** is 68 years old and, if elected, would become a director of Visteon following the Annual Meeting. Mr. Yuen is the former Chief Executive of The Better Hong Kong Foundation, a non-profit organization founded to enhance public confidence in Hong Kong with overseas business and political leaders, a position he held from September 1997 until August 2006. Prior to that, he was the Assistant Director/Acting Deputy Director of the Information Services Department of the Hong Kong Government. Mr. Yuen is also a non-executive director of PNG Resources Holdings Limited, a Hong Kong listed company, and Industrial and Commercial Bank of China (Asia) Limited. He also served as an independent non-executive director of Tradelink Electronic Commerce Limited, a Hong Kong listed company, from November 2006 until May 2011. Mr. Yuen is a Standing Committee Member of Convocation and Member of the Court of the University of Hong Kong, and a board director/Vice-Chairman of the Hong Kong Society for the Aged since 1979.

Mr. Yuen is active in many international business conferences and government and community activities. He was appointed by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) as a member of the Business Advisory Council since September 2012. He is also an advisor to the following organizations: the China National Committee for Pacific Economic Cooperation (PECC China), the Institute of Finance and Trade Economics, Chinese Academy of Social Sciences, The Shanghai Academy of Social Sciences, and the Board of International Investment of Guangzhou Municipality, China. He is also a Fellow of the Hong Kong Institute of Directors, a member of the British Institute of Management and the Institute of Marketing, United Kingdom. From February 2006 to February 2013, he was a member of the Chinese People's Political Consultative Conference, Guangxi Autonomous Region in China. He graduated from The University of Hong Kong with a Bachelor's Degree (Honors) and attended post-graduate studies at the International Marketing Institute, Oxford University, and INSEAD.

Mr. Yuen has extensive international business leadership experience, including with Hong Kong listed companies, and continuing involvement in global corporate governance and civic concerns.

**CORPORATE GOVERNANCE**

**Corporate Governance Guidelines**

The Board has adopted Corporate Governance Guidelines to define the role of the Board, its structure and composition, as well as set forth principles regarding director commitment expectations and compensation. The guidelines also limit the number of other boards a director may serve on and the maximum age of directors.

**Board Leadership Structure**

In 2012, the Board re-examined its leadership model that included a combined Chairman/Chief Executive Officer position and an independent lead director. After considering evolving governance practices and its current profile, in September of 2012, the Board appointed a non-executive Chairman, resulting in the separation of the positions of Chairman and Chief Executive Officer. The non-executive Chairman will serve in a lead capacity to coordinate the

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activities of the other outside Directors and to perform the duties and responsibilities as the Board of Directors may determine from time to time. Currently, these responsibilities include:

To preside at all meetings of shareholders;

To convene and preside at all meetings of the Board, including executive sessions of the independent Directors;

Develop, with the assistance of the Chief Executive Officer (the CEO), the agenda for all Board meetings;

Collaborate with the CEO, committee Chairs, and other Directors to establish meeting schedules, agendas, and materials in order to ensure that all Directors can perform their duties responsibly and that there is sufficient time for discussion of all agenda items;

Advise the CEO on the quantity, quality, and timeliness of information delivered by management to the Board and provide input so that Directors can effectively and responsibly perform their duties;

Counsel the CEO on issues of interest or concern to Directors and encourage all Directors to engage the CEO with their interests and concerns;

Serve as a liaison on Board-related issues between Directors and the CEO and management although Directors maintain the right to communicate directly with the CEO or any member of management on any matter;

Assist the Board and the Company's officers in assuring compliance with and implementation of the Company's Corporate Governance Guidelines. Work in conjunction with the Corporate Governance and Nominating Committee to recommend revisions, as appropriate, to the Corporate Governance Guidelines;

Make recommendations to the Board concerning the retention of counsel and consultants who report directly to the Board on board matters (as opposed to committee counsel or consultants);

Work with the Chair of each committee during the annual review of committee charters and work with the Chair of the Corporate Governance and Nominating Committee with respect to committee assignments and the recruitment and selection of new Board members;

Represent the Board in shareholder engagement meetings and similar activities with other stakeholders, serve as a focal point for shareholder communications addressed to Directors, and advise the CEO of the timing and substance of such communications; in each case as approved by the Board;

Convene special meetings of the Company's shareholders consistent with the terms of the Company's Bylaws from time to time in effect; and

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Help set the tone for the highest standards of ethics and integrity.

The Board believes that a non-executive Chairman can help provide effective, independent Board leadership.

### **Board Risk Oversight**

The Board believes that its primary responsibility is to oversee the business and affairs of the Company for the protection and enhancement of shareholder value, which includes assessing major risks facing the Company and options for mitigating these risks. The committees help the Board carry out this responsibility by focusing on specific key areas of risk inherent in our business.

The Audit Committee oversees risks associated with financial and accounting matters, including compliance with legal and regulatory requirements, and the Company's financial reporting and internal control systems.

The Corporate Governance and Nominating Committee oversees risks associated with corporate governance, including Board structure and director succession planning.

The Organization and Compensation Committee helps ensure that the Company's compensation policies and practices support the retention and development of executive talent with the experience required to manage risks inherent to the business and do not encourage or reward excessive risk-taking by our executives.

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The Finance and Corporate Strategy Committee oversees risks associated with financial instruments, financial policies and strategies, and capital structure.

The Board receives regular updates from the committees about their activities in this regard. The Company's enterprise risk management approach utilizes a risk committee comprised of management level employees to monitor, manage and communicate significant risks related to global financial, operating, strategic, and compliance matters. The risk committee meets on a regular basis, and is chaired by the Company's General Counsel, who makes periodic reports to the Chief Executive Officer and the Board of Directors or its committees.

### **Director Independence**

The Corporate Governance Guidelines adopted by the Board of Directors provide that a majority of the members of the Board, and each member of the Audit, Organization and Compensation, Corporate Governance and Nominating, and Finance and Corporate Strategy Committees, must meet the independence criteria of applicable law and stock exchange listing standards. For a director to be considered independent, the Board must determine that the director does not have any direct or indirect material relationship with the Company. To assist it in determining director independence, the Board of Directors has adopted the Visteon Director Independence Guidelines. The Visteon Director Independence Guidelines contain categorical standards of independence which conform to, or are more exacting than applicable law and stock exchange listing standards. In addition to applying its guidelines, the Board will consider all relevant facts and circumstances that it is aware of in making an independence determination.

The Board undertook its annual review of director independence in April 2013, and, based on the listing standards of the New York Stock Exchange and the Visteon Director Independence Guidelines, the Board has affirmatively determined that all of the non-employee directors, namely Messrs. Cocroft, Jones, Manzo, Scricco, Treadwell and Wilson, are independent. None of these non-employee directors currently has any relationship with the Company (other than as a director or stockholder). Mr. Leuliette is not independent due to his employment as a senior executive of the Company. In April 2013, the Board also affirmatively determined that Mr. Yuen, a director nominee, would be independent based on the listing standards of the New York Stock Exchange and the Visteon Director Independence Guidelines.

### **Meetings and Executive Sessions**

During 2012, the Board of Directors held nineteen regularly scheduled and special meetings and took action by written consent four times in lieu of additional meetings. Under the Company's Corporate Governance Guidelines, directors are expected to attend all scheduled Board and committee meetings as well as the Company's Annual Meeting of Stockholders. No director attended less than 75% of the aggregate number of meetings of the Board and Board committees on which he or she served during 2012. All current directors who were also on the Board at the time of such meeting attended the last Annual Meeting of stockholders in 2012.

Pursuant to the Corporate Governance Guidelines, the non-employee directors meet without management at the end of every regularly scheduled Board meeting. The presiding director at these meetings is the non-executive Chairman or the Lead Independent Director, or if there be none, the most tenured independent director in attendance.

### **Board Committees**

The Board has established four standing committees. The principal functions of each committee are briefly described on the following pages.

#### **Audit Committee**

The Board has a standing Audit Committee, currently consisting of Duncan H. Cocroft (Chair), Robert J. Manzo and David L. Treadwell, all of whom are considered independent under the rules and regulations of the Securities and Exchange Commission, the New York Stock Exchange listing standards and the Visteon Director Independence

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Guidelines. The Board has determined that each of the current members of the Audit Committee has accounting and related financial management expertise within the meaning of the listing standards of the New York Stock Exchange, and Messrs. Cocroft and Manzo is qualified as an audit committee financial expert within the meaning of the rules and regulations of the Securities and Exchange Commission. During 2012, the Audit Committee held seven regularly scheduled and special meetings. The duties of the Audit Committee are generally:

to select and evaluate the independent registered public accounting firm;

to approve all audit and non-audit engagement fees and terms;

to review the activities and the reports of the Company's independent registered public accounting firm;

to review internal controls, accounting practices, financial structure and financial reporting, including the results of the annual audit and review of interim financial statements;

to review and monitor compliance procedures; and

to report the results of its review to the Board.

The charter of the Audit Committee, as well as any future revisions to such charter, is available on the Company's website at [www.visteon.com/investors](http://www.visteon.com/investors). The Audit Committee Report can be found beginning on page 51.

## **Organization and Compensation Committee**

The Board also has a standing Organization and Compensation Committee, consisting of David L. Treadwell (Chair), Duncan H. Cocroft and Jeffrey D. Jones, all of whom are considered independent under the New York Stock Exchange listing standards and the Visteon Director Independence Guidelines. During 2012, the Organization and Compensation Committee held fifteen regularly scheduled and special meetings and took action by written consent two times in lieu of additional meetings. The Organization and Compensation Committee oversees the Company's programs for compensating executive officers and other key management employees, including the administration of the Company's stock-based compensation plans, and approves the salaries, bonuses and other awards to executive officers. Other duties of the Organization and Compensation Committee are generally:

to review and approve corporate goals and objectives relative to the compensation of the Chief Executive Officer, evaluate the Chief Executive Officer's performance and set the Chief Executive Officer's compensation level based on this evaluation;

to review and approve executive compensation and incentive plans;

to approve the payment of cash performance bonuses and the granting of stock-based awards to the Company's employees, including officers; and

to review and recommend management development and succession planning.

The charter of the Organization and Compensation Committee, as well as any future revisions to such charter, is available on the Company's website at [www.visteon.com/investors](http://www.visteon.com/investors).



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The Chief Executive Officer of the Company, with the consultation of the Senior Vice President, Human Resources, provides recommendations to the committee on the amount and forms of executive compensation, and assists in the preparation of Committee meeting agendas. Pursuant to the Company's 2010 Incentive Plan, the Committee may delegate its power and duties under such plan to a committee consisting of two or more officers of the Company except in respect of individuals subject to the reporting or liability provisions of Section 16 of the Securities Exchange Act of 1934, as amended. The Committee has authorized the Vice President, Compensation, together with the concurrence of either of the chief financial officer or the general counsel, to approve awards of up to 30,000 stock options and/or stock appreciation rights (subject to an annual limit of 300,000 stock options and/or stock appreciation rights) and up to 15,000 shares of restricted stock and/or restricted stock units (subject to an annual limit of 150,000 shares of restricted stock and/or restricted stock units) to individuals the Company desires to hire or retain, except any individual who is or upon commencing employment will be subject to the liability provisions of Section 16 of the Securities Exchange Act of 1934, as amended.

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The Committee has the authority to retain, approve the fees and other terms of, and terminate any compensation consultant, outside counsel or other advisors to assist the committee in fulfilling its duties. During 2012, the Committee retained the firm of Frederic W. Cook & Co., Inc., an executive compensation consulting firm, to advise the Committee on competitive market practices and trends as well as on specific executive and director compensation matters as requested by the Committee or the Board. The Company maintains no other significant direct or indirect business relationships with this firm, and no conflict of interest with respect to such firm was identified. In addition, the Company utilizes Towers Watson and Pay Governance to provide broad-based benchmarking data for executive pay.

### **Corporate Governance and Nominating Committee**

The Board also has a standing Corporate Governance and Nominating Committee, consisting of Robert J. Manzo (Chair), Jeffrey D. Jones and Harry J. Wilson., all of whom are considered independent under the New York Stock Exchange listing standards and the Visteon Director Independence Guidelines. During 2012, the Corporate Governance and Nominating Committee held eight regularly scheduled and special meetings. The duties of the Corporate Governance and Nominating Committee are generally:

to develop corporate governance principles and monitor compliance therewith;

to review the performance of the Board as a whole;

to review and recommend to the Board compensation for outside directors;

to develop criteria for Board membership;

to identify, review and recommend director candidates; and

to review and monitor certain environmental, safety and health matters.

The charter of the Corporate Governance and Nominating Committee, as well as any future revisions to such charter, is available on the Company's website at [www.visteon.com/investors](http://www.visteon.com/investors).

The Corporate Governance and Nominating Committee has the authority to retain consultants to assist with director recruitment and compensation matters. During 2013, the Corporate Governance and Nominating Committee retained the firm of Frederic W. Cook & Co., Inc., to advise the Committee on competitive market practices and trends for outside director compensation.

### **Finance and Corporate Strategy Committee**

The Board has a standing Finance and Corporate Strategy Committee, consisting of Harry J. Wilson (Chair), Jeffrey D. Jones, Robert J. Manzo and David L. Treadwell, all of whom are considered independent under the Visteon Director Independence Guidelines. During 2012, the Finance and Corporate Strategy Committee held ten regularly scheduled and special meetings. The duties of the Finance and Corporate Strategy Committee generally are:

to review and make recommendations to the Board regarding the Company's cash flow, capital expenditures and financing requirements;

to review the Company's policies with respect to financial risk assessment and management including investment strategies and guidelines;

to review and make recommendations on mergers, acquisitions and other major financial transactions requiring Board approval;

to consider and recommend to the Board stock sales, repurchases or splits, as appropriate, and any changes in dividend policy; and

to evaluate bona fide proposals in respect of major acquisitions, dispositions, mergers and other transactions for recommendation to the Board.

The charter of the Finance and Corporate Strategy Committee, as well as any future revisions to such charter, is available on the Company's website at [www.visteon.com/investors](http://www.visteon.com/investors).

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**Code of Ethics**

The Company has adopted a code of ethics, as such phrase is defined in Item 406 of Regulation S-K that applies to all directors, officers and employees of the Company and its subsidiaries, including the Chief Executive Officer, the Executive Vice President and Chief Financial Officer and the Vice President and Chief Accounting Officer. The code, entitled Ethics and Integrity Policy, is available on the Company's website at [www.visteon.com](http://www.visteon.com).

**Communications with the Board of Directors**

Stockholders and other persons interested in communicating directly with the Chairman of the Board, a committee chairperson or with the non-management directors as a group may do so as described on the Company's website ([www.visteon.com/investors](http://www.visteon.com/investors)), or by writing to the chairperson or non-management directors of Visteon Corporation c/o of the Corporate Secretary, One Village Center Drive, Van Buren Township, Michigan 48111.

The Corporate Governance and Nominating Committee also welcomes stockholder recommendations of director candidates. Stockholders may suggest candidates for the consideration of the committee by submitting their suggestions in writing to the Company's Secretary, including the agreement of the nominee to serve as a director. In addition, the Company's Bylaws contain a procedure for the direct nomination of director candidates by stockholders (see page 55), and any such nomination will also be automatically submitted to the Corporate Governance and Nominating Committee for consideration.

**Table of Contents****DIRECTOR COMPENSATION**

The table below summarizes the compensation paid by the Company to non-employee directors for the fiscal year ended December 31, 2012. Directors who are employees of the Company receive no additional compensation for serving on the board.

<b>Name</b>	<b>Fees Earned or Paid in Cash \$(4)</b>	<b>Stock Awards \$(5)</b>	<b>All Other Compensation (\$)</b>	<b>Total (\$)</b>
Duncan H. Cocroft	110,000	95,000		205,000
Kevin I. Dowd(1)	105,000	95,000		200,000
Philippe Guillemot(2)	47,500			47,500
Herbert L. Henkel(2)	52,500			52,500
Mark T. Hogan(2)	47,500			47,500
Jeffery D. Jones	85,000	95,000		180,000
Karl J. Krapek(2)	42,500			42,500
Timothy D. Leuliette(3)	73,750	95,000		168,750
Robert J. Manzo	47,500	95,000		