

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.

1) Title of each class of securities to which transaction applies:

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4) Proposed maximum aggregate value of transaction:

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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 54th 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, 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. 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).

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. 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.

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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.

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.

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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.

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), 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.

Name	Fees Earned or Paid in Cash \$(4)	Stock Awards \$(5)	All Other Compensation (\$)	Total (\$)
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		142,500
Francis M. Scricco	39,663	229,780		269,443
David L. Treadwell	39,663	79,780		119,443
Harry J. Wilson	95,000	95,000		190,000

(1) Mr. Dowd resigned from the Board effective as of November 5, 2012.

(2) Messrs. Guillemot, Henkel, Hogan and Krapek did not stand for re-election at the 2012 annual stockholders meeting.

(3) Following his appointment as interim Chairman and Chief Executive Officer of the Company on August 10, 2012, no additional payments or awards were made to Mr. Leuliette under any non-employee director plans. See Executive Compensation, for more information.

(4) The following directors deferred 2012 cash compensation into their deferred unit account under the Deferred Compensation Plan for Non-Employee Directors (described below):

Name	2012 Cash Deferred
Mr. Krapek	\$ 42,500
Mr. Manzo	\$ 47,500

(5) As of December 31, 2012 and pursuant to the Visteon Corporation Non-Employee Director Stock Unit Plan (described further below), Messrs. Cocroft, Jones and Leuliette each owned 5,115 stock units, Mr. Wilson owned 3,712 stock units, Mr. Manzo owned 2,436 stock units, and Messrs. Scricco and Treadwell each owned 2,087 stock units. Mr. Scricco also owned 3,331 stock units granted pursuant to the 2010 Incentive Plan.

All non-employee directors currently receive an annual cash retainer of \$85,000. Committee chairs, except for the Chair of the Audit Committee, and Audit Committee members receive an additional annual committee retainer of \$10,000. The Chair of the Audit Committee and the Lead Independent Director, if any, received an additional annual retainer of \$15,000. All retainers are paid in quarterly installments. In addition, the Company reimburses its directors for expenses, including travel and entertainment, they incur in connection with attending board and committee meetings.

The Company's Non-Employee Director Stock Unit Plan provides for an annual grant to each non-employee director of stock units valued at \$95,000 on the day following the Company's annual meeting. Amounts are allocated to the unit accounts based on the average of the high and low price of the Company's common stock on the date of award, and the value of this account is directly related to the performance of the

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Company's common stock. Amounts attributed to a director's unit account under the Non-Employee Director Stock Unit Plan will not be distributed until after termination of his or her board service, either in a lump sum or in ten annual installments on the later of January 15th of the year following or six months after the date of termination of service. In 2012, the non-executive Chairman of the Board received a restricted stock unit award valued at \$150,000 under the 2012 Incentive Plan with terms similar to awards under the Non-Employee Director Stock Unit Plan.

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Non-employee directors may elect to defer up to 100% of their total retainer and any cash payments under the Deferred Compensation Plan for Non-Employee Directors, a nonqualified benefit plan, into a unit account. The amounts deferred into the unit account are allocated based on the average of the high and low price of the Company's common stock on the date of the deferral, and the value of this account is directly related to the performance of the Company's common stock. Amounts deferred on or prior to September 30, 2010, but after June 1, 2009 were credited to an interest bearing account. All amounts deferred are distributed following termination of board service in a lump sum or in ten annual installments on the later of January 15th of the year following or six months after the date of termination of service. As noted above, stock units held under the Non-Employee Director Stock Unit Plan and the Deferred Compensation Plan for Non-Employee Directors cannot be sold or transferred during a director's service on the Company's board. The Company believes that this restriction best links director and stockholder interests. The Company's current stock ownership guidelines also require non-employee directors to hold all their equity-based awards from the Company until termination from board service.

As part of a review of total non-employee director compensation, in April 2013, the Board of Directors approved an amendment to the Non-Employee Director Stock Unit Plan to increase the annual stock unit grant to \$105,000, subject to stockholder approval at the Annual Meeting. The Board also intends to increase the cash retainer to be paid to non-employee directors to \$95,000 if stockholders approve the amendment to the Non-Employee Director Stock Unit Plan at the Annual Meeting. Please see Item 4. Approval of Amendment to the Visteon Corporation Non-Employee Director Stock Unit Plan, below.

Table of Contents**STOCK OWNERSHIP**

The following contains information regarding the stock ownership of the nominees for election as directors, the directors continuing in office, the Company's executive officers and beneficial owners of more than five percent of the Company's voting securities.

Ownership of the Company's common stock is shown in terms of beneficial ownership. A person generally beneficially owns shares if he or she has either the right to vote those shares or dispose of them, and more than one person may be considered to beneficially own the same shares.

In this proxy statement, unless otherwise noted, a person has sole voting and dispositive power for those shares shown as beneficially owned by him or her. The percentages shown in this proxy statement compare the person's beneficially owned shares with the total number of shares of the Company's common stock outstanding on April 16, 2013 (50,236,168 shares).

Directors, Nominees and Executive Officers

The following table contains stockholding information for the Company's directors, director nominees and executive officers, as well as stock units credited to their accounts under various compensation and benefit plans as of April 16, 2013. No shares have been pledged as collateral for loans or other obligations by any director or executive officer listed below.

Name	Common Stock Beneficially Owned		Stock Units(2)(3)
	Number(1)	Percent of Outstanding	
Timothy D. Leuliette		*	90,371
Duncan H. Cocroft	1,000	*	5,115
Jeffery D. Jones		*	5,115
Robert J. Manzo	5,000	*	4,547
Francis M. Scricco	3,950	*	5,418
David L. Treadwell	2,000	*	2,087
Harry J. Wilson	5,000	*	3,712
Yuen, Kam Ho, George		*	
Jeffrey M. Stafeil		*	29,070
Robert C. Pallash	13,561	*	41,581
Keith M. Shull	26,849	*	14,535
Steve Meszaros	54,667	*	14,535
Michael J. Widgren	25,910	*	7,267
Donald J. Stebbins	41,035	*	
Martin E. Welch III	11,933	*	
All executive officers, directors and director nominees as a group (17 persons)	268,519	*	159,145

* Less than 1%.

(1) Includes shares of common stock which the following executive officers had a right to acquire ownership of pursuant to stock options or stock appreciation rights granted by the Company and exercisable on or within 60 days after April 16, 2013: Mr. Pallash (13,561 shares); Mr. Shull (14,926 shares); Mr. Meszaros (14,725 shares); Mr. Widgren (7,473 shares); Mr. Stebbins (41,035 shares) and Mr. Welch (11,933 shares).

(2) For non-employee directors, the amounts shown include stock units credited under the Deferred Compensation Plan for Non-Employee Directors, the Non-Employee Director Stock Unit Plan and the Visteon Corporation 2010 Incentive Plan, and are payable following termination of Board service in cash or shares of common stock at the election of the Company.

(3)

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Includes performance and restricted stock units granted to executive officers under the Visteon Corporation 2010 Incentive Plan, which are payable upon vesting in cash or shares of common stock at the election of the Company.

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Other Beneficial Owners

The Company believes that the following table is an accurate representation of beneficial owners of more than 5% of any class of the Company's voting securities as of April 16, 2013. The table is based upon reports on Schedules 13G and 13D and Forms 4 filed with the Securities and Exchange Commission or other information believed to be reliable.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Ownership	Percent of Class
Common Stock	S.A.C. Capital Advisors, L.P. 72 Cummings Point Road Stamford, Connecticut 06902	2,667,604(1)	5.1%

- (1) Based solely on the Schedule 13G/A, pursuant to an investment management agreement, S.A.C. Capital Advisors, L.P. (SAC Capital Advisors LP) maintains investment and voting power with respect to the securities held by S.A.C. Capital Associates, LLC (SAC Capital Associates), S.A.C. MultiQuant Fund, L.P. (SAC MultiQuant Fund) and S.A.C. Velocity Fund, LLC (SAC Velocity Fund). S.A.C. Capital Advisors, Inc. (SAC Capital Advisors Inc.) is the general partner of SAC Capital Advisors LP. Pursuant to an investment management agreement, CR Intrinsic Investors, LLC (CR Intrinsic Investors) maintains investment and voting power with respect to the securities held by CR Intrinsic Investments, LLC (CR Intrinsic Investments). Pursuant to an investment management agreement, Sigma Capital Management, LLC (Sigma Management) maintains investment and voting power with respect to the securities held by Sigma Capital Associates, LLC (Sigma Capital Associates). Steven A. Cohen controls each of SAC Capital Advisors Inc., CR Intrinsic Investors and Sigma Management. CR Intrinsic Investments is a wholly owned subsidiary of SAC Capital Associates. As a result, each of (i) SAC Capital Advisors LP, SAC Capital Advisors Inc. and Mr. Cohen may be deemed to beneficially own 2,508,552 shares of Common Stock; (ii) CR Intrinsic Investors and Mr. Cohen may be deemed to beneficially own 95,000 shares of Common Stock; and (iii) Sigma Management and Mr. Cohen may be deemed to beneficially own 64,052 shares of Common Stock.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the Company's executive officers, directors and greater than 10% stockholders to file certain reports (Section 16 Reports) with respect to their beneficial ownership of the Company's equity securities. Based solely on a review of copies of reports furnished to the Company, or written representations that no reports were required, the Company believes that during 2012 all Section 16 Reports that were required to be filed were filed on a timely basis.

TRANSACTIONS WITH RELATED PERSONS

Our Ethics and Integrity Policy instructs all its employees, including the Named Executive Officers, to avoid conflicts between personal interests and the interests of Visteon, as well as any action that has the potential for impacting the Company adversely or interfering with the employee's objectivity. The policy also requires any employee having a financial interest in, or a consulting, managerial or employment relationship with, a competitor, customer, supplier or other entity doing business with Visteon to disclose the situation to their manager or to the legal or human resources departments of the Company. The Company's compliance group implements the Ethics and Integrity Policy and related policies and annually requires all management employees, including the Named Executive Officers, to complete a questionnaire disclosing potential conflicts of interest transactions. In addition, the Audit Committee is responsible for overseeing our ethics and compliance program, including compliance with the Ethics and Integrity Policy, and all members of the Board are responsible for complying with such policy. The Corporate Governance and Nominating Committee reviews the professional occupations and associations of board nominees, and annually reviews transactions between Visteon and other companies with which our Board members and executive officers are affiliated to the extent reported in response to our directors and officers questionnaire. The Ethics and Integrity Policy is in writing. See page 56 of this proxy statement under Miscellaneous for instructions on how to obtain a copy.

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COMPENSATION COMMITTEE REPORT

The Organization and Compensation Committee of the Board of Directors (hereafter referred to as the Committee) oversees the Company's programs for compensating executive officers and other key management employees, including the administration of the Company's equity-based compensation plans, and approves the salaries, bonuses and other awards to executive officers. The Committee has reviewed and discussed the Compensation Discussion and Analysis below with management of the Company, and, based on such review and discussion, the Committee has recommended to the Board of Directors that the compensation discussion and analysis so stated be included in this Proxy Statement.

Organization and Compensation Committee

David L. Treadwell (Chairman)

Duncan H. Cocroft

Jeffrey D. Jones

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This Compensation Discussion and Analysis presents information about the compensation of the following executive officers named in the Summary Compensation Table beginning on page 31 (the Named Executive Officers or NEOs), including:

Timothy D. Leuliette, President and Chief Executive Officer (CEO), effective September 30, 2012; from August 10, 2012, he served as Interim Chairman of the Board, Interim CEO, and Interim President;

Jeffrey M. Stafeil, Executive Vice President, effective October 31, 2012, and Chief Financial Officer (CFO), effective November 2, 2012;

Michael J. Widgren, who served as the interim CFO from October 3 to November 1, 2012, and is the Company's Vice President, Chief Accounting Officer and Corporate Controller;

Steve Meszaros, VP and President, Electronics Product Group;

Robert C. Pallash, SVP and President, Global Customer Group; and

Keith M. Shull, SVP, Human Resources until April 30, 2013.

Compensation information is also presented for two former executive officers: Donald J. Stebbins, who served as our principal executive officer until his departure on August 10, 2012, and Martin E. Welch III, who served as our principal financial officer until his departure on October 3, 2012.

Executive Summary

2012: A Year of Transformation and Enhanced Focus

The Company experienced changes in its leadership in 2012 that have better positioned the Company for creating long-term shareholder value through the development of a clear, multi-year value creation strategy. In response to the views of our shareholders, the Company is better focused to achieve the shareholder return potential from our businesses. During the year, the Board of Directors underwent important changes to its composition—three new directors joined the Board, while six directors departed. The Board also hired a new CEO and CFO to create, and execute the new strategy. Collectively, the Board and management are focused on delivering greater profits and cash generation, and, therefore, improved shareholder returns. The new value creation strategy includes:

Achieving appropriate recognition for the value of its climate business and Chinese interiors joint venture;

Rationalizing the Company's interiors business in a manner that achieves appropriate value, while serving its customers;

Enhancing the scale of our electronics business; and

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Rationalizing underperforming facilities and selling, general, and administrative expenses.

The Majority of Target Pay and Incentive Compensation Opportunities Are Directly Based on Shareholder Returns

Since the ultimate measure of the Company's success by our shareholders is the long-term performance of the stock price, the Organization and Compensation Committee redesigned the executive officer long-term incentive structure to better align management to the Company's strategy. Specifically, the executive officer team, including the Named Executive Officers, have most of their target total pay opportunity based on achieving sustained share price appreciation (stock price plus dividends). Rather than setting goals each year for the long term incentive program, the Committee granted in late 2012 three years of long-term incentive awards covering 2013 through 2015. As a result, the CEO and other Named Executive Officers will not receive regular long-term incentive awards again until 2016.

We will continue to review base salaries and annual incentive award opportunities, which focus on specific annual financial and operational drivers of shareholder value. As a result, management's total pay package will be delivered through a pay-for-performance design utilizing a mix of award types, performance metrics, and performance assessment periods.

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Other Business, Governance and Performance Highlights

In 2012, we had solid performance in many areas; highlights of key business, governance, and financial achievements include:

Since the announcement of our new CEO, the Company's total shareholder return was greater than 30% through February 28, 2013;

Generating positive free cash flow, a milestone achievement for the Company;

Managing trade working capital to be 6.93% of our 2012 sales;

Achieving key strategic actions including the sale of its Lighting business, its Michigan corporate headquarters facility and a U.K. interiors joint venture (R-TEK);

Laying the groundwork to combine the Company's climate business with its South Korean subsidiary, Halla Visteon Climate Control Corporation;

Reducing U.S. pension plan liabilities by providing the opportunity for certain participants in the closed U.S. pension plan to elect a lump sum buyout to receive their benefits now; and

Transitioning all executive change in control agreements to have a double trigger.

2012 Named Executive Officer Annualized Target Compensation Opportunity Is Primarily Performance-based

The vast majority of the annualized target compensation opportunity is performance-based with the amounts realized, if any, based on our financial results or stock price performance. In 2012, 77% of the six Named Executive Officers' annualized target compensation was provided through annual and long-term incentive award opportunities.

Base Salary 23% of the target compensation mix

Annual Incentive award opportunity 18%

Long-Term Incentive award opportunity 59%

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Our Solid 2012 Performance Results Are Reflected in the 2012 Compensation

The 2012 compensation for our Named Executive Officers is commensurate with the Company's 2012 performance and the goals of our executive compensation program. The mix of award types and incentive plan performance measures were selected to align with our business strategy, talent needs, and market practices. Actual pay realized by the executive officers was based primarily on annual and long-term financial and stock price performance results. A minority of pay was based on fixed elements (base salaries, perquisites, and retirement benefit contributions), given our focus on performance-based pay elements (annual and long-term incentives).

Our 2012 results exceeded the thresholds for our Annual Incentive award, which is weighted 75% on financial results and 25% on quality and strategic actions, resulting in funding of awards at approximately 91% of target:

Performance Measures & Weightings	Performance Results
Adjusted EBITDA (65%)	87% of Target
Working Capital as % Sales (10%)	59% of Target
Product Quality (10%)	93% of Target
Strategic Actions (15%)	125% of Target

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2012 Say-on-Pay Advisory Vote Outcome

In 2012, our executive compensation program received 91.4% approval from our shareholders. We believe that this result demonstrates our shareholders' strong endorsement of the Organization and Compensation Committee's executive compensation decisions and policies. Our shareholder vote was one of many factors considered by the Committee in reviewing the Company's executive compensation program.

Executive Compensation Program Design and Governance Practices

Our executive compensation program is designed to provide strong alignment between executive pay and Company performance and is in alignment with best practices.

Pay Philosophy

Pay levels are targeted to be, on average, at market median levels.

The *majority* of NEOs' annual target compensation is only earned if specific goals are achieved or the Company's stock price appreciates over time.

Incentive award opportunities with payouts based on specific goals are capped at 200% (or lower) of the target award opportunity.

Incentive Design

Incentive award opportunities are provided through a combination of annual incentive, long-term incentive and other equity-based award opportunities.

The annual incentive program uses multiple performance measures providing a balanced focus and commensurate awards based on earnings, working capital, product quality and achievement of specific strategic actions.

Long-term and special incentives are linked to the future value of the Company's stock price and delivered through a mix of award types to drive achievement of specific goals and facilitate executive retention.

Amounts realized by executives, if any, are commensurate with our achievement of specific goals or the Company's multi-year stock price performance.

Key Governance Aspects

The Company does not have, nor will it enter into any new, change in control agreements with modified single-triggers.

In order to implement this governance best practice, the CEO's and CFO's agreements do not have such a provision and, effective October 2012, new agreements with each of the other Named Executive Officers were implemented to eliminate the modified single-triggers.

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As such, all of the change in control agreements have a double trigger , which would require that the executive be involuntarily terminated or terminate with Good Reason following a change in control in order to receive benefits under the agreement.

No excise tax gross-up provisions are contained in our change-in-control severance arrangements.

NEOs are subject to minimum stock ownership guidelines to ensure ongoing, meaningful alignment with stockholders.

Stock trading policy contains a prohibition on hedging transactions, purchasing the company s common stock on margin or pledging such shares.

Limited perquisites are provided and the Company sold the aircraft it previously owned.

U.S. defined benefit pension plans are frozen .

Adopted a compensation recovery policy for executive officers in the event of a financial restatement.

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Program Administration

The Organization and Compensation Committee (the Committee) reviews and approves all aspects of the compensation program for NEOs.

An independent executive compensation consultant, who has no other consulting arrangement with the Company, is engaged directly by the Committee to assist with the ongoing review of the compensation programs.

Annually the Committee reviews key elements of the program considering our business and talent needs, as well as market trends.

Market compensation practice is one of several inputs (along with reviewing pay tally sheets, business/talent needs, reasonableness, and cost) considered by the Committee in the design of the program.

Executive Compensation Program Administration

The Committee is primarily responsible for administering the Company's executive compensation program. The Committee reviews and approves all elements of the executive compensation program that cover the Named Executive Officers. In fulfilling its responsibilities, the Committee is assisted by its independent compensation consultant and takes into account recommendations from the CEO. The primary roles of each party are summarized below.

Party:	Primary Roles:
Organization and Compensation Committee (comprised solely of independent directors)	Oversee all aspects of the executive compensation program Approve officer compensation levels, incentive plan goals and award payouts Approve specific goals and objectives, as well as corresponding compensation, for the CEO
Senior Management (CEO, CFO, SVP HR, and General Counsel)	Ensure the executive compensation program best achieves the Company's objectives, considering the business strategy, talent needs, and market trends Make recommendations regarding the potential structure of the executive compensation program, including input on key business strategies and objectives Make recommendations regarding the pay levels of the officer team (excluding the CEO)
	Provide any other information requested by the Organization and Compensation Committee

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Compensation Consultant

Advise the Organization and Compensation Committee on competitive market practices and trends

(Frederic W. Cook & Co., Inc.)

Provide proxy pay data for our compensation peer group

Present information and benchmarking regarding specific executive compensation matters, as requested by the Organization and Compensation Committee

Review management proposals and make recommendations regarding CEO pay

Additional information about the role and processes of the Organization and Compensation Committee is presented above under Corporate Governance Organization & Compensation Committee.

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Executive Compensation Program Philosophy

The primary objectives of the Company’s executive compensation program are to recruit, motivate, and retain highly-qualified executives who are key to our long-term success and will focus on maximizing shareholder value. As such, the Company’s executive compensation program is structured to accomplish the following:

Drive achievement of the Company’s strategic plans and objectives;

Create strong alignment of the interests of executives with the creation of shareholder value, particularly as measured by total shareholder return/stock price appreciation;

Provide a market competitive total compensation package customized to fit our business and talent needs; and

Be cost-effective and straightforward to understand and communicate.

For each element of compensation and in total, the Company generally targets annualized compensation to be within market median levels, considering an individual’s experience, performance, and business impact, as well as our organizational structure and cost implications. The target compensation mix is set based on position responsibilities, individual considerations, and market competitive practices. The proportion of variable, or at risk, compensation, provided through incentive programs, increases as an employee’s level of responsibility increases commensurate with the position’s impact on the business. The actual pay earned, if any, for annual and long-term incentives reflects Company and individual performance.

Market Compensation Practices

As one of the inputs in determining executive compensation, annually, the Company reviews survey and proxy compensation data regarding market practices. In early 2012, the Company reviewed NEO base salaries, target annual and long-term incentive award opportunities, as well as selected pay program design practices. In conducting this review, the Committee selected a group of 19 comparably-sized companies in similar industries (the Compensation Peer Group) with median annual revenues of approximately \$8 billion (range of \$4 to \$17 billion), and general industry as comparators. We believe the Compensation Peer Group represents a reasonable comparator group of direct automotive supplier peers and other related companies in which we currently compete for executive talent. When general industry compensation data is used, the Company is not aware of the specific participant companies in the analysis. The Compensation Peer Group is listed below.

AGCO Corporation	Federal-Mogul Corp.	Parker-Hannifin Corporation
Autoliv, Inc.	Flowserve Corp.	Rockwell Automation Inc.
BorgWarner Inc.	Lear Corporation	SPX Corporation
Cummins Inc.	Meritor, Inc.	Tenneco Inc.
Dana Holding Corporation	Navistar International Corporation	TRW Automotive Holdings Corp.
Dover Corp.	Oshkosh Corporation	
Eaton Corporation	PACCAR Inc.	

In August 2012, the Committee reviewed the peer group (listed above) for appropriateness in light of the Company’s recently completed and potential future asset dispositions, and decided changes were warranted to reflect the lower projected future annual revenues of the Company. As a result of this review, the Committee selected 16 companies in similar industries (the Revised Compensation Peer Group) with median annual revenues of \$7 billion (range of \$2 to \$16 billion); 13 of these companies were in the prior peer group. The Revised Compensation Peer Group, listed below, was used to assist in developing the compensation package for the CEO and CFO hired in the latter part of 2012.

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American Axle & Manufacturing
Autoliv, Inc.
BorgWarner Inc.
Dana Holding Corporation
Federal-Mogul Corp.

Flowserve Corp.
ITT
Lear Corporation
Meritor, Inc.
Navistar International Corporation

Oshkosh Corporation
Rockwell Automation Inc.
SPX Corporation
Tenneco Inc.
Timken Co.
TRW Automotive Holdings Corp.

Table of Contents**Executive Compensation Program Description of Primary Elements**

An overview of the primary elements of the executive compensation program is presented below. Consistent with our emphasis on aligning pay and performance, the largest portion of the target compensation opportunity is provided through annual and long-term incentive programs.

Each primary element of the executive compensation program is described below.

Base Salary

Base salaries, combined with medical, life and disability benefits, provide basic security for our employees at levels necessary to attract and retain a highly qualified and effective salaried workforce. Base salaries are determined taking into account market data as well as an individual's position, responsibilities, experience and value to the Company. The actual salaries paid to each Named Executive Officer for 2012 are presented in the Summary Compensation Table. For Messrs. Leuliette and Stafeil, who were hired during 2012, their compensation packages are discussed in detail in the sections CEO Compensation and CFO Compensation, respectively.

Annual Incentive Awards

The Company's Annual Incentive program provides key salaried employees the opportunity to earn an annual cash incentive award based on individual performance if the Company achieves specified financial, operational, and strategic objectives. This program is designed to motivate executives to achieve key short-term financial and operational goals of the Company. The target incentive opportunities are expressed as a percentage of base salary, which are set by the Organization and Compensation Committee considering the potential impact on the business of each role, the relationships among the roles and market competitive levels for the positions. The target annual incentive opportunities, as a percentage of base salary as of December 31, 2012, are Mr. Leuliette 120%, Mr. Stafeil 80% (starting in 2013), Messrs. Meszaros, Pallash and Shull 60%, and Mr. Widgren 50%.

On February 28, 2012, the Organization and Compensation Committee approved Annual Incentive award opportunities for approximately 1,700 global salaried employees, including the Named Executive Officers. The 2012 award opportunities were based on the Company's achievement of four metrics chosen for their importance to external stakeholders, such as customers and investors:

Measure	Weighting	Focus of Measure	Description
Adjusted EBITDA	65%	Earnings growth	Net income (loss) attributable to the Company, plus net interest expense, provision for income taxes and depreciation and amortization, as further adjusted to eliminate the impact of asset impairments, gains or losses on divestitures, net restructuring expenses and other reimbursable costs, certain non-recurring employee charges and benefits, reorganization items and other non-operating gains and losses.
Working Capital as % of Sales	10%	Cash management	Average quarterly trade working capital, which equals trade receivables plus inventory minus trade payables, as a percentage of average quarterly product sales.
Product Quality	10%	Manufacturing quality	Parts per million defective, which is based on customer assessments and comparison of results to the prior year.
Strategic Actions	15%	Operational and strategic	Various operational and strategic goals related to optimizing the business (such as facility closures and consolidations, and selling the corporate headquarters), completing targeted mergers or acquisitions, and other important actions that help drive shareholder value.

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Specific threshold and target metrics for the 2012 Annual Incentive are set forth below, as well as 2012 actual results.

Measure	2012 Threshold	2012 Target	2012 Actual	Resulting Award as % of Target
Adjusted EBITDA	\$620 million (75% of Target)	\$655.3 million	\$637.0 million (87% of Target)	87%
Working Capital as % of Sales	7.0% (50% of Target)	6.6%	6.93% (59% of Target)	59%
Product Quality (parts per million)	5% improvement (75% of Target)	10% improvement	9.3% improvement (93% of Target)	93%
Strategic Actions	Same as Target	Qualitative assessment of various listed actions (at least six actions)	Achieved 9 strategic actions (125% of Target)	125%

Based on 2012 actual results, Annual Incentive awards were earned at approximately 91% of target. Final awards are based on an assessment of each individual's performance and may be adjusted downward or, for executives who are not subject to Section 162(m) tax rules, upward. Of the NEOs, Mr. Widgren's final award was adjusted upward by approximately 15% to reflect his additional contributions to the Company in completing a number of critical initiatives. The amounts paid to the Named Executive Officers are set forth in the Summary Compensation Table, under the column Non-Equity Incentive Plan Compensation.

In addition, Mr. Stafeil was not eligible to participate in the 2012 Annual Incentive program. However, to recognize his considerable contributions to the Company during late 2012 and early 2013, the Committee elected to make a discretionary special cash bonus award to Mr. Stafeil in the amount of \$25,000. This amount is reflected in the Summary Compensation Table, under the column Bonus.

Long-Term Incentive Awards

The Company's Long-Term Incentive program is designed to reward salaried employees for the achievement of specified multi-year goals that are linked to the Company's long-term financial and strategic objectives, to align the delivery of incentive value with increases in the Company's stock price and to retain key employees. Typically awards are granted with a vesting or performance period of three years; however, in some situations, such as the recruitment of new executives or to focus on mid-term objectives, the Company may use a shorter or longer period. The total targeted long-term incentive (LTI) award opportunity, expressed as a percentage of base salary, is determined by organization level.

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In 2010, the Company granted restricted stock units or restricted stock; and in 2011, stock options or stock appreciation rights were granted. The February 2012 grant mix included several award types in order to best achieve a balanced focus on the achievement of multi-year goals, stock price performance, and longer-term retention of key executives. The Committee granted performance stock units, stock options (or stock appreciation rights (SARs)) and restricted stock units (or restricted stock). Each of the award types granted on February 28, 2012 is described below.

Award Type and Weighting

Performance Stock Units (50% of the total LTI award)

Primary Role

Reward the achievement of total shareholder return (TSR) results over 2012 to 2014 relative to returns of similar companies

Design Features

Performance stock units (PSU) provide executives the opportunity to earn shares based on the Company's three-year total stockholder return (TSR) relative to 17 automotive sector peer companies (listed below)

To transition to this new award type, three separate performance cycles commenced in 2012: one-year (2012) cycle for 25% of PSU opportunity, two-year (2012 to 2013) cycle for 25% of PSU opportunity, and three-year (2012 to 2014) cycle for 50% of the PSU opportunity

Awards can be earned up to 150% of the target award opportunity based on the Company's TSR performance ranking within the comparator group (Visteon plus the 17 TSR peer companies)

No award if Visteon is in the bottom 4 of companies

#5 rank 35% of the target award

#10 rank 100% of the target award

#15 or higher rank 150% of the target award

Award payouts for performance between the rankings specified above is determined based on interpolation

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Stock Options or Stock Appreciation Rights (25% of the total LTI award)	Reward for appreciation in the Company's stock price	TSR is calculated using the 20-trading day average closing price at the start and end of the performance cycle
		Exercise price equal to the average of the high and low trading prices on the date of grant
		Vest one-third per year beginning one year after the date of grant
Restricted Stock Units or Restricted Stock (25% of the total LTI award)	Facilitate retention and provide an ownership-like stake in the Company	Ten-year term, upon which any unexercised options/SARs would expire
		Vest one-third per year beginning one year after the date of grant

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The number of stock units and options awarded was based on each executive's February 2012 LTI opportunity, which, as a percentage of base salary, was 150% for Messrs. Meszaros, Pallash and Shull, and 105% of base salary for Mr. Widgren. In addition to his regular 2012 LTI grant, Mr. Shull received a special grant in February 2012 of restricted stock in order to recognize his outstanding contributions and to help retain him. For tax and legal reasons, stock appreciation rights are granted in lieu of stock options to employees for whom the United States is not their home country, which included only Mr. Pallash amongst the NEOs.

The following companies were selected as the Relative TSR Peer Group, which were selected as a reasonable cross-section of companies in which the Company competes with for capital resources.

Relative TSR Peer Group (17 companies)

Autoliv, Inc.	Delphi Automotive	Magna International, Inc.
BorgWarner Inc.	Denso	Meritor Inc.
Calsonic Kansai	Faurecia	Tenneco Inc.
Continental	Federal-Mogul Corp.	TRW Automotive Holdings Corp.
Cooper Standard	Johnson Controls Inc.	Valeo
Dana Holding Corporation	Lear Corporation	
<i>CEO Compensation</i>		

Mr. Leuliette served as Interim Chairman of the Board, Interim Chief Executive Officer and Interim President of the Company from August 10, 2012 to his appointment as the permanent Chief Executive Officer and President. During this time period he received a monthly base salary of approximately \$96,000 and a signing bonus of \$500,000 in cash. In connection with his appointment as permanent Chief Executive Officer and President, the Company and Mr. Leuliette entered into an employment agreement, dated as of September 30, 2012, with an initial term of three years and three months through December 31, 2015. Under the agreement, Mr. Leuliette will receive an annualized base salary of \$1.15 million, and a target Annual Incentive award opportunity of 120% of his base salary. The annualized pay opportunities were set based on market competitive levels for an experienced CEO and, thus, targeted to be between the median and 75th percentile of the Revised Compensation Peer Group. In addition, he received a cash sign-on payment of \$500,000, subject to clawback if Mr. Leuliette is terminated for cause or voluntarily terminates his employment without good reason before December 31, 2014. Mr. Leuliette's Annual Incentive award for 2012, was pro-rated for his time served as an executive in 2012 from August 10, 2012, the date of his appointment as Interim Chairman of the Board, Interim Chief Executive Officer and Interim President of the Company. His annualized regular target total direct compensation opportunity is approximately \$6.9 million with 83% variable (provided through annual and long-term incentive plans that are subject to financial, operational or stock price performance results), as follows:

Pay Element	Annualized Target Pay Level	
	Level (\$000)	% of Total
Base Salary	\$ 1,150.0	17%
Annual Incentive Opportunity	\$ 1,380.0	20%
Long-Term Incentive Award Opportunity	\$ 4,387.1	63%
Target Total Direct Compensation	\$ 6,917.1	100%

In order to directly align Mr. Leuliette's long-term incentive award opportunities with shareholder value creation, as reflected by the Company's stock price performance, and his initial employment period, ending December 31, 2015, the Committee structured the grant as follows:

Weighted the grant 75% performance and time-based stock units and 25% time-based restricted stock units.

Specified levels of Company TSR that are required to earn the performance-based stock units, since the key measure of the CEO's success in creating shareholder value is the performance of the Company's stock price (see detailed description of this plan below), as well as continued service through the vesting date.

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Set the grant levels to cover awards through 2015 (three years and five months of expected service as CEO and President). In lieu of annual Long-Term Incentive awards, an up-front equity grant covering three years and five months worth of awards was granted to align to the new business strategy and closely link CEO realized compensation to shareholder value creation. The equity grant is intended to be in place of any other regular equity awards that might otherwise have been granted to Mr. Leuliette for 2012 through 2015.

The number of stock units awarded was based on the annualized Long-Term Incentive opportunity, as a percentage of annual base salary, of approximately 380%.

This annualized award opportunity was multiplied by the grant coverage period of 3 years and 5 months, resulting in the target total grant value of approximately \$15 million (annualized opportunity of approximately \$4.4 million), as shown below.

Covered Period	Long-Term Incentive Award Opportunity (\$000)
August to December 2012	\$ 1,827.9
2013	\$ 4,387.1
2014	\$ 4,387.1
2015	\$ 4,387.1
Total Target LTI Award Opportunity	\$ 14,989.2

Of the total target award opportunity of \$15 million covering three years and five months, 75% (approximately \$11.3 million) was granted in performance-based stock units and 25% (approximately \$3.8 million) was granted in time-based restricted stock units.

Note: The value of the equity awards reflects the accounting grant date fair value. For the performance-based stock units, which can be earned based on TSR performance, accounting grant date fair values were determined using a Monte Carlo Simulation in accordance with FASB ASC Topic 718 and prepared by a third-party consultant, Aon Radford.

The time-based restricted stock units will vest in three equal annual installments on August 10th of each of 2013, 2014, and 2015, respectively, subject to continued employment.

CFO Compensation

On October 31, 2012, Jeffrey M. Stafeil was appointed as Executive Vice President and, effective November 2, 2012, Chief Financial Officer. Mr. Stafeil will receive an initial annualized base salary of \$650,000, target Annual Incentive award opportunity of 80% of his base salary commencing in 2013 and an annualized Long-Term Incentive award opportunity of 200% of his base salary commencing in 2016. Mr. Stafeil received a cash sign-on payment of \$450,000 (which is subject to forfeiture in whole or in part in certain events) and a sign-on equity grant, as detailed below, similar in design to the grants to the other Named Executive Officers. The annualized pay opportunities and other pay elements were set based on market competitive levels for an experienced CFO and reflected the levels necessary to recruit Mr. Stafeil to leave his prior employer to join the Company.

Multi-Year Incentive Grants and New TSR Plan

In support of the Company's new business strategy and to ensure the executive officer teams' potential awards were aligned to the achievement of specific levels of shareholder value creation, equity grants were made in the fourth quarter of 2012 in lieu of additional regular annual grants through 2015. Consistent with our focus on shareholder value creation, a majority of the award opportunity (75% of the grant date value) was provided through performance-based stock units and the remainder in time-based restricted stock units. The terms of the performance-based stock units and restricted stock units, which were made under the Visteon Corporation 2010 Incentive Plan, are substantially the same for the Named Executive Officers, and are intended to be in lieu of future potential awards under the Company's long-

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term incentive program for 2013, 2014 and 2015. The following table presents the number of performance-based stock units and restricted stock units granted to each of the Named Executive Officers:

Name	Grant Date	Coverage Period	Restricted Stock Units	Performance-Based Stock Units
Timothy D. Leuliette	September 30, 2012	Through 2015	85,256	345,914
Jeffrey M. Stafeil	October 31, 2012	Through 2015	29,070	120,106
Steve Meszaros	October 29, 2012	Through 2015	14,535	60,053
Robert C. Pallash	October 29, 2012	Through 2015	14,535	60,053
Keith Shull	October 29, 2012	Through 2015	14,535	60,053
Michael J. Widgren	October 29, 2012	Through 2015	7,267	30,026

Mr. Leuliette's time-based restricted stock units will vest in three equal annual installments on August 10th of each of 2013, 2014, and 2015, respectively, subject to continued employment. The other officers' restricted stock units will vest in three equal annual installments on October 29th of each of 2013, 2014, and 2015, respectively, subject to continued employment.

The performance-based stock units will be earned, subject to continued employment, based on total shareholder return for the period between the grant date and December 31, 2015, as detailed below. Vesting requires both stock price achievement and continued employment. Upon achievement of TSR of at least \$53.50, an increase of approximately 20% from the September grant date price, the percentage of the target award earned, but not vested until December 31, 2015, will be determined as follows:

TSR Achievement	% of Target Shares Earned
\$70.00 or higher	100%
\$64.00	67%
\$53.50	33%
< \$53.50	0%

For TSR achievement between \$53.50 and \$64.00 or between \$64.00 and \$70.00, straight-line interpolation is applied to determine the number of shares earned.

The TSR performance level achieved is measured based on the highest average closing stock price that was achieved for 20 consecutive trading days, plus the value of cash dividends paid per share of stock from the grant date through the last day of the same 20-day period, of the performance period ending December 31, 2015. Awards may be earned prior to December 31, 2015, but are not vested (or payable) until the end of the performance period on December 31, 2015 (or earlier for certain types of termination of employment).

The treatment of the performance based stock units and time-based restricted stock unit awards under various potential types of termination of employment are presented below under the heading Potential Payments Upon Termination.

Other Compensation Elements*Stock Ownership Guidelines*

The Company has adopted stock ownership goals for all elected officers of the Company. The goal for these officers is to own common stock worth a multiple of salary, ranging from one times salary up to six times salary for the Chief Executive Officer, within five years from their date of hire or election, if later. All of the Named Executive Officers employed by the Company for five years or more are in compliance with the stock ownership guidelines. For the purpose of determining compliance with the stock ownership guidelines, the calculation includes stock owned directly, restricted stock, and restricted stock units (but excludes unexercised stock options and stock appreciated rights, and unearned performance stock units). Visteon's Stock Ownership guidelines are as follows:

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Chief Executive Officer six times base salary;

Executive and Senior Vice Presidents and Product Group Presidents three times base salary; and

All other officers one times base salary.

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Executive Perquisites and International Service Employee Program

The Company provides the Named Executive Officers with a flexible perquisite allowance program. The flexible perquisite allowance is a fixed amount that is paid to each eligible executive in installments and is designed to cover his or her expenses related to legal and financial counseling, excess liability insurance premiums, tax preparation, and airfare for spouse or partner accompanying employee on business travel, among other items. For Named Executive Officers, the amount of the allowance varies by management level, with a range of \$15,000 to \$60,000 per year and is not grossed up. The amount paid to the Named Executive Officers in 2012 pursuant to the flexible perquisite allowance program is set forth in the All Other Compensation column of the Summary Compensation Table. The Company also maintains an Executive Security Program that permits the Chief Executive Officer to use corporate provided aircraft for personal and business travel, and provides the benefit of various personal health and safety protections. The Chief Executive Officer does not receive a tax gross-up for personal use of corporate provided aircraft.

As a global organization, senior executives of the Company are located in key business centers around the world. To facilitate the assignment of experienced employees to support the business the Company has an International Long Term Assignment Policy to address incremental costs incurred by assignees as a result of their international assignments. The policy provides for the reimbursement of incremental housing, cost of living, education and other costs incurred in conjunction with international assignments as well as the tax costs associated with these payments. The Company provides tax equalization to employees on international assignment. The tax equalization policy is intended to ensure that the employee bears a tax burden that would be comparable to the home country tax burden on income that is not related to the international assignment. It is the objective of the Company's International Long Term Assignment Policy that the employee not be financially disadvantaged as a result of the international assignment nor that the employee experience windfall gains. Two of the Company's key executives were on international assignment in 2012. Mr. Pallash is based in Shanghai, China, and Mr. Meszaros is based in Chelmsford, England.

Retirement Benefits Overview

The Named Executive Officers participate in the Company's retirement and savings plans in their respective home countries on the same basis as other similarly situated employees, except for the supplemental retirement and retiree health care described below. Historically, these benefits were needed in the Company's industry to compete for talent. Over the last several years, the Company has made changes to the type of retirement plans and the level of benefits provided under such plans, based on an assessment of the Company's business and talent needs, costs, market practices, and other factors. Effective January 1, 2012, the U.S. defined benefit pension plan was frozen for all participants. All of the NEOs participate in U.S.-based plans except Mr. Pallash who participates in certain U.K.-based plans.

The Named Executive Officers other than Mr. Pallash, as well as most U.S. salaried employees, are entitled to participate in the Visteon Investment Plan, Visteon's 401(k) investment and savings plan. Effective January 1, 2012, the Company's match increased to a rate of 100% of the employee's eligible contributions up to 6% of pay, which was designed to attract and retain employees in light of the changes made to other retirement benefit plans. Amounts deferred for each Named Executive Officer are reflected in the Salary column of the above Summary Compensation Table.

Effective as of January 1, 2012 in conjunction with changes in its U.S. tax-qualified retirement plans, the Company implemented a new Savings Parity Plan, which provides eligible participants with Company contributions of 6% of pay that are not allowed under the broad-based, qualified 401(k) plan

The Company also amended its Supplemental Executive Retirement Plan (SERP), to provide eligible participants annual Company contributions of 6%, 9% (Senior Vice Presidents), or 14.5% (CEO) of pay in place of the prior defined benefit formulas in the plan for service after January 1, 2012. The SERP is closed to new entrants other than elected Company officers.

The Company will provide an executive retiree health care benefit upon retirement from the Company to attract experienced executives. Pursuant to the program, such executives, after completing five years of service with the Company will be entitled to retiree health care benefits that are similar to those available to the Company's employees

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who are eligible for postretirement benefits under the Visteon Retiree Health & Welfare Program. The premium for this coverage is paid by the NEO. Of the Named Executive Officers, only Mr. Stebbins participates in this program.

Additional details about the Company's prior and current retirement plans are presented in a later section, under Retirement Benefits.

Severance and Change in Control Benefits

The Company has entered into change in control agreements with all of its executive officers, including the Named Executive Officers. The Company entered into change in control agreements with the executive team when it emerged from bankruptcy protection in October 2010 as contemplated by the approved plan of reorganization, and to recognize the considerable uncertainty that faces executives of a public company with a substantially de-leveraged profile. Upon becoming CEO, Mr. Leuliette, and CFO, Mr. Staffeil, entered into change in control agreements with a double trigger, which would require that the executive's employment terminate following a change in control in order to receive benefits under the agreement. These agreements provide for certain benefits if a qualifying termination occurs following a change in control of the Company. For the Named Executive Officers, change in control cash severance benefits are provided as a multiple of 1.5, 2.0 (CFO), or 2.5 (CEO) times the officer's sum of annual base salary and target annual incentive. In addition, the agreements provide for other severance benefits, such as the continuation of medical benefits and outplacement assistance. No excise tax gross-up provisions are contained in the change in control severance arrangements. All of the Named Executive Officers have change in control agreements with a double trigger provision. This was implemented for the other executive officers in October 2012, with new change in control agreements that have a double trigger (previously these Named Executive Officers, excluding the CEO and CFO, had a modified single-trigger, which allowed the executive to receive these benefits upon his or her voluntary departure during the thirteenth month following a change in control).

Upon the involuntary termination of employment by the Company (other than for specified reasons, including disability, availability of other severance benefits, and inappropriate conduct), executive officers are entitled to severance benefits under the 2010 Visteon Executive Severance Plan. This incorporates changes made, effective October 29, 2012, by the Organization and Compensation Committee to provide a specific and consistent level of severance benefits for the Chief Executive Officer, Executive Vice Presidents, Senior Vice Presidents and Vice Presidents who are also Presidents of business units, with cash severance payment of 1.5 times the sum of an executive's annual base salary and target annual incentive. Executives would also be entitled to the reimbursement of medical coverage premiums under COBRA for up to eighteen months following termination, the provision of outplacement services for up to twelve months, and the payment of a pro-rated portion of any outstanding annual incentive bonus based on actual Company performance during the performance period.

The severance plan and change in control agreements provide that outstanding stock-based awards vest only in accordance with the applicable terms and conditions of such awards. For additional details about the change in control agreements, the severance plan, the terms and conditions of awards, and the estimated value of these potential payouts, see the section Potential Payments Upon Termination.

Former CEO and CFO Separation Agreements

On August 10, 2012, Mr. Donald J. Stebbins entered into a separation agreement with the Company, under which he resigned from all positions effective on August 10, 2012. Mr. Stebbins had served as Chairman, President and Chief Executive Officer since December 1, 2008. The compensation provided under the separation agreement was negotiated based on consideration of market norms, the CEO's employment contract, the Company's desire to reaffirm restrictive covenants, and other considerations. Under the terms of the separation agreement, his departure was treated as an involuntary termination, and, in addition to Mr. Stebbins's accrued benefits, the Company agreed to pay him cash severance of \$2,391,000. Mr. Stebbins also received full vesting of his shares of restricted stock granted on October 1, 2010 that otherwise would have vested on October 1, 2012 and October 1, 2013. Mr. Stebbins was also eligible to receive his pro-rated annual incentive bonus for 2012 and a pro-rated portion of his performance stock units previously granted. The separation agreement also includes a standard non-disparagement covenant, as well as a release of claims, and required Mr. Stebbins to reaffirm the restrictive covenants in his employment agreement.

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On October 3, 2012, Mr. Martin E. Welch III entered into a separation agreement with the Company, under which he resigned from all positions effective October 3, 2012. Mr. Welch had served as Executive Vice President and Chief Financial Officer of the Company since October 17, 2011. Under the terms of the separation agreement, his departure was treated as an involuntary termination under the 2010 Visteon Executive Severance Plan, and, in addition to Mr. Welch's accrued benefits, the Company agreed to pay him cash severance of \$618,000 and vest certain benefits under the Visteon Corporation 2010 Supplemental Executive Retirement Plan and the Visteon Corporation Savings Parity Plan. In addition, the Company vested the remaining unvested options that were granted to Mr. Welch on October 17, 2011, vested a pro rata portion of the shares of restricted stock that were granted to Mr. Welch on February 28, 2012, and vested a pro rata portion of the performance stock units that were granted to Mr. Welch on February 28, 2012. Mr. Welch was also eligible to receive his pro-rated annual incentive bonus for 2012. The separation agreement also includes standard non-disparagement, confidentiality, non-solicitation and non-competition covenants, as well as a release of claims.

For additional details about the separation agreements, see Separation Agreement with Mr. Stebbins and Separation Agreement with Mr. Welch, below.

Other Executive Compensation Policies

Stock Awards Granting Policy. In 2012 the Company granted stock awards to its Named Executive Officers and other eligible key employees. The regular annual awards for 2012 were granted to key employees in February 2012, and the regular grants for 2013 through 2015 were granted on October 29, 2012. Stock awards made to executives and key employees at the time they become employees or officers of the Company (such as for Messrs. Leuliette and Stafeil, who joined the Company later in 2012) have a grant date on the later of the date employment commences or the date the Committee approves the awards. In all cases, the exercise price of stock options and stock appreciation rights is the average of the high and low trading price on the grant date. Stock price is not a factor in selecting the timing of equity-based awards.

Securities Trading and Anti-Hedging Policy. The Company maintains a Policy Regarding Purchases and Sales of Company Stock that imposes specific standards on directors and officers of the Company. The policy is intended not only to forbid such persons from trading in Company stock on the basis of inside information, but to avoid even the appearance of improper conduct on the part of such persons. In addition to the specific restrictions set forth in the policy, the policy requires that all transactions in Company stock by such persons and by others in their households be pre-cleared by the General Counsel. The only exception to the pre-clearance requirement is regular, ongoing acquisitions of Company stock resulting from continued participation in employee benefit plans that the Company or its agents may administer. The policy also expressly prohibits directors and officers from engaging in certain hedging transactions involving the Company's stock.

Pay Clawbacks. In April 2013, the Company adopted a compensation recovery policy, which requires each executive officer of the Company to repay or forfeit a portion or all of any annual incentive, performance stock units or other performance-based compensation granted to him or her on or after September 29, 2012 if:

the payment, grant or vesting of such compensation was based on the achievement of financial results that were subsequently the subject of a restatement of the Company's financial statements filed with the Securities and Exchange Commission,

the amount of the compensation that would have been received by the executive officer had the financial results been properly reported would have been lower than the amount actually received, and

the Board determines in its sole discretion that it is in the best interests of the Company and its stockholders for the executive officer to repay or forfeit all or any portion of the compensation.

Tax Deductibility of Executive Compensation. Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), limits the Company's federal income tax deduction to \$1 million per year for compensation to its CEO and certain other highly compensated executive officers. Qualified performance-based compensation for the CEO and certain covered officers is not, however, subject to the deduction limit, provided certain requirements of Section 162(m) are satisfied. We consider the impact of this rule when developing and implementing our executive compensation program. Annual Incentive awards, performance-based stock units and stock options (and stock

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appreciation rights) generally are designed to meet the deductibility requirements. We also believe that it is important to preserve flexibility in administering compensation programs in a manner designed to promote varying business and talent goals. Accordingly, we have not adopted a policy that all compensation must qualify as deductible under Section 162(m).

Statement Regarding Compensation Risk Assessment

The Company believes that its compensation programs, policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company.

Summary Compensation Table

The following table summarizes the compensation that was earned by, or paid or awarded to, the Named Executive Officers. The Named Executive Officers are the Company's Chief Executive Officer, the Company's Chief Financial Officer and the three other most highly compensated executive officers serving as such as of December 31, 2012, determined based on the individual's total compensation for the year ended December 31, 2012 as reported in the table below, other than amounts reported as above-market earnings on deferred compensation and the actuarial increase in pension benefit accruals. The Named Executive Officers also include the Company's former Chief Executive Officer, former Chief Financial Officer and former Interim Chief Financial Officer.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)(1)	Stock Awards (\$)(2)	Options Awards (\$)(3)	Non-Equity Incentive Plan Compensation (\$)(4)	Change in Pension Value & Nonqualified Deferred Compensation Earnings (\$)(5)	All Other Compensation (\$)(6)	Total (\$)
Timothy D. Leuliette Chief Executive Officer and President (7)	2012	\$ 450,000	\$ 1,000,000	\$ 14,989,157	\$	\$ 495,413	\$	\$ 111,505	\$ 17,046,075
Jeffrey M. Staffeil Executive Vice President and Chief Financial Officer (8)	2012	\$ 110,688	\$ 475,000	\$ 5,198,368	\$	\$	\$	\$ 16,749	\$ 5,800,805
Steve Meszaros Vice President and President, Electronics Product Group	2012	\$ 484,325	\$	\$ 3,038,351	\$ 171,969	\$ 270,000	\$ 436,037	\$ 1,799,383	\$ 6,200,065
	2011	\$ 468,650	\$ 53,671	\$	\$ 657,032	\$ 361,329	\$ 484,051	\$ 3,093,604	\$ 5,118,337
Robert C. Pallash Senior Vice President and President, Global Customer Group (9)	2012	\$ 442,487	\$	\$ 2,989,270	\$ 156,244	\$ 244,816	\$ 77,879	\$ 985,205	\$ 4,895,901
	2011	\$ 416,215	\$	\$	\$ 606,640	\$ 320,902	\$ 73,690	\$ 1,098,931	\$ 2,516,378
Keith M. Shull Senior Vice President, Human Resources (10)	2012	\$ 406,000	\$	\$ 3,763,239	\$ 146,783	\$ 225,000	\$ 528	\$ 249,783	\$ 4,791,333
Michael J. Widgren Vice President, Corporate Controller, Chief Accounting Officer, and Former Interim Chief Financial Officer	2012	\$ 354,950	\$	\$ 1,523,202	\$ 87,305	\$ 195,000	\$ 29,753	\$ 86,215	\$ 2,276,426
Donald J. Stebbins Former Chairman, President and Chief Executive Officer (11)	2012	\$ 756,826	\$	\$ 3,538,642	\$ 1,133,961	\$ 786,691	\$ 113,403	\$ 3,143,277	\$ 9,472,800
	2011	\$ 1,236,000	\$	\$	\$ 4,332,135	\$ 1,826,499	\$ 238,440	\$ 202,667	\$ 7,835,741
	2010	\$ 1,218,000	\$ 2,250,000	\$ 21,241,019	\$	\$ 2,132,100	\$ 78,865	\$ 77,370	\$ 26,997,354
Martin E. Welch III Former Executive Vice President and Chief Financial Officer (12)	2012	\$ 461,217	\$	\$ 2,255,356	\$ 293,567	\$ 276,414	\$	\$ 747,040	\$ 4,033,594
	2011	\$ 126,190	\$ 66,475	\$	\$ 275,891	\$ 83,525	\$ 15,950	\$ 31,740	\$ 599,771

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- (1) For 2012, this column is comprised of sign-on payments to Messrs. Leuliette and Stafeil, as well as a discretionary bonus award to Mr. Stafeil of \$25,000, as further described in the Compensation Discussion and Analysis, above.

- (2) The amounts shown in this column represent the grant date fair values for performance stock units, restricted common stock and restricted stock unit awards in 2012 and 2010. The grant date fair values have been determined based on the assumptions and

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methodologies set forth in Note 14 Stock-Based Compensation to the consolidated financial statements included in Item 8 Financial Statements and Supplementary Data of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012 (the 2012 10-K). No performance stock units, restricted common stock or restricted stock units were awarded to the Named Executive Officers during 2011.

- (3) The amounts shown in this column represent the grant date fair values for stock options and stock appreciation rights granted in 2012 and 2011. The grant date fair values have been determined based on the assumptions and methodologies set forth in Note 14 Stock-Based Compensation to the consolidated financial statements included in Item 8 Financial Statements and Supplementary Data of the Company's 2012 Form 10-K. No stock options or stock appreciation rights were granted to the Named Executive Officers during 2010.
- (4) For 2012, this column is comprised of the amounts payable to each of the Named Executive Officers under the 2012 annual incentive performance bonus program, as further described in the Compensation Discussion and Analysis, above. There were no earnings on non-equity incentive plan compensation earned or paid to the Named Executive Officers in or for 2012.
- (5) This column reflects an estimate of the aggregate change in actuarial present value of each Named Executive Officers' accumulated benefit under all defined benefit and actuarial pension plans from the measurement dates for such plans used for financial statement purposes. See Retirement Benefits Defined Benefit Plans, below. None of the Named Executive Officers received or earned any above-market or preferential earnings on deferred compensation.
- (6) For 2012, this column includes the following benefits paid to, or on behalf of, the Named Executive Officers:

life insurance premiums paid by the Company on behalf of all of the Named Executive Officers other than Mr. Pallash;

Company-contributions to the Company's 401(k) defined contribution plan, DC SERP, Savings Parity Plan or other defined contribution arrangements on behalf of Mr. Leuliette (\$67,875), Mr. Stafeil (\$9,962), Mr. Pallash (\$165,106), Mr. Shull (\$110,518), Mr. Meszaros (\$148,031), Mr. Widgren (\$70,852), Mr. Stebbins (\$530,524), and Mr. Welch (\$91,765);

tax payments and reimbursements on behalf of Mr. Meszaros (\$234,630), Mr. Stebbins (\$39,620), and Mr. Welch (\$1,368);

severance and related payments to Messrs. Stebbins (\$2,422,711) and Welch (\$620,377) pursuant to the Company's 2012 Executive Severance Plan and/or their respective separation agreements; and

perquisites and other personal benefits, which included: (A) the aggregate incremental cost for personal use of corporate aircraft by Mr. Stebbins (\$85,077); (B) the cost of personal health and safety protection equipment and services under the Executive Security Program in 2012 for Mr. Stebbins; (C) payments under the executive flexible perquisite account program to Mr. Leuliette (\$15,000), Mr. Stafeil (\$6,667), Mr. Pallash (\$17,303), Mr. Shull (\$25,000), Mr. Meszaros (\$15,000), Mr. Widgren (\$15,000), Mr. Stebbins (\$60,000), and Mr. Welch (\$25,000); (D) payment for professional fees incurred by Mr. Leuliette (\$25,000) in connection with finalizing his employment agreement and related agreements; (E) relocation-related expenses for Mr. Shull (\$111,349); and (F) the payment of expenses to or on behalf of Mr. Meszaros (\$1,400,946) and Mr. Pallash (\$802,796) under the Company's international service employee program, which provides allowances and payments to address the incremental costs of housing, education, cost of living, taxes and other costs associated with international assignments.

For company-owned aircraft, we calculate the aggregate incremental cost to the Company of any personal use of the corporate aircraft during the annual cycle from January 2012 through December 2012 based on an average hourly operating cost of the aircraft, which includes the cost of fuel, crew travel expenses, on-board catering, airport landing fees and parking costs, customs charges, communications expenses, post-flight inspections and minor maintenance costs (costs less than \$5,000 per action). Because the corporate aircraft are used primarily for business travel, we do not include the fixed costs that do not change based on usage, such as the crew's salaries, the purchase or lease costs of the corporate aircraft, hangar rental fees, insurance premiums and major maintenance costs (costs greater than or equal to \$5,000 per action). In September 2012, the Company sold its remaining company-owned aircraft and exclusively used leased service aircraft; thereafter, we calculate the aggregate incremental cost to the Company of any personal use of such aircraft by using the actual billed operating cost per hour by such service provider.

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- (7) Mr. Leuliette joined Visteon on August 10, 2012 as Interim Chairman, Interim Chief Executive Officer and Interim President. He was appointed permanent Chief Executive Officer and President effective as of September 30, 2012. Prior to August 10, 2012, Mr. Leuliette served as an outside, independent director of the Company, for which he received the compensation as set forth above under the heading Director Compensation. ; Mr. Leuliette did not receive any compensation for his service as a director from and after August 10, 2012.
- (8) Mr. Stafeil joined Visteon on October 31, 2012 as Executive Vice President and was appointed the Chief Financial Officer effective as of November 2, 2012.
- (9) Amounts were paid in British pounds and converted into U.S. dollars at an exchange rate of 1.6247 U.S. dollars per GBP as of December 31, 2012.
- (10) Mr. Shull was separated from Visteon effective as of April 30, 2013.
- (11) Mr. Stebbins was separated from Visteon effective as of August 10, 2012.
- (12) Mr. Welch was separated from Visteon effective as of October 3, 2012.

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The following table summarizes all incentive plan awards that were made to the Named Executive Officers during 2012.

Grants of Plan-Based Awards in 2012

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(2)			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	All Other Option Awards: Number of Securities Underlying Options (#)(3)	Exercise or Base Price of Option (\$ / Sh)	Market Price on Grant Date (\$ / Sh)	Grant Date Fair Value of Stock and Option Awards (\$)(4)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)					
Timothy D. Leuliette												
Annual Cash Incentive (1)		\$ 27,221	\$ 544,410	\$ 1,088,820								
Restricted Stock Units	9/30/2012							85,256				\$ 3,750,411
Performance Stock Units	9/30/2012				114,152	345,914	345,914					\$ 11,238,746
Jeffrey M. Stafeil												
Annual Cash Incentive (1)	N/A											
Restricted Stock Units	10/31/2012							29,070				\$ 1,272,103
Performance Stock Units	10/31/2012				39,635	120,106	120,106					\$ 3,926,265
Steve Meszaros												
Annual Cash Incentive (1)		\$ 15,000	\$ 300,000	\$ 600,000								
Stock Options	2/28/2012								6,835	\$ 53.57	\$ 53.75	\$ 171,969
Restricted Stock Award	2/28/2012							3,377				\$ 180,906
Performance Stock Units	2/28/2012				617	7,055	10,583					\$ 355,784
Restricted Stock Units	10/29/2012							14,535				\$ 625,005
Performance Stock Units	10/29/2012				19,817	60,053	60,053					\$ 1,876,656
Robert C. Pallas												
Annual Cash Incentive (1)(5)		\$ 13,496	\$ 269,928	\$ 539,856								
Stock Appreciation Rights	2/28/2012								6,210	\$ 53.57	\$ 53.75	\$ 156,244
Restricted Stock Units	2/28/2012							3,068				\$ 164,353
Performance Stock Units	2/28/2012				561	6,410	9,615					\$ 323,256
Restricted Stock Units	10/29/2012							14,535				\$ 625,005
Performance Stock Units	10/29/2012				19,817	60,053	60,053					\$ 1,876,656
Keith M. Shull												
Annual Cash Incentive (1)		\$ 12,360	\$ 247,200	\$ 494,400								
Stock Options	2/28/2012								5,834	\$ 53.57	\$ 53.75	\$ 146,783
Restricted Stock Award	2/28/2012							2,882				\$ 154,389
Restricted Stock Award	2/28/2012							15,000				\$ 803,550
Performance Stock Units	2/28/2012				527	6,021	9,032					\$ 303,639
Restricted Stock Units	10/29/2012							14,535				\$ 625,005
Performance Stock Units	10/29/2012				19,817	60,053	60,053					\$ 1,876,656
Michael J. Widgren												
Annual Cash Incentive (1)		\$ 9,250	\$ 185,000	\$ 370,000								
Stock Options	2/28/2012								3,470	\$ 53.57	\$ 53.75	\$ 87,305
Restricted Stock Award	2/28/2012							1,714				\$ 91,819
Performance Stock Units	2/28/2012				313	3,581	5,372					\$ 180,590
Restricted Stock Units	10/29/2012							7,267				\$ 312,481
Performance Stock Units	10/29/2012				9,909	30,026	30,026					\$ 938,313
Donald J. Stebbins												
Annual Cash Incentive (1)		\$ 43,225	\$ 864,495	\$ 1,728,990								

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Stock Options	2/28/2012					45,070	\$ 53.57	\$ 53.75	\$ 1,133,961
Restricted Stock Award	2/28/2012				22,266				\$ 1,192,790
Performance Stock Units	2/28/2012	4,070	46,517	69,776					\$ 2,345,852

Martin E. Welch III

Annual Cash Incentive (1) \$ 15,188 \$ 303,752 \$ 607,504

Stock Options	2/28/2012					11,668	\$ 53.57	\$ 53.75	\$ 293,567
Restricted Stock Award	2/28/2012				5,764				\$ 308,777
Restricted Stock Award	2/28/2012				25,000				\$ 1,339,250
Performance Stock Units	2/28/2012	1,054	12,043	18,065					\$ 607,328

- (1) Represents the performance-based cash bonus opportunity under the 2012 annual incentive program, as further described in the Compensation Discussion and Analysis, above. For 2012, Messrs. Leuliette, Stebbins, and Welch were eligible for pro-rated annual incentives. Mr. Stafeil will become eligible for the annual incentive cash opportunity commencing in 2013. The amounts actually paid under this program are set forth in the Non-Equity Incentive Plan column of the above Summary Compensation Table.
- (2) Represents performance stock unit grants made under the 2012 annual long-term incentive and the 2012 special long-term incentive programs, as further described in the Compensation Discussion and Analysis, above. For the NEOs, the 2012 special long-term incentive grants are intended to be

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in lieu of future long-term incentive programs for 2013, 2014, and 2015. The 2012 special long-term incentive grants for Mr. Leuliette and Mr. Stafeil were made to them as sign-on equity grants at hire.

- (3) Represents restricted stock awards, restricted stock units, stock options and stock appreciation rights granted under the 2012 annual long-term incentive and the 2012 special long-term incentive programs, as further described in the Compensation Discussion and Analysis, above. For the NEOs, the 2012 special long-term incentive grants are intended to be in lieu of the long-term incentive programs for 2013, 2014, and 2015. The 2012 special long-term incentive grants for Mr. Leuliette and Mr. Stafeil were made to them as sign-on equity grants at hire. Mr. Shull and Mr. Welch each received additional special recognition restricted stock grants on February 28, 2012.
- (4) A discussion of assumptions used in calculating grant date fair values in accordance with FASB ASC Topic 718 may be found in Note 14 Stock Based Compensation to the consolidated financial statements included in Item 8 Financial Statements and Supplementary Data of the Company's 2012 Form 10-K. The ultimate value of stock-based awards, if any, will depend on the future value of the common stock and the holder's investment decisions, neither of which can be accurately predicted.
- (5) Mr. Pallash is paid in British pounds; estimated future payouts converted into U.S. dollars at an exchange rate of 1.6247 U.S. dollars per GBP as of December 31, 2012.

Visteon Corporation 2010 Incentive Plan

The Visteon Corporation 2010 Incentive Plan permits grants of stock options, stock appreciation rights, performance stock units, restricted stock, restricted stock units and other rights relating to our common stock, as well as performance and time-based cash bonuses. In 2012, the Company implemented two long-term equity-based incentive programs—one for the 2012-2014 performance period and one designed to cover long-term incentive awards that would have been made in each of 2013, 2014 and 2015, as well as a 2012 annual incentive cash bonus program for eligible employees, including the Named Executive Officers. These programs are discussed further under Compensation Discussion and Analysis, above. Except under certain circumstances such as retirement or involuntary termination, an executive must be employed in good standing with the Company at the conclusion of a performance period to be entitled to a bonus payment. The Committee retains discretion under the 2010 Incentive Plan to modify or adjust any award at any time.

The stock options awarded under the 2012 long-term incentive program vest ratably over three years from the date of grant. The stock appreciation rights awarded under the 2012 long-term incentive program vest ratably over three years from the date of grant and are exercisable for a cash payment or common stock of the Company, at the election of the Company. The exercise prices of the stock options and stock appreciation rights are the average of the high and low selling prices of our common stock on the New York Stock Exchange on the date of grant, unless otherwise approved by the Organization and Compensation Committee. Any unexercised stock options or stock appreciation rights will expire after ten years. If a holder of a stock option or stock appreciation right retires, becomes disabled, or dies, his or her stock options and/or stock appreciation rights continue to be exercisable up to the normal expiration date. See Potential Payments Upon Termination or Change-in-Control, below. The stock options and stock appreciation rights are subject to certain conditions, including not engaging in competitive activity, and generally cannot be transferred. The restricted stock and the restricted stock units awarded under the regular 2012 long-term incentive program vest ratably over three years from the date of grant, and the restricted stock units will be paid in cash based on the average of the high and low selling prices of our common stock on the New York Stock Exchange on such vesting date or common stock, at the election of the Company. The restricted stock units awarded in 2012 under the special long-term incentive vest ratably over three years from the date of grant and will be paid in cash based on the average of the high and low selling prices of our common stock on such vesting date or settled in stock, at the election of the Company. The performance stock units awarded under the regular 2012 long-term incentive program vest three years from the date of grant based on the achievement of certain relative total shareholder return metrics and will be paid in cash based on the average of the high and low selling prices of our common stock on the New York Stock Exchange on such vesting date or common stock, at the election of the Company. The performance stock units awarded in 2012 under the special long-term incentive program vest three years from the date of grant based on the achievement of a total shareholder return metric and will be paid in cash based on the average of the high and low selling prices of our common stock on such vesting date or settled in stock, at the election of the Company. Holders of restricted stock units, restricted stock, and performance stock units may receive the same cash dividends or dividend equivalents as other stockholders owning common stock. No dividends were paid in 2012.

Table of Contents**Employment Agreement with Mr. Leuliette**

The Company and Mr. Leuliette entered into an employment agreement dated as of September 30, 2012. Under the terms of the employment agreement, Mr. Leuliette serves as the Chief Executive Officer and President of the Company, with an initial term of three years and three months through December 31, 2015. Pursuant to the Employment Agreement, Mr. Leuliette will receive an annualized base salary of \$1.15 million, with a target annual cash bonus opportunity of 120% of his base salary (pro-rated for 2012), and a cash sign-on payment of \$500,000, subject to clawback if Mr. Leuliette is terminated for cause (as defined in the employment agreement) or voluntarily terminates his employment without good reason (as defined in the employment agreement) before December 31, 2014. The employment agreement replaces a letter agreement that the Company and Mr. Leuliette entered into as of August 10, 2012 in connection with his appointment as Interim Chairman of the Board, Interim Chief Executive Officer and Interim President. Pursuant to the letter agreement, Mr. Leuliette received, among other things, a signing bonus of \$500,000.

If Mr. Leuliette is terminated without cause or his employment is voluntarily terminated for good reason, he will receive (i) a cash payment equal to 1.5 times the sum of his annual base salary and bonus, (ii) a pro rata annual bonus for the year of termination based on corporate achievement levels for the entire year and (iii) up to 18 months of health benefits. Mr. Leuliette will be entitled to participate in the Company's standard benefits and perquisites on the same basis as other senior executives of the Company, as well as receive reimbursement of up to \$25,000 of professional fees incurred in connection with finalizing the employment agreement and related agreements. The employment agreement includes a clawback provision whereby Mr. Leuliette may be required, upon certain triggering events, to repay all or a portion of his incentive compensation, pursuant to any clawback policy adopted by or applicable to the Company under the Dodd-Frank Wall Street Reform and Consumer Protection Act. The employment agreement also contains customary confidentiality, ownership of works and non-disparagement provisions, as well as standard non-competition and non-solicitation provisions.

Employment Agreements with Mr. Pallash

Mr. Pallash and Visteon Engineering Services Ltd. entered into an employment agreement effective as of December 12, 2011. Under the terms of the employment agreement, Mr. Pallash continues to serve as Senior Vice President, Global Customer Group. The agreement also provides, among other things, for the continuation of his current annual base salary of GBP 276,900. Mr. Pallash is eligible to participate in the Company's annual incentive plan, as in effect from time to time. Mr. Pallash's annual incentive opportunity will have a target amount of 60% of his base salary. Mr. Pallash also is eligible to participate in the Company's long-term incentive program, as in effect from time to time. Mr. Pallash's long-term incentive opportunity will have a target amount of 150% of his base salary. The agreement also indicates the Mr. Pallash continues to be eligible to participate in the VES Pension Plan, VES Limited Savings Plan and the flexible perks program. Mr. Pallash also is entitled to various allowances, including living costs, hardship and automobile allowances, in connection with his temporary overseas assignment to Visteon Asia Pacific, Inc. As a result of such overseas assignment, Mr. Pallash and Visteon Asia Pacific, Inc. have entered into an employment agreement effective as of December 12, 2011. This agreement provides for Mr. Pallash's employment as the Managing Director and Chairman of the Board of Visteon Asia Pacific, Inc. for a term of two years beginning on January 1, 2011. Visteon Asia Pacific, Inc. has agreed to provide Mr. Pallash with his salary and certain benefits and allowances during the term of his overseas assignment.

Separation Agreement with Mr. Stebbins

On August 10, 2012, Mr. Donald J. Stebbins entered into a separation agreement with the Company, under which he resigned from all positions at the Company effective as of 11:59 p.m. Eastern Time on August 10, 2012. Under the terms of the separation agreement, in addition to Mr. Stebbins's accrued benefits, the Company agreed to pay him cash severance of \$2,391,000. Mr. Stebbins also received full vesting of his shares of restricted stock granted on October 1, 2010 that otherwise would have vested on October 1, 2012 and October 1, 2013. In addition, the vested options Mr. Stebbins held as of the separation date will remain exercisable for a period of 365 days from the separation date. Mr. Stebbins is also eligible to receive his pro-rated annual incentive bonus for 2012 and a pro-rated portion of his performance stock units previously granted, in accordance with the annual incentive plan of the Company or the award agreement, as applicable, and based on the Company's actual results. Mr. Stebbins will also receive, for a period of one

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year following the separation date, continued coverage under the Company’s group health plan, at the Company’s expense and, for a period of six months following the separation date, outplacement services, at a cost to the Company of no more than \$25,000. The separation agreement also includes a standard a non-disparagement covenant, as well as a release of claims, and requires Mr. Stebbins to reaffirm the restrictive covenants in his employment agreement.

Separation Agreement with Mr. Welch

On October 3, 2012, Mr. Welch entered into a separation agreement with the Company, under which he resigned from all positions at the Company effective October 3, 2012. Under the terms of the separation agreement, in addition to Mr. Welch’s accrued benefits, the Company has agreed to (i) pay him cash severance of \$618,000; (ii) pay the unspent portion of his flexible perquisite allowance for 2012; and (iii) vest certain benefits under the Visteon Corporation 2010 Supplemental Executive Retirement Plan and the Visteon Corporation Savings Parity Plan. Mr. Welch was also eligible to receive his pro-rated annual incentive bonus for 2012, in accordance with the 2010 Incentive Plan, and based on the Company’s actual results. Mr. Welch will also receive, for a period of twelve months following the separation date, continued coverage under the Company’s group health plan, at the Company’s expense and, for a period of six months following the separation date, outplacement services, at a cost to the Company of no more than \$25,000. In addition, pursuant to the separation agreement, the Company (i) vested the remaining unvested options that were granted to Mr. Welch on October 17, 2011, which options, together with previously vested options granted on such date, will remain exercisable until October 3, 2013; (ii) vested a pro rata portion of the shares of restricted stock that were granted to Mr. Welch on February 28, 2012; and (iii) vested a pro rata portion of the performance stock units that were granted to Mr. Welch on February 28, 2012, which will be earned based on actual results as determined in accordance with the applicable award agreement. The separation agreement also includes standard non-disparagement, confidentiality, non-solicitation and non-competition covenants, as well as a release of claims.

The following table sets forth information on outstanding stock option, stock appreciation right, stock units and stock awards held by the Named Executive Officers at December 31, 2012, including the number of shares underlying both exercisable and unexercisable portions of each stock option or stock appreciation right as well as the exercise price and expiration date of each outstanding option and right. Outstanding equity awards at December 31, 2012 are as follows.

Outstanding Equity Awards at 2012 Fiscal Year-End

Name	Option Awards				Stock Awards			
	Number of Securities Underlying Unexercised Options Grant Date	Number of Securities Underlying Unexercised Options	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested (\$)(2)	Equity Incentive Plan Awards: Number of Shares, Units or Other Rights Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights Not Vested (\$)(2)
Timothy D. Leuliette								