



**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 9, 2009**

**LEAR CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation)

**1-11311**  
(Commission File Number)

**13-3386776**  
(IRS Employer Identification Number)

**21557 Telegraph Road, Southfield, MI**  
(Address of principal executive offices)

**48033**  
(Zip Code)

**(248) 447-1500**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## Section 1 — Registrant's Business and Operations

### Item 1.01. Entry into a Material Definitive Agreement

#### General

As previously disclosed, on July 7, 2009, Lear Corporation ("Lear") and certain of its United States and Canadian subsidiaries (the "Canadian Debtors" and collectively, the "Debtors") filed voluntary petitions for relief under Chapter 11 ("Chapter 11") of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") (Case No. 09-14326). On July 9, 2009, the Canadian Debtors also filed petitions for protection under section 18.6 of the Companies' Creditors Arrangement Act in the Ontario Superior Court, Commercial List (the "Canadian Court"). On September 12, 2009, the Debtors filed with the Bankruptcy Court the First Amended Joint Plan of Reorganization (as amended and supplemented, the "Plan") and the Disclosure Statement (as amended and supplemented, the "Disclosure Statement"). On November 5, 2009, the Bankruptcy Court entered an order approving and confirming the Plan (the "Confirmation Order"), and on November 6, 2009, the Canadian Court entered an order recognizing the Confirmation Order and giving full force and effect to the Confirmation Order and Plan under Canadian law.

On November 9, 2009 (the "Effective Date"), the Debtors consummated the reorganization contemplated by the Plan and emerged from Chapter 11 bankruptcy proceedings. In accordance with the Plan, the Debtors entered into the following material agreements:

#### Warrant Agreement

On the Effective Date, Lear entered into a Warrant Agreement (the "Warrant Agreement") with Mellon Investor Services LLC, as warrant agent (the "Warrant Agent"). In accordance with the Warrant Agreement, on the Effective Date, Lear issued warrants to purchase an aggregate of 8,157,250 shares of common stock, par value \$0.01 per share, of Lear (the "Common Stock"). The Warrants will expire on the fifth anniversary of the Effective Date (the "Expiration Date").

Each Warrant entitles its holder to purchase one share of Common Stock at an exercise price of \$0.01 per share of Common Stock (the "Exercise Price"), as may be adjusted from time to time in accordance with the Warrant Agreement. The Warrants are exercisable for an aggregate of up to 8,157,250 shares of Common Stock, subject to adjustment. Holders of the Warrants may exercise the Warrants (i) commencing on the business day immediately following a period of 30 consecutive trading days during which the closing price of the Common Stock for at least 20 of the trading days is equal to or greater than \$39.63 (as adjusted from time to time, the "Trigger Price") and (ii) the fifth anniversary of the Effective Date. Holders that elect to exercise the Warrants must do so by providing written notice of such election to Lear and the Warrant Agent prior to the Expiration Date, in a form prescribed in the Warrant Agreement, and paying the applicable exercise price for all Warrants being exercised, together with all applicable taxes and governmental charges.

Prior to the exercise of the Warrants, no holder of Warrants (solely in its capacity as a holder of Warrants) is entitled to any rights as a stockholder of Lear, including, without limitation, the right to vote, receive notice of any meeting of stockholders or receive dividends, allotments or other distributions.

The number of shares of Common Stock for which a Warrant is exercisable, the Exercise Price and the Trigger Price is subject to adjustment from time to time upon the occurrence of certain events, including an increase in the number of outstanding shares of Common Stock by means of a dividend consisting of shares of Common Stock, a subdivision of Lear's outstanding shares of Common Stock into a larger number of shares of Common Stock or a combination of Lear's outstanding shares of Common Stock into a smaller number of shares of Common Stock. In the event Lear pays an extraordinary dividend to the holders of Common Stock, the Trigger Price will be decreased dollar-for-dollar by the amount of cash and/or the fair market value of any securities or other assets paid or distributed on each share of Common Stock in respect of such extraordinary dividend. In addition, upon the occurrence of certain events constituting a

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reorganization, recapitalization, reclassification, consolidation, merger or similar event, each holder of a Warrant will have the right to receive, upon exercise of a Warrant (if then exercisable), an amount of securities, cash or other property receivable by a holder of the number of shares of Common Stock for which a Warrant is exercisable immediately prior to such event. Following the consummation of any such event, all of the Warrants will be deemed to be no longer outstanding and not transferable on Lear's books or the books of the surviving corporation, and will represent solely the right to receive the consideration payable upon the exercise of the Warrant, without interest.

The foregoing description of the Warrants, including certain provisions of the Warrant Agreement, is a summary of, and is qualified in its entirety by, the Warrant Agreement, a copy of which is attached hereto as Exhibit 4.1 and is incorporated herein by reference.

### Registration Rights Agreement

On the Effective Date, Lear entered into a Registration Rights Agreement (the "Registration Rights Agreement") with each person who (i) receives Common Stock or Warrants on the Effective Date pursuant to the terms of the Plan or is a permitted transferee of the holder of such Common Stock or Warrants and (ii) elects to become a party to the Registration Rights Agreement in accordance with the provisions set forth in the Registration Rights Agreement. The Registration Rights Agreement provides registration rights for shares of Common Stock, Warrants and Common Stock issuable upon exercise of the Warrants (collectively, the "Registrable Securities").

Under the Registration Rights Agreement, and subject to certain restrictions, (i) the holders of at least \$100 million of Registrable Securities have the right to request that Lear effect the registration on Form S-1 under the Securities Act of 1933, as amended (the "Securities Act"), of the Registrable Securities held by such requesting holders, plus the Registrable Securities of any holder that timely requests to join in such registration and (ii) the holders of at least \$40 million of Registrable Securities have the right to request that Lear effect the registration on Form S-3 under the Securities Act of the Registrable Securities held by such requesting holders, plus the Registrable Securities of any holder that timely requests to join in such registration (collectively, a "Demand Registration"). In addition, if Lear proposes to register any of its securities (other than pursuant to a Demand Registration), Lear must provide the holders of Registrable Securities with piggyback registration rights to have their Registrable Securities included in such registration under the Securities Act.

The foregoing description of the Registration Rights Agreement is a summary of, and is qualified in its entirety by, the Registration Rights Agreement, a copy of which is attached hereto as Exhibit 4.2 and is incorporated herein by reference.

### First Lien Facility

As previously disclosed, on October 23, 2009, Lear entered into a first lien credit agreement (the "First Lien Agreement") with certain financial institutions party thereto and JPMorgan Chase Bank, N.A., as administrative agent. Pursuant to the terms of the First Lien Agreement, on the Effective Date, Lear had access to initial funding in an amount of \$200 million (the "Closing Date Draw"), and a delayed draw funding in an amount of up to \$200 million (the "Delayed Draw" and together with the Closing Date Draw, the "First Lien Facility") to be drawn not later than 35 days after the Closing Date Draw, the amount of the Delayed Draw to be determined based on the terms of the Plan and the liquidity needs of Lear. In addition to the foregoing, upon satisfaction of certain conditions, the Company will have the right to raise additional funds to increase the amount available under the First Lien Facility up to an aggregate amount of \$600 million. The proceeds of the First Lien Facility were used, in part, to satisfy amounts outstanding under Lear's debtor-in-possession credit facility, and the remaining proceeds are available for other general corporate purposes.

The foregoing description of the First Lien Agreement is a summary of, and is qualified in its entirety by, the First Lien Agreement, a copy of which was filed as Exhibit 10.1 to Lear's Current Report on Form 8-K, filed on October 23, 2009.

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### Second Lien Facility

On the Effective Date, Lear entered into a second lien credit agreement (the “Second Lien Agreement”) with certain financial institutions and JPMorgan Chase Bank, N.A., as administrative agent, providing for the issuance of \$550 million of term loans (the “Second Lien Facility”), which debt was issued on the Effective Date in partial satisfaction of the amounts outstanding under Lear’s prepetition senior credit facility.

Advances under the Second Lien Agreement will bear interest at a fixed rate per annum equal to (i) LIBOR (with a LIBOR floor of 3.5%), as adjusted for certain statutory reserves, plus 5.50% (with certain increases over the life of the Second Lien Facility), payable on the last day of each applicable interest period, but in no event less frequently than quarterly, or (ii) the Adjusted Base Rate (as defined in the Second Lien Agreement) plus 4.50% (with certain increases over the life of the Second Lien Facility), payable quarterly. In addition, the Second Lien Agreement obligates Lear to pay certain fees to the lenders.

The Second Lien Agreement contains various customary representations, warranties and covenants by Lear, including, without limitation, (i) covenants regarding maximum leverage and minimum interest coverage; (ii) limitations on the amount of capital expenditures; (iii) limitations on fundamental changes involving Lear or its subsidiaries; and (iv) limitations on indebtedness and liens.

Lear’s obligations under the Second Lien Agreement may be accelerated following certain events of default (subject to applicable cure periods), including, without limitation, the failure to pay principal or interest when due, a breach by Lear of any representation, warranty or covenant made in the Second Lien Agreement or the entry into bankruptcy by Lear or certain of its subsidiaries.

The Second Lien Agreement matures on the date that is the third anniversary of the Effective Date.

The foregoing description of the Second Lien Agreement is a summary of, and is qualified in its entirety by, the Second Lien Agreement, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

### **Item 1.02. Termination of a Material Definitive Agreement**

#### Debt Securities

Pursuant to the Plan and the Confirmation Order, on the Effective Date, Lear’s outstanding debt securities were cancelled and the following indentures governing such debt securities were terminated (except that the indentures continue in effect solely for the purposes of allowing holders of the notes to receive distributions under the Plan and allowing the trustees to exercise certain rights):

- Indenture dated as of November 24, 2006, by and among Lear, certain subsidiary guarantors party thereto from time to time and The Bank of New York Mellon Trust Company, N.A., as trustee (“BONY”), relating to the 8.5% senior notes due 2013 and the 8.75% senior notes due 2016;
- Indenture dated as of August 3, 2004, by and among Lear, the guarantors party thereto from time to time and BNY Midwest Trust Company, N.A., as trustee, as amended and supplemented by that certain Supplemental Indenture No. 1 and Supplemental Indenture No. 2, relating to the 5.75% senior notes due 2014; and
- Indenture dated as of February 20, 2002, by and among Lear, the guarantors party thereto from time to time and BONY, as amended and supplemented by that certain Supplemental Indenture No. 1, Supplemental Indenture No. 2, Supplemental Indenture No. 3 and Supplemental Indenture No. 4, relating to the Zero-Coupon Notes.

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### Senior Credit Facility

On the Effective Date, pursuant to the Plan and the Confirmation Order, the Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006, among Lear, certain of its subsidiaries, the several lenders from time to time parties thereto, the several agents parties thereto and JPMorgan Chase Bank, N.A., as general administrative agent, as amended (the “Senior Credit Facility”), was cancelled (except that the Senior Credit Facility continues in effect solely for the purposes of allowing creditors under the Senior Credit Facility to receive distributions under the Plan and allowing the administrative agent to exercise certain rights).

## **Section 3 — Securities and Trading Markets**

### **Item 3.02. Unregistered Sale of Equity Securities**

On the Effective Date, Lear issued 34,117,369 shares of Common Stock to holders of:

- Allowed Prepetition Credit Agreement Secured Claims (as defined in the Plan); and
- Allowed Other General Unsecured Claims (as defined in the Plan).

On the Effective Date, Lear issued 10,896,250 shares of Series A Convertible Participating Preferred Stock, par value \$0.01 per share, of Lear (the “Series A Preferred Stock”) to holders of Allowed Prepetition Credit Agreement Secured Claims. The terms of the Series A Preferred Stock are set forth in the Certificate of Designations of Series A Convertible Participating Preferred Stock of Lear, a copy of which is attached hereto as Exhibit 3.3 and incorporated herein by reference. On the Effective Date, Lear also issued Warrants to holders of Allowed Other General Secured Claims (as defined in the Plan), in accordance with the Warrant Agreement.

In addition, on the Effective Date, Lear adopted the Lear Corporation 2009 Long-Term Stock Incentive Plan (the “2009 LTSIP”) and granted restricted stock unit awards (“RSUs”) thereunder to certain of its employees. Lear expects to file a registration statement on Form S-8 with the Securities and Exchange Commission (the “Commission”) on the Effective Date registering the offer and sale of Common Stock pursuant to awards under the 2009 LTSIP (including with respect to the RSUs). The 2009 LTSIP and RSUs are discussed in more detail in Item 5.02 below.

Lear issued the Common Stock, Series A Preferred Stock and Warrants described above pursuant to Section 1145 of the Bankruptcy Code, which exempts the issuance of securities from the registration requirements of the Securities Act.

## **Section 5 — Corporate Governance and Management**

### **Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Certain Officers; Compensatory Plans.**

#### Departing Directors

As of the Effective Date, the following directors departed Lear’s Board of Directors (the “Board of Directors”) in connection with the Plan: David E. Fry, Larry W. McCurdy, Roy E. Parrott, James A. Stern, David P. Spalding and Richard F. Wallman. Messrs. McCurdy, Stern and Wallman served on the Audit Committee. Messrs. Parrott, Spalding and Wallman served on the Compensation Committee. Messrs. Fry, McCurdy and Stern served on the Nominating and Corporate Governance Committee. Messrs. McCurdy, Spalding and Stern served on the Executive Committee.

#### Newly Appointed Directors

As of the Effective Date, the following individuals became members of the Board of Directors pursuant to the Plan:

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Thomas P. Capó, Curtis J. Clawson, Jonathan F. Foster, Philip F. Murtaugh, Donald L. Runkel and Gregory C. Smith.

Conrad L. Mallett, Jr., Robert E. Rossiter and Henry D. G. Wallace, each a director prior to the Effective Date, will remain on the Board of Directors following the Effective Date. Robert E. Rossiter will serve as the Chairman of the Board of Directors.

### Committee Memberships

The following directors will serve on the Audit Committee: Messrs. Wallace, Capó, Foster and Smith. Mr. Wallace will serve as the Chairman of the Audit Committee.

The following directors will serve on the Compensation Committee: Messrs. Clawson, Mallett, Runkel and Smith.

The following directors will serve on the Nominating and Corporate Governance Committee: Messrs. Capó, Foster, Mallett and Murtaugh.

### Director Compensation

New and continuing non-employee directors will be compensated under Lear's existing Outside Director Compensation Plan. Each non-employee director will receive an annual cash retainer of \$36,000, with an additional retainer of \$16,000 for the chairman of the Audit Committee and an additional retainer of \$8,000 for the presiding director and for the chairmen of the Compensation Committee and the Nominating and Corporate Governance Committee. Meeting fees range from \$1,200 per meeting, for meetings of the Board of Directors and standing committees of the Board of Directors, to \$800 for meetings of special committees of the Board of Directors. The annual retainer and meeting fees are paid on a monthly basis, and may be deferred by the directors into a notional account that is credited with interest at the prime rate. Non-employee directors also receive an annual restricted cash grant each January (beginning in 2010) worth \$72,000 (credited to a notional interest-bearing account), which vests and pays out in cash ratably on the first three anniversaries of the grant date. Deferrals of the restricted cash awards are credited to a notional interest-bearing account until ultimately paid. Non-employee directors also are eligible to receive grants under the 2009 LTSIP, which is described below.

### 2009 Long-Term Stock Incentive Plan

On the Effective Date, as contemplated by the Plan, Lear adopted the 2009 LTSIP. The 2009 LTSIP reserves 5,907,874 shares of Common Stock for issuance under the various types of equity awards offered under such plan. The 2009 LTSIP is administered by the Compensation Committee and provides that awards may be issued as stock options, restricted stock, restricted stock units, restricted units, performance shares, performance units, stock appreciation rights or other types of equity-based or cash-based incentive awards. Employees and non-employee directors are eligible to receive awards under the 2009 LTSIP. Certain performance-based awards under the 2009 LTSIP are designed to qualify for the "qualified performance-based compensation" exception from the deductibility limit of Internal Revenue Code Section 162(m) applicable to certain senior executives of Lear.

Awards under the 2009 LTSIP are granted pursuant to an award agreement, which is a written agreement setting forth the terms and conditions applicable to an award. The Compensation Committee has the authority to grant awards that are contingent on the achievement of performance goals, as specifically set forth in the 2009 LTSIP. Awards may also be subject to such other terms and conditions as the Compensation Committee shall determine, such as vesting conditions which may require the employee to remain employed by Lear for a certain minimum period of time before an award becomes exercisable or transferable. The maximum number of shares of Common Stock with respect to which equity awards may be granted to any participant during any calendar year is 500,000 shares. The maximum value of any performance unit or cash incentive award that may be paid to any participant during any one calendar year is \$7,500,000.

Awards generally may not be transferred other than by will or the laws of descent. Upon a change in control of Lear (as



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defined in the 2009 LTSIP), outstanding options and stock appreciation rights become exercisable, restrictions on restricted stock, restricted stock unit and restricted unit awards lapse and the vesting of performance shares and performance unit awards accelerates on a pro-rata basis at the target level. Prior to settlement of any award, Lear has the power and right to deduct or require a participant to remit to Lear an amount sufficient to satisfy any of its tax withholding obligations. The Board of Directors and the Compensation Committee each generally have the right to amend the 2009 LTSIP, provided that if such amendment adversely affects a participant's previously-granted award in any material way, the amendment will require that participant's consent.

The foregoing description of the 2009 LTSIP is a summary of, and is qualified in its entirety by, the 2009 LTSIP, a copy of which is attached hereto as Exhibit 10.2 and incorporated herein by reference.

### Annual Incentive Plan

On the Effective Date, as contemplated by the Plan, Lear also adopted the Lear Corporation Annual Incentive Plan (the "AIP"). The AIP provides for the payment of annual cash awards upon achievement of certain objective performance goals specified in the AIP, including those related to Lear's net earnings, operating earnings or income, earnings growth, net sales growth, net income (absolute or competitive growth rates comparative), net income applicable to common stock, cash flow, including operating cash flow, free cash flow, discounted cash flow return on investment, and cash flow in excess of cost of capital, earnings per share of common stock, return on shareholders equity (absolute or peer-group comparative), stock price (absolute or peer-group comparative), absolute and/or relative return on common shareholders equity, absolute and/or relative return on capital; absolute and/or relative return on assets, economic value added (income in excess of cost of capital), customer satisfaction, quality metrics, expense reduction, and ratio of operating expenses to operating revenues. Officers and certain key management personnel and other salaried employees of Lear are eligible to participate in the AIP. The Compensation Committee administers the AIP and chooses the performance goals for each performance period thereunder. Annual bonuses under the AIP may not exceed 250% of a participant's base salary rate and in no event may exceed \$4,000,000. It is intended that awards under the AIP may constitute "qualified performance-based compensation" under Internal Revenue Code Section 162(m). Upon a change in control of Lear (as defined in the AIP), bonuses are paid out to participants at their target level on a pro rata basis.

The foregoing description of the AIP is a summary, and is qualified in its entirety by, the AIP, a copy of which is attached hereto as Exhibit 10.3 and incorporated herein by reference.

### Restricted Stock Unit Awards

On the Effective Date, as contemplated by the Plan, Lear granted RSUs with respect to an aggregate amount of 1,343,988 shares of Common Stock under the 2009 LTSIP to certain of its employees, including to its named executive officers in the following amounts:

<u>Name and Title</u>	<u>Number of RSUs</u>
Robert E. Rossiter, Chairman, Chief Executive Officer and President	276,495
Matthew J. Simoncini, Senior Vice President and Chief Financial Officer	71,661
Raymond E. Scott, Senior Vice President and President, Global Electrical and Electronic Systems	71,661
Louis R. Salvatore, Senior Vice President and President, Global Seating Systems	71,661

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The RSUs vest and settle in shares of Common Stock in equal installments on each of the first three anniversaries of the grant date (for Mr. Rossiter, in monthly installments over 36 months beginning on the one-month anniversary of the grant date). If the participant's employment terminates for any reason other than cause or a voluntary termination by the participant, vesting of the RSUs will accelerate as of the termination date. In addition, if a participant retires after reaching age 55 with 10 years of service (for Mr. Rossiter, subject to the concurrence of the Board of Directors), the participant will receive an additional 24 months of vesting of the RSUs.

The foregoing description of the general terms of the RSUs is a summary, and is qualified in its entirety by, the 2009 LTSIP (including the 2009 Restricted Stock Unit Terms and Conditions set forth in Annex A thereto), a copy of which is attached hereto as Exhibit 10.2 and incorporated herein by reference.

### Terminated and Assumed Plans

In accordance with the Plan and the Confirmation Order, certain employee benefit plans (and the equity awards thereunder) were terminated. Lear assumed or reinstated all U.S.-based employee and retiree health, welfare, pension plans and non-equity deferred compensation plans. In addition, Lear assumed its existing employment agreements with its executive officers, including its named executive officers, Robert E. Rossiter, Matthew J. Simoncini, Raymond E. Scott and Louis R. Salvatore.

### **Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal year**

In connection with Lear's reorganization and emergence from Chapter 11, Lear adopted an Amended and Restated Certificate of Incorporation (the "Certificate") and Amended and Restated Bylaws (the "Bylaws"), effective as of the Effective Date. The following sets forth a description of the key provisions of the Certificate and the Bylaws and is a summary of, and is qualified in its entirety by, the Certificate and the Bylaws, copies of which are attached hereto as Exhibits 3.1 and 3.2 and are incorporated herein by reference.

*Authorized Capital Stock.* The total number of shares of all classes of stock that Lear is authorized to issue is 400,000,000 shares, consisting of 100,000,000 shares of Preferred Stock, par value \$0.01 per share (the "Preferred Stock"), and 300,000,000 shares of Common Stock.

*Dividends.* Subject to applicable law, any contractual restrictions and the rights of the holders of any outstanding series of Preferred Stock (including the Series A Preferred Stock), if any, holders of Common Stock are entitled to receive ratably such dividends and other distributions that the board of directors of Lear (the "Board of Directors"), in its discretion, declares from time to time.

*Voting.* All shares of Common Stock have identical rights and privileges. With limited exceptions, holders of Common Stock are entitled to one vote for each outstanding share of Common Stock held of record by each stockholder on all matters properly submitted for the vote of Lear's stockholders. Each director will be elected by the vote of a majority of the votes cast by the holders of Common Stock and any class or series of Lear's capital stock (including the Series A Preferred Stock) entitled to vote together with the Common Stock with respect to such director's election; provided that if the number of nominees exceeds the number of directors to be elected, such stockholders shall elect directors by the vote of a plurality of the votes cast. Except as provided by the Certificate, the Bylaws or applicable law, all other elections and questions presented to the stockholders shall be decided by the affirmative vote of the holders of a majority in voting power of the shares present in person or by proxy and entitled to vote thereon. Holders of Common Stock are not entitled to cumulative voting rights.

*Liquidation Rights.* Upon the dissolution, liquidation or winding up of Lear, subject to the rights, if any, of the holders of any outstanding series of Preferred Stock (including the Series A Preferred Stock), if any, holders of Common Stock are

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entitled to receive the assets of Lear available for distribution to its stockholders ratably in proportion to the number of shares held by each stockholder.

*Conversion, Redemption and Preemptive Rights.* Holders of Common Stock have no conversion, redemption, sinking fund, preemptive, subscription or similar rights.

*Provisions of the Certificate of Incorporation and Bylaws that May Have an Anti-Takeover Effect.* Certain provisions in the Certificate and the Bylaws, as well as the Delaware General Corporation Law (the “DGCL”), may have the effect of discouraging transactions that involve an actual or threatened change in control of Lear. In addition, provisions of the Certificate, the Bylaws and the DGCL may be deemed to have an anti-takeover effect and may delay, deter or prevent a tender offer or takeover attempt that a stockholder might consider to be in its best interests.

- *Special Meetings of Stockholders.* The Board of Directors may call a special meeting of stockholders at any time and for any purpose, but no stockholder or other person may call any such special meeting.
- *No Written Consent of Stockholders.* Any action taken by stockholders of Lear must be effected at a duly held meeting of stockholders and may not be effected by the written consent of such stockholders.
- *Blank Check Preferred Stock.* The Certificate contains provisions that permit the Board of Directors to issue, without any further vote or action by the stockholders, up to 100,000,000 shares of Preferred Stock in one or more classes or series and, with respect to each such series, to fix the number of shares constituting the class or series and the designation of the class or series, the voting powers, if any, of the shares of the class or series, and the preferences and relative, participating, optional and other special rights, if any, and any qualifications, limitations or restrictions, of the shares of such series. These additional shares may be used for a variety of corporate purposes, including, without limitation, future public offerings, to raise additional capital or to facilitate acquisitions. However, such provisions also could have the effect of discouraging others from making tender offers or takeover attempts.
- *Advance Notice of Stockholder Action at a Meeting.* Stockholders seeking to nominate directors or to bring business before a stockholder meeting must comply with certain timing requirements and submit certain information to Lear in advance of such meeting.
- *Initial Board.* The Board of Directors will initially consist of the nine directors identified in the Plan (the “Initial Board”). The Initial Board will serve from the Effective Date until the annual meeting of stockholders of Lear to be held in 2011, subject to such director’s earlier death, resignation or removal. Prior to the annual meeting of stockholders to be held in 2011, the removal of a director for any reason other than for cause may not be brought before any annual meeting of the stockholders of Lear without, and special meetings of stockholders of Lear for the purpose of considering the removal of a director for any reason other than for cause may be called by the Board of Directors only upon, the affirmative vote of all of the directors (other than the director to be removed) then in office.

*Limitations on Directors’ Liability.* The Certificate contains a provision eliminating the personal liability of Lear’s directors to Lear and its stockholders to the fullest extent permitted by applicable law. The Certificate also contains provisions generally providing for indemnification and advancement of expenses to Lear’s directors and officers to the fullest extent permitted by applicable law.

*Number of Directors.* The Bylaws provide that the Board of Directors of Lear shall be fixed from time to time by resolution of the Board of Directors. The Initial Board shall consist of nine members.

*Removal of Directors.* The Bylaws provide that any director or the entire Board of Directors may be removed, with or

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without cause, by the holders of a majority of the shares then entitled to vote at an election of directors, subject to the provisions of the Certificate. Prior to the annual meeting of stockholders to be held in 2011, the removal of a director for any reason other than for cause may not be brought before any annual meeting of the stockholders of Lear without, and special meetings of stockholders of Lear for the purpose of considering the removal of a director for any reason other than for cause may be called by the Board of Directors only upon, the affirmative vote of all of the directors (other than the director to be removed) then in office.

*Vacancies on the Board of Directors.* The Bylaws provide that vacancies in the Board of Directors and newly created directorships resulting from any increase in the authorized number of directors shall be filled by a majority of the directors then in office, though less than a quorum, or by the sole remaining director.

*Quorum at Meeting of Stockholders.* The Bylaws provide that the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall constitute a quorum.

### **Section 8 — Other Events**

#### **Item 8.01. Other Events**

In connection with its emergence from Chapter 11, Lear submitted a listing application to list its Common Stock on the New York Stock Exchange (the “NYSE”). Lear’s Common Stock was approved for listing on the NYSE on the Effective Date, subject to its issuance. The NYSE has assigned Lear’s historical ticker symbol, “LEA,” as the trading symbol for the Common Stock. Trading on the NYSE commenced on a “when issued” basis (“LEA WI”) on the Effective Date, and “regular way” trading is expected to commence within several days thereafter.

On November 6, 2009, Lear filed a Form 8-A Registration Statement to register the Common Stock under Section 12(b) of the Securities Exchange Act of 1934 (the “Exchange Act.”) and a Form 8-A Registration Statement to register the Warrants under Section 12(g) of the Exchange Act.

On November 9, 2009, Lear issued a press release announcing its emergence from bankruptcy and the listing of its shares of Common Stock on the NYSE. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

### **Section 9 — Financial Statements and Exhibits**

#### **Item 9.01. Financial Statements and Exhibits**

##### **(d) Exhibits:**

<u>Exhibit Number</u>	<u>Exhibit Description</u>
3.1	Amended and Restated Certificate of Incorporation of Lear Corporation
3.2	Amended and Restated Bylaws of Lear Corporation
3.3	Certificate of Designations of Series A Convertible Participating Preferred Stock of Lear Corporation
4.1	Warrant Agreement between Lear and Mellon Investor Services LLC, as the warrant agent (including the Global Warrant Certificate set forth in Exhibit A hereto)
4.2	Registration Rights Agreement among Lear and certain other parties thereto

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<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.1	Second Lien Credit Agreement, dated as of November 9, 2009, by and among Lear, as borrower, certain financial institutions party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent
10.2	Lear Corporation 2009 Long-Term Stock Incentive Plan (including the 2009 Restricted Stock Unit Terms and Conditions set forth in Annex A hereto)
10.3	Lear Corporation Annual Incentive Plan
99.1	Press Release, dated November 9, 2009

### Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated financial results and liquidity. Actual results may differ materially from anticipated results as a result of certain risks and uncertainties, including but not limited to: the potential adverse impacts of the filing of the Chapter 11 Cases on Lear's business, financial condition or results of operations that could continue or arise following the Effective Date of the Plan; the anticipated future performance of reorganized Lear, including, without limitation, Lear's ability to maintain or increase revenue and gross margins, control future operating expenses or make necessary capital expenditures; general economic conditions in the markets in which Lear operates, including changes in interest rates or currency exchange rates; the financial condition and restructuring actions of Lear's customers and suppliers; changes in actual industry vehicle production levels from Lear's current estimates; fluctuations in the production of vehicles for which Lear is a supplier; the loss of business with respect to, or the lack of commercial success of, a vehicle model for which Lear is a significant supplier, including further declines in sales of full-size pickup trucks and large sport utility vehicles; disruptions in the relationships with Lear's suppliers; labor disputes involving Lear or its significant customers or suppliers or that otherwise affect Lear; Lear's ability to achieve cost reductions that offset or exceed customer-mandated selling price reductions; the outcome of customer negotiations; the impact and timing of program launch costs; the costs, timing and success of restructuring actions; increases in Lear's warranty or product liability costs; risks associated with conducting business in foreign countries; competitive conditions impacting Lear's key customers and suppliers; the cost and availability of raw materials and energy; Lear's ability to mitigate increases in raw material, energy and commodity costs; the outcome of legal or regulatory proceedings to which Lear is or may become a party; unanticipated changes in cash flow, including Lear's ability to align Lear's vendor payment terms with those of its customers; further impairment charges initiated by adverse industry or market developments; the impact and duration of domestic and foreign government initiatives designed to assist the automotive industry; and other risks described from time to time in Lear's Securities and Exchange Commission filings. Future operating results will be based on various factors, including actual industry production volumes, commodity prices and Lear's success in implementing its operating strategy.

The forward-looking statements in this Current Report on Form 8-K are made as of the date hereof, and Lear does not assume any obligation to update, amend or clarify them to reflect events, new information or circumstances occurring after the date hereof.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**Lear Corporation**

Date: November 9, 2009

By: /s/ Matthew J. Simoncini

Name: Matthew J. Simoncini

Title: Senior Vice President and  
Chief Financial Officer

**EXHIBIT INDEX**

<u>Exhibit Number</u>	<u>Exhibit Description</u>
3.1	Amended and Restated Certificate of Incorporation of Lear Corporation
3.2	Amended and Restated Bylaws of Lear Corporation
3.3	Certificate of Designations of Series A Convertible Participating Preferred Stock of Lear Corporation
4.1	Warrant Agreement between Lear and Mellon Investor Services LLC, as the warrant agent (including the Global Warrant Certificate set forth in Exhibit A hereto)
4.2	Registration Rights Agreement among Lear and certain other parties thereto
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## AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

OF

## LEAR CORPORATION

LEAR CORPORATION (incorporated January 13, 1987 under the name “LS Acquisition Corp. No. 30”), a corporation organized and existing under the laws of the State of Delaware, hereby certifies that this Amended and Restated Certificate of Incorporation, which has been duly adopted in accordance with Sections 242, 245 and 303 of the General Corporation Law of the State of Delaware.

In accordance with Sections 242, 245 and 303 of the General Corporation Law of the State of Delaware, Lear Corporation hereby amends and restates its certificate of incorporation as follows:

ARTICLE I

The name of the corporation is Lear Corporation (the “Corporation”).

ARTICLE II

The address of the Corporation’s registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of the Corporation’s registered agent at such address is The Corporation Trust Company.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware (the “DGCL”).

ARTICLE IV

A. The total number of shares of all classes of stock which the Corporation is authorized to issue is 400,000,000 shares, divided into 300,000,000 shares of common stock, par value \$.01 per share (the “Common Stock”), and 100,000,000 shares of preferred stock, par value \$.01 per share (the “Preferred Stock”). Subject to the rights of the holders, if any, of any outstanding series of Preferred Stock, the number of authorized shares of any class or classes of stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote generally in the election of directors irrespective of the provisions of Section 242(b)(2) of the DGCL. The holders of the Common Stock (in their capacity as such) shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock) that relates solely to rights of the holders, if any, of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one

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or more other such series, to vote thereon pursuant to this Amended and Restated Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock) or pursuant to the DGCL.

B. The Board of Directors of the Corporation (the “Board of Directors”) is hereby expressly authorized, by resolution or resolutions thereof, to provide, out of the unissued shares of Preferred Stock, for series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

C. Each holder of Common Stock, as such, shall be entitled to one vote for each share of Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote.

D. Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock (in their capacity as such), dividends may be declared and paid on the Common Stock at such times and in such amounts as the Board of Directors in its discretion shall determine out of the assets or funds of the Corporation legally available therefor.

E. Upon the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, after payment of the Corporation’s debts and subject to the rights, if any, of the holders of any outstanding series of Preferred Stock (in their capacity as such), the holders of the Common Stock shall be entitled to receive the remaining assets of the Corporation available for distribution to its stockholders ratably in proportion to the number of shares held by them.

F. Notwithstanding anything herein to the contrary, the Corporation shall not issue any class of non-voting equity securities unless and solely to the extent permitted by section 1123(a)(6) of the United States Bankruptcy Code (the “Bankruptcy Code”) as in effect on the date of filing this Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware; provided, however, that this Paragraph F of Article IV of this Amended and Restated Certificate of Incorporation (i) will have no further force and effect beyond that required under section 1123(a)(6) of the Bankruptcy Code; (ii) will have such force and effect, if any, only for so long as section 1123(a)(6) of the Bankruptcy Code is in effect and applicable to the Corporation; and (iii) in all events may be amended or eliminated in accordance with applicable law from time to time in effect.

#### ARTICLE V

A. The business and affairs of the Corporation shall be managed by, or under the direction of, the Board of Directors. Except as otherwise provided for or fixed pursuant to the provisions of this Amended and Restated Certificate of Incorporation (including any

certificate of designation relating to any series of Preferred Stock) relating to the rights of the holders of any series of Preferred Stock to elect additional directors, the total number of directors constituting the entire Board of Directors shall be fixed from time to time exclusively by resolution of the Board of Directors; provided, that the number of directors initially shall be nine (9) and shall consist of the nine (9) individuals (such individuals comprising the "Initial Board") identified in the Joint Plan of Reorganization of the Corporation filed on August 14, 2009 in the United States Bankruptcy Court for the Southern District of New York (as may be amended, supplemented or otherwise modified from time to time, the "Plan"). Each director on the Initial Board (and any directors elected to fill vacancies or newly created directorships following the effective date of the Plan and prior to the annual meeting of stockholders of the Corporation to be held in 2011) shall serve until the annual meeting of stockholders of the Corporation to be held in 2011, subject to such director's earlier death, resignation or removal. Prior to the annual meeting of stockholders of the Corporation to be held in 2011, the removal of a director for any reason other than for cause may not be brought before any annual meeting of the stockholders of the Corporation without, and special meetings of stockholders of the Corporation for the purpose of considering the removal of a director for any reason other than for cause may be called by the Board of Directors only upon, the affirmative vote of all of the directors (other than the director to be removed) then in office.

B. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, alter or repeal the Bylaws of the Corporation.

C. Unless and except to the extent that the Bylaws of the Corporation shall so require, the election of directors of the Corporation need not be by written ballot.

D. Subject to the rights of the holders of any one or more series of Preferred Stock (in their capacity as such) then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled solely by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors, or by the sole remaining director, and each director so elected shall hold office until the expiration of the term of office of the director whom he has replaced or until his successor is elected and qualified.

#### ARTICLE VI

The Corporation hereby eliminates, to the fullest extent permitted by law (as contemplated by Section 102(b)(7) of the DGCL), the personal liability of any person who serves as a director of the Corporation to the Corporation and/or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that this Article VI shall not eliminate or limit the liability of a director: (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Section 174 of the DGCL; or (iv) for any transaction from which the director derived an improper personal benefit; provided, however, that if in the future the DGCL is amended or modified (including, but not limited to, Section 102(b)(7)) to permit the elimination or limitation of the personal liability of a director of the

Corporation to a greater extent than contemplated above, then the provisions of this Article VI shall be deemed to provide for the elimination or limitation of the personal liability of the directors of the Corporation to such greater extent. Any repeal or modification of this Article VI shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

#### ARTICLE VII

Subject to the rights of the holders of any series of Preferred Stock (in their capacity as such), any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders. Except as otherwise required by law and subject to the rights of the holders of any series of Preferred Stock (in their capacity as such), special meetings of stockholders of the Corporation may only be called by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors and special meetings of stockholders may not be called by any other person or persons.

#### ARTICLE VIII

A. Nature of Indemnity. Each person who was or is made a party to or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "Proceeding"), by reason of the fact that he or she (or a person of whom he or she is the legal representative), is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, partner, principal, member, manager, trustee, employee, fiduciary, or agent of another corporation or of a partnership, limited liability company, joint venture, trust or other enterprise, including service with respect to an employee benefit plan, whether the basis of such Proceeding is alleged action in an official capacity as a director, officer, partner, principal, member, manager, trustee, employee, fiduciary or agent or in any other capacity while serving at the request of the Corporation as a director, officer, partner, principal, member, manager, trustee, employee, fiduciary or agent, shall be indemnified and held harmless by the Corporation to the fullest extent which it is empowered to do so by the DGCL, as the same exists or may hereafter be amended, or by other applicable law as then in effect, against all expense, liability and loss (including, without limitation, attorneys' fees and related disbursements, judgments, fines, excise taxes or penalties under the Employee Retirement Income Security Act of 1974, as amended from time to time ("ERISA"), penalties and amounts paid or to be paid in settlement) actually and reasonably incurred by such person in connection with such Proceeding, and such indemnification shall continue as to a person who has ceased to be a director, officer, partner, principal, member, manager, trustee, employee, fiduciary, or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except as provided in Section B of this Article VIII, the Corporation shall be required to indemnify any such person seeking indemnification in connection with a Proceeding (or part thereof) initiated by or on behalf of such person only if such Proceeding (or part thereof) was authorized, in the specific case, by the Board of Directors. The right to indemnification conferred in this Article VIII shall be a contract right and, subject to Sections B and E of this Article VIII, shall include the right to payment by the Corporation of the expenses

incurred in defending any such Proceeding in advance of its final disposition. Each person who is or was serving as a director or officer of a Subsidiary of the Corporation shall be deemed to be serving, or have served, at the request of the Corporation.

B. Procedure for Indemnification of Directors and Officers. Any indemnification of a person under Section A of this Article VIII (following final disposition of a Proceeding) or advance of expenses (including, without limitation, attorneys' fees, costs and charges) under Section E of this Article VIII shall be made promptly, and in any event within thirty (30) days, upon the written request of such person to the Corporation. If a determination by the Corporation that the person is entitled to indemnification pursuant to this Article VIII is required, and the Corporation fails to respond within thirty (30) days to a written request for indemnity, the Corporation shall be deemed to have approved the request. If the Corporation denies a written request for indemnification or advancing of expenses, in whole or in part, or if payment in full pursuant to such request is not made within thirty (30) days, the right to indemnification or advances as granted by this Article VIII shall be enforceable by the person in any court of competent jurisdiction. Such person's costs and expenses incurred in connection with successfully establishing his or her right to indemnification, in whole or in part, in any such action shall also be indemnified by the Corporation to the fullest extent permitted by applicable law. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of expenses (including, without limitation, attorneys' fees, costs and charges) incurred in defending any Proceeding in advance of its final disposition where the required undertaking, if any, has been received by the Corporation) that the claimant has not met the standard of conduct set forth in the DGCL, as the same exists or hereafter may be amended, but the burden of proving such defense shall be on the Corporation. To the extent permitted under applicable law, neither the failure of the Corporation (including, without limitation, the Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, as the same exists or hereafter may be amended, nor an actual determination by the Corporation (including, without limitation, its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has or has not met the applicable standard of conduct.

C. Nonexclusivity of Article VIII. The rights to indemnification and the payment of expenses incurred in defending a Proceeding in advance of its final disposition conferred in this Article VIII shall not be exclusive of any other right which any person may have or hereafter acquire under any law (common or statutory), provision of this Amended and Restated Certificate of Incorporation, provision of the Bylaws of the Corporation, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office or while employed by or acting as agent for the Corporation, and shall continue as to a person who has ceased to be a director or officer, and shall inure to the benefit of the estate, heirs, executors and administrators of such person.

D. Insurance. The Corporation shall have the power to purchase and maintain insurance on its own behalf and on behalf of any person who is or was or has agreed to

become a director, officer, partner, principal, member, manager, trustee, employee, fiduciary, or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, partner, principal, member, manager, trustee, employee, fiduciary, or agent of another corporation, partnership, limited liability company, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under this Article VIII.

E. Expenses. Expenses (including, without limitation, attorneys' fees, costs and charges) incurred by any person described in Section A of this Article VIII in defending a Proceeding shall be paid by the Corporation in advance of such Proceeding's final disposition to the fullest extent permitted by applicable law upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized in this Article VIII. Such expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

F. Employees and Agents. Persons who are not covered by the foregoing provisions of this Article VIII and who are or were employees or agents of the Corporation may be indemnified to the extent authorized at any time or from time to time by the Board of Directors.

G. Contract Rights. The provisions of this Article VIII shall be deemed to be a contract right between the Corporation and each person who is entitled to indemnification or advancement of expenses pursuant to this Article VIII at any time while this Article VIII and the relevant provisions of the DGCL or other applicable law are in effect, and any repeal or modification of this Article VIII or any such law shall not in any way diminish any rights to indemnification of such person or the obligations of the Corporation arising hereunder with respect to any Proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such modification or repeal.

H. Savings Clause. If this Article VIII or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each person entitled to indemnification under Section A of this Article VIII as to all expense, liability and loss (including, without limitation, attorneys' fees and related disbursements, judgments, fines, ERISA excise taxes and penalties, penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such person and for which indemnification is available to such person pursuant to this Article VIII to the full extent permitted by any applicable portion of this Article VIII that shall not have been invalidated and to the full extent permitted by applicable law.

#### ARTICLE IX

The Corporation reserves the right to amend, alter or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are subject to this reservation. Prior to the annual meeting of stockholders of the Corporation to be held in

2011, no amendment, alteration, repeal or other modification to the last two sentences of Article V.A of this Amended and Restated Certificate of Incorporation (and any defined term used therein, but only as used therein) shall be valid unless approved by the holders of not less than seventy-five percent (75%) in voting power of the shares of capital stock of the Corporation entitled to vote thereon.

IN WITNESS WHEREOF, the Corporation has caused this Amended and Restated Certificate of Incorporation to be executed on its behalf by Matthew J. Simoncini, its duly elected Senior Vice President and Chief Financial Officer, this 9<sup>th</sup> day of November, 2009.

**LEAR CORPORATION**

By: /s/ Matthew J. Simoncini  
Matthew J. Simoncini  
Senior Vice President and Chief Financial Officer

## AMENDED AND RESTATED BYLAWS

OF

LEAR CORPORATION

## ARTICLE I

Meetings of Stockholders

Section 1.1. Annual Meetings. An annual meeting of stockholders shall be held for the election of directors at such date, time and place, if any, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors from time to time, subject to the last two sentences of Article V.A of the certificate of incorporation of the corporation. Any other proper business may be transacted at the annual meeting.

Section 1.2. Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Board of Directors, but such special meetings may not be called by any other person or persons, subject to the last two sentences of Article V.A of the certificate of incorporation of the corporation. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 1.3. Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting shall be given that shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by applicable law, the certificate of incorporation or these bylaws, the notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at the meeting as of the record date for determining the stockholders entitled to notice of the meeting. Notice may be given in writing by mail or, to the extent permitted by applicable law, by electronic transmission. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. If transmitted electronically, such notice shall be deemed to be given: (i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice; (ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (a)

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such posting and (b) the giving of such separate notice; and (iv) if by any other form of electronic transmission, when directed to the stockholder.

Section 1.4. Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date for notice of such adjourned meeting.

Section 1.5. Quorum. Except as otherwise provided by applicable law, the certificate of incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a quorum, the stockholders so present may, by a majority in voting power thereof, adjourn the meeting from time to time in the manner provided in Section 1.4 of these bylaws until a quorum shall attend. Shares of its own stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the corporation or any subsidiary of the corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Section 1.6. Organization. Meetings of stockholders shall be presided over by the Chairman of the Board of Directors or, in his absence, by the Vice Chairman, the Chief Executive Officer, the President or a Vice President (in that order) or, in the absence of the foregoing persons, by chairperson designated by the Board of Directors or, in the absence of such designation, by a chairperson chosen at the meeting by the affirmative vote of holders of a majority of the voting power of the shares of stock present in person or represented by proxy and entitled to vote at such meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 1.7. Voting; Proxies. Except as otherwise provided by or pursuant to the provisions of the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting

and voting in person or by delivering to the Secretary of the corporation a revocation of the proxy or a new proxy bearing a later date. Voting at meetings of stockholders need not be by written ballot.

Effective as of the annual meeting of stockholders to be held in 2011, each director shall be elected by the vote of a majority of votes cast with respect to that director's election at any meeting for the election of directors at which a quorum is present, provided that if, as of the tenth (10th) day preceding the date the corporation first provides notice of such meeting in accordance with Section 1.3 of these bylaws, the number of nominees exceeds the number of directors to be elected (a "Contested Election"), the directors shall be elected by the vote of a plurality of the votes cast. For purposes of this Section 1.7, a "majority of votes cast" shall mean that the number of votes cast "for" a director's election exceeds the number of votes cast "against" that director's election (with "abstentions" and "broker nonvotes" not counted as votes cast either "for" or "against" that director's election). Effective as of the annual meeting of stockholders to be held in 2011, in the event an incumbent director fails to receive a majority of votes cast in an election that is not a Contested Election, such incumbent director shall immediately tender his resignation in accordance with the procedures established by the Nominating and Corporate Governance Committee. The Board of Directors shall determine whether to accept the resignation or take other action, through a process managed by the Nominating and Corporate Governance Committee and following a recommendation of that committee. If such director's resignation is not accepted by the Board of Directors, such director shall continue to serve until his successor is duly elected, or until his subsequent death, retirement, removal or resignation in accordance with its terms.

All other elections and questions presented to the stockholders at a meeting at which a quorum is present shall, unless otherwise provided by the certificate of incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the corporation, or applicable law or pursuant to any regulation applicable to the corporation or its securities, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock of the corporation which are present in person or by proxy and entitled to vote thereon.

Section 1.8. Fixing Date for Determination of Stockholders of Record.

(a) In order that the corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by applicable law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the

meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall not be more than sixty (60) days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 1.9. List of Stockholders Entitled to Vote. The officer who has charge of the stock ledger shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting at least ten (10) days prior to the meeting (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting, or (ii) during ordinary business hours at the principal place of business of the corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by applicable law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 1.9 or to vote in person or by proxy at any meeting of stockholders.

Section 1.10. Action by Written Consent of Stockholders. Unless otherwise provided by the certificate of incorporation, any action required or permitted to be taken by the stockholders of the corporation must be effected at a duly held meeting of stockholders of the corporation at which a quorum is present or represented and may not be effected by any consent in writing by such stockholders.

Section 1.11. Inspectors of Election. The corporation may, and shall if required by applicable law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The corporation may designate one or more

persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his ability. The inspector or inspectors so appointed or designated shall (i) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each such share, (ii) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (iii) count all votes and ballots, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (v) certify their determination of the number of shares of capital stock of the corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by applicable law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

Section 1.12. Conduct of Meetings. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairperson shall have the right and authority to convene and adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairperson, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairperson, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the chairperson shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The chairperson at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such chairperson should so determine, such chairperson shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. The rulings of the chairperson on procedural matters at any meeting of stockholders shall be final. Unless and to the extent determined by the Board of Directors or the chairperson, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be determined by the chairperson and announced at the meeting.

Section 1.13. Notice of Stockholder Business and Nominations.

(A) Annual Meetings of Stockholders. (1) Nominations of persons for election to the Board of Directors of the corporation at an annual meeting at which directors are to be elected

and the proposal of other business to be considered by the stockholders that is not otherwise prohibited or restricted by the last two sentences of Article V.A of the certificate of incorporation of the corporation may be made at an annual meeting of stockholders only (a) pursuant to the corporation's notice of meeting (or any supplement thereto), (b) by or at the direction of the Board of Directors or any committee thereof or (c) by any stockholder of the corporation who was a stockholder of record of the corporation at the time the notice provided for in this Section 1.13 is delivered to the Secretary of the corporation, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 1.13.

(2) For any nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (c) of paragraph (A)(1) of this Section 1.13, the stockholder must have given timely notice thereof in writing to the Secretary of the corporation and any such proposed business (other than the nominations of persons for election to the Board of Directors) must constitute a proper matter for stockholder action and not otherwise be prohibited or restricted by the last two sentences of Article V.A of the certificate of incorporation of the corporation. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal place of business of the corporation not later than the close of business on the ninetieth (90<sup>th</sup>) day, nor earlier than the close of business on the one hundred twentieth (120<sup>th</sup>) day, prior to the first anniversary of the preceding year's annual meeting (provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the one hundred twentieth (120<sup>th</sup>) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90<sup>th</sup>) day prior to such annual meeting or the tenth (10<sup>th</sup>) day following the day on which public announcement of the date of such meeting is first made by the corporation). In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth: (a) as to each person whom the stockholder proposes to nominate for election as a director (i) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to and in accordance with Section 14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules and regulations promulgated thereunder, and (ii) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (b) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the bylaws of the corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the corporation's books, and of such beneficial owner, (ii) the class or series and number of shares of capital stock of the corporation which are owned beneficially and of record by such stockholder and such beneficial owner, (iii) a description of any agreement, arrangement or understanding with respect to the nomination or proposal between or among such stockholder and/or such beneficial owner, any of their respective affiliates or associates, and any others

acting in concert with any of the foregoing, including, in the case of a nomination, the nominee, (iv) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder and such beneficial owners, whether or not such instrument or right shall be subject to settlement in underlying shares of capital stock of the corporation, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such stockholder or such beneficial owner, with respect to shares of stock of the corporation, (v) a representation that the stockholder is a holder of record of stock of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination, (vi) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the corporation's outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (b) otherwise to solicit proxies or votes from stockholders in support of such proposal or nomination, and (vii) any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder. The foregoing notice requirements of this Section 1.13 shall be deemed satisfied by a stockholder with respect to business other than a nomination if the stockholder has notified the corporation of his or its intention to present a proposal at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder's proposal has been included in a proxy statement that has been prepared by the corporation to solicit proxies for such annual meeting. The corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the corporation.

(3) Notwithstanding anything in the second sentence of paragraph (A)(2) of this Section 1.13 to the contrary, in the event that the number of directors to be elected to the Board of Directors of the corporation is increased effective at the annual meeting and there is no public announcement by the corporation naming the nominees for the additional directorships at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 1.13 shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered to the Secretary at the principal place of business of the corporation not later than the close of business on the tenth (10<sup>th</sup>) day following the day on which such public announcement is first made by the corporation.

(B) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the corporation's notice of meeting and that is not otherwise prohibited or restricted by the last two sentences of Article V.A of the certificate of incorporation of the corporation. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the corporation's notice of meeting (1) by or at the direction of the Board of Directors or any committee thereof or (2) provided that the Board of

Directors has determined that directors shall be elected at such meeting, by any stockholder of the corporation who is a stockholder of record at the time the notice provided for in this Section 1.13 is delivered to the Secretary of the corporation, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 1.13. In the event the corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the corporation's notice of meeting, if the stockholder's notice required by paragraph (A) (2) of this Section 1.13 shall be delivered to the Secretary at the principal place of business of the corporation not earlier than the close of business on the one hundred twentieth (120<sup>th</sup>) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90<sup>th</sup>) day prior to such special meeting or the tenth (10<sup>th</sup>) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(C) General. (1) Only such persons who are nominated in accordance with the procedures set forth in this Section 1.13 shall be eligible to be elected at an annual or special meeting of stockholders of the corporation to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 1.13. Except as otherwise provided by applicable law, the chairperson of the meeting shall have the power and duty (a) to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 1.13 (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination or proposal is made solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies or votes in support of such stockholder's nominee or proposal in compliance with such stockholder's representation as required by clause (A) (2)(c)(vi) of this Section 1.13) and (b) if any proposed nomination or business was not made or proposed in compliance with this Section 1.13, to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. Notwithstanding the foregoing provisions of this Section 1.13, unless otherwise required by applicable law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the corporation to present a nomination or proposed business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the corporation. For purposes of this Section 1.13, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

(2) For purposes of this Section 1.13, "public announcement" shall include disclosure in a press release reported by the Dow Jones News Service, Associated Press or other national news service or in a document publicly filed by the corporation with the Securities and

Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder.

(3) Notwithstanding the foregoing provisions of this Section 1.13, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder with respect to the matters set forth in this Section 1.13; provided however, that any references in these bylaws to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit any requirements applicable to nominations or proposals as to any other business to be considered pursuant to this Section 1.13 (including paragraphs (A)(1)(c) and (B) hereof), and compliance with paragraphs (A)(1)(c) and (B) of this Section 1.13 shall be the exclusive means for a stockholder to make nominations or submit other business (other than, as provided in the penultimate sentence of paragraph (A)(2), matters brought properly under and in compliance with Rule 14a-8 of the Exchange Act, as may be amended from time to time). Nothing in this Section 1.13 shall be deemed to affect any rights (a) of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to applicable rules and regulations promulgated under the Exchange Act or (b) of the holders of any series of Preferred Stock to elect directors pursuant to any applicable provisions of the certificate of incorporation.

## ARTICLE II

### Board of Directors

Section 2.1. General Powers. The business and affairs of the corporation shall be managed by or under the direction of the Board of Directors.

Section 2.2. Number. The number of directors that shall constitute the Board of Directors shall be fixed from time to time exclusively by resolution of the Board of Directors; provided that the number of directors shall initially be nine (9). Directors need not be stockholders.

Section 2.3. Election; Removal; Resignation; Vacancies. Subject to the provisions of the certificate of incorporation, at each annual meeting of stockholders, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his successor is duly elected and qualified, subject to such director's earlier death, resignation, retirement, disqualification or removal. Subject to the provisions of the certificate of incorporation, any director or the entire Board of Directors may be removed at any time, either with or without cause, by the holders of a majority in voting power of the shares then entitled to vote at an election of directors. Any director may resign at any time upon notice to the corporation. Unless otherwise provided by applicable law or the certificate of incorporation, any newly created directorship or any vacancy occurring in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may only be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by the sole remaining director, and each director so elected shall hold office until the expiration of the term of office of the director whom he replaced or until his successor is elected and qualified.



Section 2.4. Regular Meetings. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine.

Section 2.5. Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the Chief Executive Officer, the Chairman of the Board of Directors, the Secretary or by a majority of the members of the Board of Directors. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.6. Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this bylaw shall constitute presence in person at such meeting.

Section 2.7. Quorum; Vote Required for Action. At all meetings of the Board of Directors the directors entitled to cast a majority of the votes of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the certificate of incorporation, these bylaws or applicable law otherwise provides, a majority of the votes entitled to be cast by the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.8. Organization. Meetings of the Board of Directors shall be presided over by the Chairman of the Board of Directors or, in his absence, by a chairman chosen by the Board of Directors at the meeting. The Secretary shall act as secretary of the meeting, but in his absence, the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.9. Action by Unanimous Consent of Directors. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmissions are filed with the minutes of proceedings of the Board of Directors or any committee thereof in accordance with applicable law.

Section 2.10. General. In the discretion of the Board of Directors, the directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors. In addition, in the discretion of the Board of Directors, the directors may receive a stated salary for serving as directors or any other form of compensation deemed appropriate. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for serving on or attending committee meetings.

## ARTICLE III

### Committees

Section 3.1. Committees. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by applicable law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it.

Section 3.2. Committee Rules. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these bylaws.

## ARTICLE IV

### Officers

Section 4.1. General. The officers of the corporation shall be chosen by the Board of Directors and may consist of a Chief Executive Officer, a President, a Secretary, a Treasurer, one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers as may be deemed necessary or advisable by the Board of Directors. Any number of offices may be held by the same person, unless otherwise prohibited by applicable law, the certificate of incorporation or these bylaws. The Board of Directors, in its discretion, may also choose a Chairman of the Board of Directors (who must be a director). The Chairman of the Board of Directors, if there be one, and officers of the corporation need not be stockholders of the corporation.

Section 4.2. Election. The Board of Directors at its first meeting held after each annual meeting of stockholders shall elect the officers of the corporation who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors; and all officers of the corporation shall hold office until their successors are chosen and qualified, or until their earlier death, retirement, resignation or removal. Any officer may resign at any time upon written notice to the corporation directed to the Board of Directors and the Secretary. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein no acceptance of such resignation shall be necessary to make it effective. The Board of Directors may remove any officer or agent with or without cause at any time by the affirmative vote of a majority of the Board of Directors. Any such removal shall be without prejudice to the contractual rights of

such officer or agent, if any, with the corporation, but the election of an officer or agent shall not of itself create any contractual rights. Any vacancy occurring in any office of the corporation by death, retirement, resignation, removal or otherwise may be filled by the Board of Directors. The salaries of all officers of the corporation shall be fixed by the Board of Directors, without prejudice to the contractual rights of any such officer.

Section 4.3. Appointing Attorneys and Agents; Voting Securities of Other Entities. Unless otherwise provided by resolution adopted by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer, the President or any Vice President may from time to time appoint an attorney or attorneys or agent or agents of the corporation, in the name and on behalf of the corporation, to cast the votes which the corporation may be entitled to cast as the holder of stock or other securities in any other corporation or other entity, any of whose stock or other securities may be held by the corporation, at meetings of the holders of the stock or other securities of such other corporation or other entity, or to consent in writing, in the name of the corporation as such holder, to any action by such other corporation or other entity, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consents, and may execute or cause to be executed in the name and on behalf of the corporation and under its corporate seal or otherwise, all such written proxies or other instruments as he may deem necessary or proper. Any of the rights set forth in this Section 4.3 which may be delegated to an attorney or agent may also be exercised directly by the Chairman of the Board of Directors, the Chief Executive Officer, the President or the Vice President.

Section 4.4. Chairman of the Board of Directors. The Chairman of the Board of Directors, if there be one, shall preside at all meetings of the stockholders and of the Board of Directors. In the absence or disability of the Chief Executive Officer, he shall be the Chief Executive Officer of the corporation, and except where by applicable law the signature of the President is required, the Chairman of the Board of Directors shall possess the same power as the President to sign all contracts, certificates and other instruments of the corporation which may be authorized by the Board of Directors. During the absence or disability of the President and the Chief Executive Officer, the Chairman of the Board of Directors shall exercise all the powers and discharge all the duties of the President. The Chairman of the Board of Directors shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him by these bylaws or by the Board of Directors.

Section 4.5. Chief Executive Officer. The Chief Executive Officer shall be the principal executive officer of the corporation. The Chief Executive Officer, except where by applicable law the signature of the President is required, shall possess the same power as the President to sign all contracts, certificates and other instruments of the corporation which may be authorized by the Board of Directors. During the absence or disability of the President, the Chief Executive Officer shall exercise all the powers and discharge all the duties of the President. The Chief Executive Officer shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him by these bylaws or by the Board of Directors.

Section 4.6. President. The President shall, subject to the control of the Board of Directors, the Chairman of the Board of Directors, if there be one, and the Chief Executive Officer, have general supervision of the business and affairs of the corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. He shall execute all

bonds, mortgages, contracts and other instruments of the corporation requiring a seal under the seal of the corporation, except where required or permitted by applicable law to be otherwise signed and executed and except that the other officers of the corporation may sign and execute documents when so authorized by these bylaws, the Board of Directors or the President. If there be no Chairman of the Board of Directors or Chief Executive Officer, the President shall be the Chief Executive Officer of the corporation. The President shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him by these bylaws or by the Board of Directors.

Section 4.7. Vice Presidents. At the request of the President or in his absence or in the event of his inability or refusal to act (and if there be no Chairman of the Board of Directors or Chief Executive Officer), the Vice President or the Vice Presidents if there is more than one (in the order designated by the Board of Directors) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Each Vice President shall perform such other duties and have such other powers as the Board of Directors from time to time may prescribe. If there be no Chairman of the Board of Directors, no Chief Executive Officer and no President, the Board of Directors shall designate the Vice President of the corporation who, in the absence of the President or in the event of the inability or refusal of the President to act, shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President.

Section 4.8. Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of stockholders and record all the proceedings thereat in a book or books to be kept for that purpose; the Secretary shall also perform like duties for the standing and special committees of the Board of Directors when required. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or Chief Executive Officer, under whose supervision he shall be. If the Secretary shall be unable or shall refuse to cause to be given notice of all meetings of the stockholders and special meetings of the Board of Directors, and if there be no Assistant Secretary, then either the Board of Directors or the Chief Executive Officer may choose another officer to cause such notice to be given. The Secretary shall have custody of the seal of the corporation and the Secretary or any Assistant Secretary, if there be one, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by the signature of the Secretary or by the signature of any such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his signature. The Secretary shall see that all books, reports, statements, certificates and other documents and records required by applicable law to be kept or filed are properly kept or filed, as the case may be.

Section 4.9. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Chief

Executive Officer and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as Treasurer and of the financial condition of the corporation. If required by the Board of Directors, the Treasurer shall give the corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, retirement, resignation or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

Section 4.10. Assistant Secretaries. Except as may be otherwise provided in these bylaws, Assistant Secretaries, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the Chief Executive Officer, the President, any Vice President, if there be one, or the Secretary, and in the absence of the Secretary or in the event of his disability or refusal to act, shall perform the duties of the Secretary, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Secretary.

Section 4.11. Assistant Treasurers. Assistant Treasurers, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the Chief Executive Officer, the President, any Vice President, if there be one, or the Treasurer, and in the absence of the Treasurer or in the event of his disability or refusal to act, shall perform the duties of the Treasurer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Treasurer. If required by the Board of Directors, an Assistant Treasurer shall give the corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, retirement resignation or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

Section 4.12. Other Officers. Such other officers as the Board of Directors may choose shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors. The Board of Directors may delegate to any other officer of the corporation the power to choose such other officers and to prescribe their respective duties and powers. Without limiting the foregoing, the Chief Executive Officer shall have the power to appoint and remove subordinate officers, agents and employees, subject to any contractual limitations contained in any employment agreement or other applicable contract.

## ARTICLE V

### Stock

Section 5.1. Uncertificated Shares. Except as otherwise provided in a resolution approved by the Board of Directors, all shares of the corporation issued after the date hereof shall be uncertificated shares. In the event the Board of Directors elects to provide in a resolution that certificates shall be issued to represent any shares of the corporation, holders of such shares shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman of the Board of Directors or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the corporation certifying

the number of shares owned by such holder in the corporation. Any of or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if such person were such officer, transfer agent, or registrar at the date of issue.

Section 5.2. Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 5.3. Transfers. Stock of the corporation shall be transferable in the manner prescribed by applicable law and in these bylaws. Transfers of stock shall be made on the books of the corporation only by the person named in the certificate or on the books of the corporation (in the case of uncertificated stock) or by his attorney or legal representative lawfully constituted in writing. No transfer of stock of the corporation shall be valid until such transfer has been entered on the books of the corporation by an entry showing from and to whom such stock is transferred, and (i) if the stock is certificated, the transfer shall not be valid until and upon the surrender of the certificate, duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, to the corporation or the transfer agent of the corporation and cancellation of the certificate representing the same or (ii) if the stock is uncertificated, the transfer shall not be valid unless accompanied by a duly executed stock transfer power or other proper transfer instructions from the registered owner of such uncertificated shares. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares of stock of the corporation duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, the corporation shall cancel the old certificate and issue a new certificate, if the stock is to be certificated, to the person or persons entitled thereto, unless such person or persons requests, in writing to the corporation or the transfer agent, that such shares be uncertificated.

## ARTICLE VI

### Miscellaneous

Section 6.1. Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 6.2. Seal. The corporate seal shall have the name of the corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 6.3. Manner of Notice. Except as otherwise provided herein or permitted by applicable law, notices to directors and stockholders shall be in writing and delivered personally, mailed to the directors or stockholders at their addresses appearing on the books of the corporation, or by a form of electronic transmission consented to by the director or stockholder to whom notice is given, in accordance with applicable law. Notice to directors may also be given by telephone. Without limiting the manner by which notice otherwise may be given effectively to stockholders, and except as prohibited by applicable law, any notice given by the corporation under any provision of applicable law, the certificate of incorporation, or these bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any stockholder who fails to object in writing to the corporation, within sixty (60) days of having been given written notice by the corporation of its intention to send the single notice permitted under this Section 6.3, shall be deemed to have consented to receiving such single written notice.

Section 6.4. Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any waiver of notice, given by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in a waiver of notice.

Section 6.5. Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time.

Section 6.6. Amendment of Bylaws. These bylaws may be altered, amended or repealed, and new bylaws made, by the Board of Directors. The affirmative vote of the holders of a majority in voting power of the then outstanding shares of capital stock of the corporation entitled to vote thereon, voting together as a single class, shall be required for stockholders to adopt, amend, alter or repeal any provision of these bylaws.

CERTIFICATE OF DESIGNATIONS  
OF  
SERIES A CONVERTIBLE PARTICIPATING PREFERRED STOCK  
OF  
LEAR CORPORATION

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pursuant to Sections 151 and 303 of the  
General Corporation Law of the State of Delaware

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The terms of the authorized Series A Convertible Participating Preferred Stock, par value \$0.01 per share (the “Series A Preferred Stock”), of Lear Corporation, a corporation organized and existing under the laws of the State of Delaware (the “Corporation”), are set forth below. Capitalized terms used herein, unless otherwise defined, shall have the meanings ascribed thereto in Section 3.

Section 1. Designation; Ranking.

The designation of this series of preferred stock shall be “Series A Convertible Participating Preferred Stock.” Each share of Series A Preferred Stock shall be identical in all respects to every other share of Series A Preferred Stock. Series A Preferred Stock will rank equally with Parity Stock, if any, will rank senior to Junior Stock, if any, and will rank junior to Senior Stock, if any. The Series A Preferred Stock shall be subordinate, and rank junior in right of payment, to all indebtedness of the Corporation.

Section 2. Number of Shares.

The number of authorized shares of Series A Preferred Stock shall be 10,896,250. Subject to Section 6(b), such number of authorized shares may, from time to time, be increased or decreased (but not below the number of shares of Series A Preferred Stock then outstanding) by further resolution duly adopted by the Board and by the filing of a certificate pursuant to the provisions of the General Corporation Law of the State of Delaware (the “DGCL”) stating that such increase or reduction has been so authorized. The Corporation shall have the authority to issue fractional shares of Series A Preferred Stock.

Section 3. Definitions.

“Board” means the Corporation’s Board of Directors or any duly authorized committee thereof.

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“Closing Price” means on any particular date (a) if the Common Stock is then listed or quoted on a Trading Market, (i) the closing price per share of Common Stock on such date on the principal Trading Market (as reported by Bloomberg L.P. or a similar organization or agency succeeding to its functions of reporting prices) or (ii) if there shall have been no sales of Common Stock on such principal Trading Market on such day, the average of the reported closing bid and asked prices per share of Common Stock on such principal Trading Market (as reported by Bloomberg L.P. or a similar organization or agency succeeding to its functions of reporting prices), (b) if the Common Stock is not then listed or quoted on a Trading Market and if prices for the Common Stock are then reported in the “pink sheets” published by Pink OTC Markets, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the average of the reported closing bid and asked prices per share of Common Stock so reported or (c) if the shares of Common Stock are not then publicly traded the fair market value as of such date of a share of Common Stock as reasonably determined in good faith by the Board of Directors of the Company.

“Common Stock” means the common stock of the Corporation, par value \$0.01 per share, or any other shares of the capital stock of the Corporation into which such shares of common stock shall be reclassified or changed.

“Conversion Agent” means Mellon Investor Services LLC, acting in its capacity as conversion agent for the Series A Preferred Stock, and its successors and assigns.

“Junior Stock” means the Common Stock and any other class or series of stock of the Corporation, other than Parity Stock, now existing or hereafter authorized not expressly ranking senior to the Series A Preferred Stock with respect to the payment of dividends, rights on redemption or the distribution of assets in the event of any Liquidation Event.

“Liquidation Event” means any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary; provided that in no event shall any Organic Change or any other merger or consolidation involving, or any sale of all or substantially all of the assets of, the Corporation be deemed a Liquidation Event.

“Mandatory Conversion Date” means November 9, 2012; provided that the “Mandatory Conversion Date” shall also mean any earlier date after November 9, 2010 if for 20 Trading Days within any period of 30 consecutive Trading Days ending on such date, the Closing Price (it being understood that only clauses (a) and (b) of the definition of Closing Price shall be applicable for purposes of this definition), of the Common Stock exceeds 135% of the then-applicable Conversion Price for the Series A Preferred Stock.

“Organic Change” means (i) any consolidation, merger, share exchange or similar transaction of the Corporation with or into another Person pursuant to which the Common Stock is changed into, converted into or exchanged for cash, securities or other property (whether of the Corporation or another Person); (ii) any reorganization, recapitalization or reclassification or similar transaction in which the Common Stock is exchanged for securities other than Common Stock; or (iii) any statutory exchange of the outstanding shares of Common Stock for securities of another Person (other than in connection with a consolidation, merger, share exchange or other similar transaction).

“Parity Stock” means any class or series of stock of the Corporation hereafter authorized that expressly ranks equally with the Series A Preferred Stock with respect to the payment of dividends, rights on redemption or in the distribution of assets in the event of any Liquidation Event.

“Person” means any individual, corporation, estate, partnership, joint venture, association, joint-stock company, limited liability company, governmental authority, trust, or other entity.

“Senior Stock” means any class or series of stock of the Corporation hereafter authorized which expressly ranks senior to the Series A Preferred Stock and has preference or priority over the Series A Preferred Stock as to the payment of dividends, rights on redemption or in the distribution of assets on any Liquidation Event.

“Stated Value” means, in respect of each share of Series A Preferred Stock, an amount equal to \$41.30 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization affecting the Series A Preferred Stock.

“Trading Day” means (a) if the Common Stock is listed or quoted on a Trading Market, a day on which the principal Trading Market is open for business or (b) if the Common Stock is not listed or quoted on a Trading Market, a business day.

“Trading Market” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE Amex Equities, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange or the OTC Bulletin Board.

#### Section 4. Dividends.

(a) General. Except as provided in Section 4(b), the Series A Preferred Stock shall not bear any mandatory dividend. Except as provided in Section 4(b), the declaration of any dividend payable upon the Series A Preferred Stock shall require the consent of at least seventy-five percent (75%) of the directors of the Corporation who are not employees of the Corporation.

(b) Participation. In the event the Corporation declares and/or pays any dividend or other distribution on the Common Stock (other than a dividend payable solely in the form of additional shares of Common Stock), the Corporation shall, at the time of such declaration or payment, declare and pay a dividend or other distribution on the Series A Preferred Stock consisting of the dividend or other distribution that would have been payable on the shares of Common Stock issuable upon conversion, in full, of the Series A Preferred Stock if the Series A Preferred Stock had been converted into Common Stock immediately prior to the record date for determination of holders entitled to receive such dividend or other distribution.

(c) Restrictions. So long as any shares of Series A Preferred Stock shall remain outstanding, the Corporation shall not declare, pay or set aside any dividends on shares of any

other class or series of capital stock of the Corporation (other than a dividend payable on Senior Stock and a dividend payable on the Common Stock payable solely in the form of additional shares of Common Stock) unless dividends on the Series A Preferred Stock (including those provided under Section 4(b)), if any, have been paid in full through the most recent dividend payment date. So long as any shares of Series A Preferred Stock shall remain outstanding, the Corporation shall not redeem, repurchase or otherwise acquire directly or indirectly any Junior Stock, other than (i) repurchases of Junior Stock of departing employees and directors of the Corporation (A) in accordance with any management equity plan or agreement or independent director equity plan or agreement, as applicable, or (B) as otherwise approved by the Board and (ii) cash payments made in lieu of fractional shares of Junior Stock that would otherwise be issued upon (x) any conversion, exercise or exchange of any capital stock, option, warrant or other security that is convertible into, or exercisable or exchangeable for, Junior Stock or (y) any reverse split or other combination of Junior Stock.

(c) Record Date. The Board may fix a record date for the determination of holders of shares of the Common Stock entitled to receive payment of a dividend declared thereon, which record date shall be the same date as the record date for which holders of shares of the Series A Preferred Stock shall be entitled to receive payment of a dividend declared thereon, if applicable, and which record date shall be no more than sixty (60) days prior to the date fixed for the payment thereof.

#### Section 5. Liquidation Event.

(a) Distributions. Subject to the rights of any Senior Stock in connection therewith, upon any Liquidation Event, each holder of Series A Preferred Stock shall be entitled to be paid, out of assets of the Corporation legally available therefor, before any distribution or payment out of the assets of the Corporation may be made to or set aside for the holders of any Junior Stock in connection with such Liquidation Event, an amount per share of Series A Preferred Stock held by such holder equal to the greater of (i) the Stated Value per share of Series A Preferred Stock held by such holder plus an amount equal to all declared and unpaid dividends, if any, with respect to such share calculated through the day immediately prior to the date of such payment (the "Accrued Value") and (ii) the amount that would be payable to such holder in respect of the Common Stock issuable upon conversion of a share of Series A Preferred Stock held by such holder assuming all outstanding shares of Series A Preferred Stock (including the shares of Series A Preferred Stock held by such holder) were converted into Common Stock immediately prior to the Liquidation Event in accordance with Section 8 (the amount per share of Series A Preferred Stock paid as determined pursuant to this clause (ii), the "As-Converted Per Share Amount"). Other than as expressly set forth in the immediately foregoing sentence, upon payment of the aggregate amount owed to any holder of Series A Preferred Stock (in its capacity as such) upon a Liquidation Event (as determined in accordance with the immediately foregoing sentence), no such holder of Series A Preferred Stock (in its capacity as such) shall be entitled to any further payments upon the occurrence of any Liquidation Event or otherwise. All shares of Series A Preferred Stock in respect of which the holders have been paid the full amount to which they are entitled under this Certificate of Designations upon the occurrence of a Liquidation Event or for which the full amount to which they are entitled has been made available by the Corporation shall, automatically and without further action on the part of the Corporation or any

holder thereof, be cancelled effective upon payment or the making available by the Corporation of such amount.

(b) Partial Distributions. Subject to the rights of any Senior Stock in connection therewith, if, upon any Liquidation Event, the assets of the Corporation to be distributed in respect of the Series A Preferred Stock and any Parity Stock are insufficient to permit payment in respect thereof of the aggregate amount to which they are entitled under this Certificate of Designations upon such Liquidation Event, then the entire assets available to be distributed to the holders of Series A Preferred Stock and any Parity Stock shall be distributed *pro rata* among such holders of Series A Preferred Stock and any Parity Stock based upon the aggregate amounts to which they would otherwise be entitled upon such Liquidation Event.

(c) Residual Distributions. Upon payment in full of all amounts (if any) required to be paid in respect of any Senior Stock, the Series A Preferred Stock and any Parity Stock in connection with a Liquidation Event, the Junior Stock shall be entitled to receive all remaining assets of the Corporation legally available for distribution in accordance with their respective rights and preferences.

#### Section 6. Voting Rights.

(a) The holders of the Series A Preferred Stock shall be entitled to notice of all stockholders meetings in accordance with the Corporation's bylaws and applicable law, and except as otherwise required by applicable law, the holders of the Series A Preferred Stock shall be entitled to vote on all matters submitted to the stockholders generally for a vote, voting together as a single class with the Common Stock and each other class or series of capital stock of the Corporation entitled to vote as a single class with the Common Stock. Each holder of Series A Preferred Stock shall be entitled to one vote for each share of Common Stock issuable upon conversion of the Series A Preferred Stock (assuming full conversion and aggregation of all fractional shares) held by such holder as of the record date for such vote.

(b) In addition to the voting rights provided in Section 6(a) to the holders of the Series A Preferred Stock, the affirmative vote of the holders of a majority of the then outstanding shares of Series A Preferred Stock, voting as a separate class, shall be required for the Corporation to, directly or indirectly, whether by merger, consolidation or otherwise: (i) amend the Certificate of Incorporation or this Certificate of Designations in a manner that adversely alters, modifies or changes the rights, designations or preferences of the holders of Series A Preferred Stock; (ii) authorize or create any class of Senior Stock or Parity Stock; or (iii) increase or decrease the authorized number of shares of Series A Preferred Stock.

#### Section 7. Redemption Rights.

(a) Optional Redemption. The Corporation may, at any time and from time to time, without premium or penalty, redeem all or any portion of the shares of Series A Preferred Stock then outstanding. Upon any such redemption and unless otherwise agreed by any holder of the Series A Preferred Stock, the Corporation shall pay in cash a price per share of Series A Preferred Stock equal to the greater of (i) the Accrued Value and (ii) the As-Converted Per Share

Amount (reasonably determined in good faith by the Board as though a Liquidation Event had occurred on the day immediately prior to the date that the Corporation delivers the notice of redemption) (the "Redemption Price").

(b) Notice of Redemption. Except as otherwise provided herein, the Corporation shall publicly announce, or otherwise mail written notice to each record holder of Series A Preferred Stock of, any redemption of any Series A Preferred Stock not more than 60 nor less than 10 days prior to the date on which such redemption is to be made (the date on which such redemption is to be made, the "Redemption Date"). Any holder of Series A Preferred Stock may, by irrevocable notice to the Corporation prior to the date scheduled for such redemption, elect to convert its shares of Series A Preferred Stock into Common Stock pursuant to Section 8 prior to such redemption and may make such election contingent on the consummation of such redemption (but otherwise such election shall be unconditional to be an effective election).

(c) Redemptions of Less than All Shares. If the Corporation elects to redeem less than all of the shares of Series A Preferred Stock, the aggregate number of shares of Series A Preferred Stock and each class or series of Parity Stock to be redeemed shall be determined by the Corporation with respect to the holders of Series A Preferred Stock and holders of Parity Stock such that the aggregate amount payable to each such holder in respect of such shares of Series A Preferred Stock and/or Parity Stock, as the case may be, upon a Liquidation Event immediately after consummation of such redemption (and after giving effect to any conversion in connection with such redemption) bears, as nearly as practicable, the same proportion to the total amount payable to holders of Series A Preferred Stock and Parity Stock upon a Liquidation Event in respect of such shares immediately prior to consummation of such redemption (and after giving effect to any conversion in connection with such redemption). In the event that the Series A Preferred Stock is certificated and fewer than the total number of shares of Series A Preferred Stock represented by any certificate are redeemed, a new certificate representing the number of unredeemed shares of Series A Preferred Stock shall be issued to the holder thereof without cost to such holder within five business days after surrender of the certificate representing the redeemed shares of Series A Preferred Stock.

(d) Redemption Price. For each share of Series A Preferred Stock which is to be redeemed hereunder, the Corporation shall pay on the Redemption Date to the holder thereof (to the extent certificated, upon surrender by such holder at the Corporation's principal office of the certificate representing such share) the Redemption Price; provided that, to the extent that such notice is provided in connection with an Organic Change, the Corporation may condition its obligations to consummate such redemption on the consummation of such Organic Change and may, without penalty or liability, withdraw any notice of redemption and its obligation to redeem thereunder if the Organic Change transaction is terminated or to be terminated. To the fullest extent permitted by applicable law, if the Corporation pays or otherwise makes available to the holders of the Series A Preferred Stock to be redeemed the Redemption Price when and as required, the shares of Series A Preferred Stock shall be cancelled notwithstanding failure of the holder thereof to return the certificate representing such shares (if certificated).

(e) Other Redemptions or Acquisitions. The Series A Preferred Stock shall have no maturity date or scheduled redemption date. Nothing herein shall be deemed to limit the right of the Corporation to repurchase Series A Preferred Stock from time to time. In no event shall the

Corporation repurchase any shares of Series A Preferred Stock to the extent that such purchase would render the Corporation insolvent or otherwise violate applicable law.

Section 8. Conversion.

(a) Upon Election by Holders. Any holder of Series A Preferred Stock may elect, by written notice to the Corporation at any time and from time to time, to cause the Corporation to convert all or any portion of the shares of Series A Preferred Stock held by such holder, as specified by such holder in such notice, into shares of Common Stock on the terms described below. Notwithstanding any other provision hereof, if a conversion of Series A Preferred Stock pursuant to this Section 8(a) is to be made in connection with an Organic Change, the conversion of any shares of Series A Preferred Stock may, at the election of the holder thereof, be conditioned upon the consummation of such Organic Change, in which case such conversion shall be deemed to be effective simultaneously with the consummation of such Organic Change. A holder of Series A Preferred Stock must do each of the following in order to convert shares of Series A Preferred Stock: (i) complete and manually sign the conversion notice provided by the Conversion Agent, and deliver such notice to the Conversion Agent; (ii) to the extent certificated, deliver a certificate or certificates to the Conversion Agent representing the shares of Series A Preferred Stock to be converted to the Conversion Agent; (iii) if required by applicable law, furnish appropriate endorsements and transfer documents; and (iv) if required, pay any stock transfer, documentary, stamp or similar taxes. The date on which a holder of Series A Preferred Stock complies with the procedures in this Section 8(a) with regard to the conversion of shares of Series A Preferred Stock (or in the case of an election conditioned upon the consummation of an Organic Change, such later date specified in a holder's written notice) is referred to as the "Conversion Date" applicable to such shares. The Conversion Agent shall, on behalf of the holder of such Series A Preferred Stock, convert the shares of Series A Preferred Stock into shares of Common Stock in accordance with the terms of the notice delivered by such holder described above. On the Conversion Date, the shares of Series A Preferred Stock so converted will be cancelled and will cease to be issued and outstanding (and all rights of a holder of such Series A Preferred Stock (in its capacity as such) shall terminate without further liability to, or obligation of, the Corporation effective as of the Conversion Date) and the Common Stock issued upon such conversion in respect thereof shall be issued and outstanding (and no holder of shares of Series A Preferred Stock to be converted shall have any rights prior to the Conversion Date in respect of such Common Stock issued upon conversion).

(b) Mandatory Conversion. On the Mandatory Conversion Date, all shares of Series A Preferred Stock then issued and outstanding shall, automatically and without further action on the part of the Corporation, any holder thereof or the Conversion Agent, be converted into shares of Common Stock on the terms described below. The Corporation shall, promptly after the occurrence thereof, publicly announce, or otherwise provide notice to holders of Series A Preferred Stock of, the occurrence of the Mandatory Conversion Date and, in connection with such announcement or notice, in addition to any information required by applicable law or regulation, shall provide information regarding (i) the Mandatory Conversion Date; (ii) the number of shares of Common Stock to be issued upon conversion of each share of Series A Preferred Stock; and (iii) the total number of shares of Series A Common Stock issued as a result of the occurrence of the Mandatory Conversion Date. On the Mandatory Conversion Date, the

shares of Series A Preferred Stock so converted will be cancelled and will cease to be issued and outstanding (and all rights of a holder of such Series A Preferred Stock (in its capacity as such) shall terminate without further liability to the Corporation effective as of the Mandatory Conversion Date) and the Common Stock issued upon such conversion in respect thereof shall be issued and outstanding (and no holder of shares of Series A Preferred Stock shall have any rights in respect of such Common Stock issued upon conversion prior to the Mandatory Conversion Date).

(c) Effect of Conversion. The Corporation shall, in exchange for each share of Series A Preferred Stock and, to the extent certificated, upon surrender by the holder thereof to the Conversion Agent of the certificate representing such share of Series A Preferred Stock so converted, issue to such holder a number of shares of Common Stock equal to the quotient determined by dividing (a) the Accrued Value as of the Conversion Date (including any increase in Stated Value as a result of dividend payments that are paid in-kind), by (b) the Conversion Price then in effect. The initial "Conversion Price" shall be \$41.30 and shall be subject to adjustment as expressly provided in this Section 8(c). If the Corporation at any time subdivides (by any stock split, stock dividend or otherwise) one or more series of its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to such subdivision shall be proportionately reduced; and if the Corporation at any time combines (by reverse stock split or otherwise) one or more series of its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination shall be proportionately increased.

(d) Obligations of Corporation on Conversion. As promptly as practicable after a conversion has been effected, the Corporation shall, or shall cause the Conversion Agent to, deliver to the converting holder:

(i) to the extent certificated, a certificate or certificates representing the number of shares of Common Stock issuable by reason of such conversion in such name or names and such denomination or denominations as the converting holder has specified; and

(ii) to the extent certificated, a certificate representing any shares of Series A Preferred Stock which were represented by the certificate or certificates delivered to the Corporation in connection with such conversion but which were not converted.

(e) Reservation of Common Stock. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of issuance upon the conversion of the Series A Preferred Stock, such number of shares of Common Stock issuable upon the conversion of all outstanding shares of Series A Preferred Stock.

(f) Taxes and Governmental Matters. To the extent certificated, the issuance of certificates for shares of Common Stock pursuant to this Section 8 shall be made without charge to the holders of such Series A Preferred Stock for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such conversion and the related issuance of shares of Common Stock; provided that the Corporation shall not, however, be required to pay any such tax that may be payable in respect of any transfer involved in the issuance or delivery

of shares of Series A Preferred Stock, Common Stock or other securities in a name other than that in which the shares of Series A Preferred Stock with respect to which such shares or other securities are issued or delivered were registered, or in respect of any payment to any Person other than a payment to the registered holder thereof, and shall not be required to make any such issuance, delivery, or payment unless and until the Person otherwise entitled to such issuance, delivery or payment has paid to the Corporation the amount of any such tax or has established, to the Corporation's satisfaction, that such tax has been paid or is not payable.

(g) Other Obligations of the Corporation in Respect of Conversions. Upon any conversion of any share of Series A Preferred Stock, the Corporation shall, subject to the obligations of the holder of Series A Preferred Stock set forth in Section 8(f), take all such actions as are necessary in order to assure that the Common Stock issuable upon such conversion shall be validly duly authorized, validly issued, fully paid and nonassessable, free and clear of all taxes, liens, charges and encumbrances with respect to the issuance thereof. The Corporation shall use commercially reasonable efforts to assist any holder of Series A Preferred Stock to ensure that shares of Common Stock issuable upon conversion may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be delivered as promptly as practicable by the Corporation upon each such issuance).

(h) Fractional Shares. Upon a conversion, the Corporation shall not be required to issue stock certificates representing fractions of shares of Common Stock if it elects, if otherwise permitted, to make a cash payment in respect of any final fraction of a share based on the Closing Price of the Common Stock on the Conversion Date or the Mandatory Conversion Date, as applicable (after aggregating all fractional shares of each holder).

(i) Record Holder of Underlying Securities as of Conversion Date. The Person or Persons entitled to receive shares of Common Stock and/or cash, securities or other property issuable upon conversion of Series A Preferred Stock on a Conversion Date or Mandatory Conversion Date shall be treated for all purposes as the record holder(s) of such shares of Common Stock and/or securities as of the close of business on such Conversion Date or Mandatory Conversion Date, as applicable. In the event that a holder of Series A Preferred Stock shall not by written notice designate the name in which shares of Common Stock and/or cash, securities or other property (including payments of cash in lieu of fractional shares) to be issued or paid upon conversion of shares of Series A Preferred Stock should be registered or paid or the manner in which such shares should be delivered, the Corporation shall be entitled to register and deliver such shares, and make such payment, in the name of the holder shown on the records of the Corporation in any manner the Corporation in good faith deems reasonable.

#### Section 9. Organic Changes.

(a) In the event of an Organic Change, in each case in which holders of Common Stock would be entitled to receive cash, securities or other property for their shares of Common Stock, each share of Series A Preferred Stock outstanding immediately prior to such Organic Change shall (subject to redemption or conversion of such share in accordance with this



Certificate of Designations), without the consent of the holder thereof, upon the consummation of such Organic Change, become convertible into, in lieu of shares of Common Stock, the cash, securities and other property receivable in such Organic Change in respect of Common Stock issuable upon conversion of such share of Series A Preferred Stock (such cash, securities and other property, the “OC Property”).

(b) In the event that holders of the shares of the Common Stock have the opportunity to elect the form of consideration to be received in the Organic Change, then the “OC Property” that holders of Series A Preferred Stock shall be entitled to receive shall be determined at the option of such holders. The number of units of OC Property receivable with respect to each share of Series A Preferred Stock converted in connection with the Organic Change shall be determined from among the choices made available to the holders of the Common Stock based on the Conversion Price then in effect on the effective date of the Organic Change, determined as if the references to a “shares of Common Stock” in this Certificate of Designations were to “units of OC Property.”

(c) The terms of any agreement pursuant to which an Organic Change is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 9 and ensuring that the Series A Preferred Stock (or any replacement security) will be similarly adjusted upon any subsequent transaction involving such successor or surviving entity constituting an Organic Change.

(d) The Corporation shall provide written notice to the holders of the Series A Preferred Stock at least 20 days prior to the date on which any Organic Change shall take place and such written notice shall include, without limitation, the kind and amount of the cash, securities or other property that constitutes the OC Property. Failure to deliver such notice shall not affect the operation of this Section 9 or the validity of any Organic Change.

Section 10. Status of Converted, Redeemed or Reacquired Shares. Shares of Series A Preferred Stock converted in accordance with this Certificate of Designations, or otherwise redeemed or purchased by the Corporation, shall be retired and shall resume the status of authorized and unissued preferred stock, undesignated as to series and available for future issuance.

Section 11. Preemptive Rights. Holders of Series A Preferred Stock shall not have any preemptive rights.

Section 12. Transferability. Shares of Series A Preferred Stock shall be freely transferable, in whole or in part, without the need to obtain consent of the Corporation to assign or transfer any such shares, upon the books of the Corporation by the registered holder thereof or by a duly authorized attorney.

Section 13. Replacement. To the extent certificated, the Corporation may issue a new Series A Preferred Stock certificate in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner’s legal representative, to give the Corporation a

bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 14. Withholding. All payments and distributions (or deemed payments and distributions) on the shares of Series A Preferred Stock, including, without limitation, issuance of shares of Common Stock upon conversion of the Series A Preferred Stock shall be subject to withholding and backup withholding of tax to the extent required by applicable law, subject to applicable exemptions, and amounts withheld, if any, shall be treated as received by the holders thereof.

Section 15. Record Holders. To the fullest extent permitted by applicable law, the Corporation may deem and treat the record holder of any share of the Series A Preferred Stock as the true and lawful owner thereof for all purposes, and the Corporation shall not be affected by any notice to the contrary.

Section 16. Notices.

(a) To Holders. All public announcements, notices or communications to the holders of, or otherwise in respect of, the Series A Preferred Stock shall be given or delivered for purposes of this Certificate of Designations if given in writing and delivered in person or by first class mail, postage prepaid at the address of any such holder set forth in the records of the Corporation. To the extent permitted by applicable law, all public announcements, notices or communications shall also be given or delivered for purposes of this Certificate of Designations if filed with the United States Securities Exchange Commission on Form 8-K or otherwise given or delivered in such manner as may be permitted in this Certificate of Designations, in the Certificate of Incorporation or Bylaws or by applicable law or regulation. Furthermore, if the Series A Preferred Stock is issued in book-entry form through The Depository Trust Company or any similar facility, such notices may be given or delivered to the holders of the Series A Preferred Stock in any manner permitted by such facility and such notices will be deemed given and delivered in compliance with this Certificate of Designations.

(b) To the Corporation. All notices or communications to the Corporation shall be deemed given and delivered to the Corporation if given in writing and delivered in person or by first class mail, postage prepaid to the Corporation's principal place of business.

Section 17. Other Rights. The shares of Series A Preferred Stock shall not have any rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other those as expressly set forth herein or in the Certificate of Incorporation or as provided by applicable law and regulation. The Corporation may, in its sole discretion, but shall not be required to, issue certificates representing shares of Series A Preferred Stock.

IN WITNESS WHEREOF, this Certificate of Designations has been executed on behalf of the Corporation by its Chief Financial Officer this 9<sup>th</sup> day of November 2009.

LEAR CORPORATION

By: /s/ Matthew J. Simoncini

Name: Matthew J. Simoncini

Title: Senior Vice President  
and Chief Financial Officer

**WARRANT AGREEMENT**

by and between

LEAR CORPORATION

and

Mellon Investor Services LLC,  
as Warrant Agent

Dated as of November 9, 2009

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## WARRANT AGREEMENT

This WARRANT AGREEMENT (as amended, supplemented, amended and restated or otherwise modified from time to time, this “Warrant Agreement”), is entered into as of November 9, 2009, by and between LEAR CORPORATION, a Delaware corporation (the “Company”), and Mellon Investor Services LLC, a New Jersey limited liability company, as warrant agent (together with any successor appointed pursuant to Section 19 hereof, the “Warrant Agent”).

**WHEREAS**, pursuant to the terms and conditions of the Joint Plan of Reorganization of Lear Corporation and its debtor subsidiaries under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) filed on August 14, 2009 in the United States Bankruptcy Court for the Southern District of New York, Case No. 09-14326 (as may be amended, supplemented or otherwise modified from time to time, the “Plan”), the Company proposes to issue Warrants (the “Warrants”) entitling the holders thereof to purchase up to 8,157,250 shares of common stock, par value \$0.01 per share, of the Company (“Common Stock”) together with any other securities, cash or other property that may be issuable upon exercise of a Warrant as shall result from the adjustments specified in Section 12 hereof) at an exercise price of \$0.01 per share of Common Stock, as may be adjusted pursuant to Section 12 hereof (the “Exercise Price”);

**WHEREAS**, the Warrants are being issued pursuant to, and upon the terms and conditions set forth in, the Plan in an offering in reliance on the exemption afforded by section 1145 of the Bankruptcy Code from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), and of any applicable state securities or “blue sky” laws;

**WHEREAS**, the Company desires the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing so to act, in connection with the issuance of Warrants and other matters as provided herein; and

**WHEREAS**, for purposes of this Warrant Agreement, “person” shall be interpreted broadly to include an individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited liability partnership, national banking association, trust, trustee, unincorporated organization, government, governmental unit, agency, or political subdivision thereof, or other entity.

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements herein set forth, the parties hereto agree as follows:

**SECTION 1 Appointment of Warrant Agent**. The Company hereby appoints the Warrant Agent to act as warrant agent for the Company in respect of the Warrants upon the express terms and subject to the conditions herein set forth (and no implied terms), and the Warrant Agent hereby accepts such appointment.

**SECTION 2 Issuance of Warrants**. In accordance with Section 5 hereof and the Plan and subject to the next sentence, the Company will cause to be issued to the Depository (as defined below), one or more Global Warrant Certificates (as defined below) evidencing the Warrants. At the election of a holder of Warrants and in lieu of holding Warrants through the

Depository, such holder may elect to be issued Warrants by book-entry registration on the books and records of the Warrant Agent (“Book-Entry Warrants”) and such Warrants shall be evidenced by statements issued by the Warrant Agent from time to time to the registered holder of book-entry Warrants reflecting such book-entry position (the “Warrant Statement”). Each Warrant entitles the holder, upon proper exercise and payment of the applicable Exercise Price, to receive from the Company, one share of Common Stock. The shares of Common Stock or (as provided pursuant to Section 12 hereof) other shares of capital stock deliverable upon proper exercise of the Warrants are referred to herein as the “Warrant Shares.” The words “holder” or “holders” as used herein in respect of any Warrants or Warrant Shares, shall mean the registered holder or registered holders thereof.

**SECTION 3 Warrant Certificates.** Subject to Section 6 of this Agreement, the Warrants shall be issued (1) via book-entry registration on the books and records of the Warrant Agent and evidenced by a Warrant Statement, and/or (2) in the form of one or more global certificates (the “Global Warrant Certificates”), in substantially the form set forth in Exhibit A attached hereto. The Warrant Statements and Global Warrant Certificates may bear such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Warrant Agreement, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with any law or with any rules made pursuant thereto or with any rules of any securities exchange or as may, consistently herewith, be determined by (i) in the case of Global Warrant Certificates, the Appropriate Officers (as hereinafter defined) executing such Global Warrant Certificates, as evidenced by their execution of the Global Warrant Certificates, or (ii) in the case of a Warrant Statement, any Appropriate Officer, and all of which shall be reasonably acceptable to the Warrant Agent. The Global Warrant Certificates shall be deposited on or after the date hereof with, or with the Warrant Agent as custodian for, The Depository Trust Company (the “Depository”) and registered in the name of Cede & Co., as the Depository’s nominee. Each Global Warrant Certificate shall represent such number of the outstanding Warrants as specified therein, and each shall provide that it shall represent the aggregate amount of outstanding Warrants from time to time endorsed thereon and that the aggregate amount of outstanding Warrants represented thereby may from time to time be reduced or increased, as appropriate, in accordance with the terms of this Warrant Agreement.

**SECTION 4 Execution of Warrant Certificates.** Global Warrant Certificates shall be signed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, or any Vice President, and by the Secretary or any Assistant Secretary (each, an “Appropriate Officer”). Each such signature upon the Global Warrant Certificates may be in the form of a facsimile or other electronically transmitted signature (including, without limitation, electronic transmission in portable document format (.pdf)) of any such Appropriate Officer and may be imprinted or otherwise reproduced on the Global Warrant Certificates and for that purpose the Company may adopt and use the facsimile or other electronically transmitted signature of any Appropriate Officer who shall have been an Appropriate Officer at the time of entering into this Warrant Agreement. If any Appropriate Officer who shall have signed any of the Global Warrant Certificates shall cease to be such Appropriate Officer before the Global Warrant Certificates so signed shall have been countersigned by the Warrant Agent or delivered by the Company, such Global Warrant Certificates nevertheless may be countersigned and delivered as

though such Appropriate Officer had not ceased to be such Appropriate Officer of the Company; and any Global Warrant Certificate may be signed on behalf of the Company by any person who, at the actual date of the execution of such Global Warrant Certificate, shall be a proper Appropriate Officer of the Company to sign such Global Warrant Certificate, although at the date of the execution of this Warrant Agreement any such person was not such Appropriate Officer.

Global Warrant Certificates shall be dated the date of countersignature by the Warrant Agent and shall represent one or more whole Warrants.

**SECTION 5 Registration and Countersignature.** Upon receipt of a written order of the Company, the Warrant Agent, on behalf of the Company, shall (i) register in the Warrant Register (as defined below) the Book-Entry Warrants as well as any Global Warrant Certificates and exchanges and transfers of outstanding Warrants in accordance with the procedures set forth in this Warrant Agreement and (ii) upon receipt of the Global Warrant Certificates duly executed on behalf of the Company, countersign one or more Global Warrant Certificates evidencing Warrants and shall deliver such Global Warrant Certificates to or upon the written order of the Company. Such written order of the Company shall specifically state the number of Warrants that are to be issued as Book-Entry Warrants and the number of Warrants that are to be issued as one or more Global Warrant Certificates. A Global Warrant Certificate shall be, and shall remain, subject to the provisions of this Warrant Agreement until such time as all of the Warrants evidenced thereby shall have been duly exercised or shall have expired or been canceled in accordance with the terms hereof. Each holder of Warrants shall be bound by all of the terms and provisions of this Warrant Agreement (a copy of which is available on request to the Secretary of the Company) as fully and effectively as if such holder had signed the same.

No Global Warrant Certificate shall be valid for any purpose, and no Warrant evidenced thereby shall be exercisable, until such Global Warrant Certificate has been countersigned by the manual or facsimile signature of the Warrant Agent. Such signature by the Warrant Agent upon any Global Warrant Certificate executed by the Company shall be conclusive evidence that such Global Warrant Certificate so countersigned has been duly issued hereunder.

The Warrant Agent shall keep, at an office designated for such purpose, books (the "Warrant Register") in which, subject to such reasonable regulations as it may prescribe, it shall register the Book-Entry Warrants as well as any Global Warrant Certificates and exchanges and transfers of outstanding Warrants in accordance with the procedures set forth in Section 6 of this Warrant Agreement, all in form satisfactory to the Company and the Warrant Agent.

Prior to due presentment for registration of transfer or exchange of any Warrant in accordance with the procedures set forth in this Warrant Agreement, the Warrant Agent and the Company may deem and treat the person in whose name any Warrant is registered as the absolute owner of such Warrant (notwithstanding any notation of ownership or other writing made in a Global Warrant Certificate by anyone), for the purpose of any exercise thereof, any distribution to the holder of the Warrant thereof and for all other purposes, and neither the Warrant Agent nor the Company shall be affected by notice to the contrary.

**SECTION 6 Registration of Transfers and Exchanges.**

(a) Transfer and Exchange of Global Warrant Certificates or Beneficial Interests Therein. The transfer and exchange of Global Warrant Certificates or beneficial interests therein shall be effected through the Depository, in accordance with this Warrant Agreement and the procedures of the Depository therefor.

(b) Exchange of a Beneficial Interest in a Global Warrant Certificate for a Book Entry Warrants.

(i) Any holder of a beneficial interest in a Global Warrant Certificate may, upon request, exchange such beneficial interest for a Book-Entry Warrant. Upon receipt by the Warrant Agent from the Depository or its nominee of written instructions or such other form of instructions as is customary for the Depository on behalf of any person having a beneficial interest in a Global Warrant Certificate, the Warrant Agent shall cause, in accordance with the standing instructions and procedures existing between the Depository and Warrant Agent, the number of Warrants represented by the Global Warrant Certificate to be reduced by the number of Warrants to be represented by the Book-Entry Warrants to be issued in exchange for the beneficial interest of such person in the Global Warrant Certificate and, following such reduction, the Warrant Agent shall register in the name of the holder a Book-Entry Warrant and deliver to said Warrant holder a Warrant Statement.

(ii) Book-Entry Warrants issued in exchange for a beneficial interest in a Global Warrant Certificate pursuant to this Section 6(b) shall be registered in such names as the Depository, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Warrant Agent. The Warrant Agent shall deliver such Warrant Statements to the persons in whose names such Warrants are so registered.

(c) Transfer and Exchange of Book Entry Warrants. Book-Entry Warrants surrendered for exchange or for registration of transfer shall be cancelled by the Warrant Agent. Such cancelled Book-Entry Warrants shall then be disposed of by or at the direction of the Company in accordance with applicable law. When Book-Entry Warrants are presented to or deposited with the Warrant Agent with a written request:

(i) to register the transfer of the Book-Entry Warrants; or

(ii) to exchange such Book-Entry Warrants for an equal number of Book-Entry Warrants of other authorized denominations,

then in each case the Warrant Agent shall register the transfer or make the exchange as requested if its requirements for such transactions are met; *provided, however,* that the Warrant Agent has received a written instruction of transfer in form satisfactory to the Warrant Agent, duly executed by the holder thereof or by his attorney, duly authorized in writing.

(d) Exchange or Transfer of a Book-Entry Warrant for a Beneficial Interest in a Global Warrant Certificate. Upon receipt by the Warrant Agent of appropriate written instruments of transfer with respect to a Book-Entry Warrant, in form satisfactory to the Warrant



Agent, together with written instructions directing the Warrant Agent to make, or to direct the Depository to make, an endorsement on the Global Warrant Certificate to reflect an increase in the number of Warrants represented by the Global Warrant Certificate equal to the number of Warrants represented by such Book-Entry Warrant (such instruments of transfer and instructions to be duly executed by the holder thereof or the duly appointed legal representative thereof or by his attorney, duly authorized in writing, such signatures to be guaranteed by an eligible guarantor institution to the extent required by the Warrant Agent or the Depository), then the Warrant Agent shall cancel such Book-Entry Warrant on the Warrant Register and cause, or direct the Depository to cause, in accordance with the standing instructions and procedures existing between the Depository and the Warrant Agent, the number of Warrants represented by the Global Warrant Certificate to be increased accordingly. If no Global Warrant Certificates are then outstanding, the Company shall issue, and the Warrant Agent shall countersign, a new Global Warrant Certificate representing the appropriate number of Warrants.

(e) Restrictions on Transfer and Exchange of Global Warrant Certificates. Notwithstanding any other provisions of this Warrant Agreement (other than the provisions set forth in Section 6(f)), unless and until it is exchanged in whole for a Book-Entry Warrant, a Global Warrant Certificate may not be transferred as a whole except by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository or by the Depository or any such nominee to a successor Depository or a nominee of such successor Depository.

(f) Book-Entry Warrants. If at any time:

(i) the Depository for the Global Warrant Certificates notifies the Company that the Depository is unwilling or unable to continue as Depository for the Global Warrant Certificates and a successor Depository for the Global Warrant Certificates is not appointed by the Company within 90 days after delivery of such notice; or

(ii) the Company, in its sole discretion, notifies the Warrant Agent in writing that all Warrants shall be exclusively in the form of Book-Entry Warrants, then the Warrant Agent, upon written instructions signed by an Appropriate Officer of the Company and all other necessary information, shall register Book-Entry Warrants, in an aggregate number equal to the number of Warrants represented by the Global Warrant Certificates, in exchange for such Global Warrant Certificates, in such names and in such amounts as directed by the Depository or, in the absence of instructions from the Depository, the Company.

(g) Cancellation of Global Warrant Certificate. At such time as all beneficial interests in Global Warrant Certificates have either been exchanged for Book-Entry Warrants, redeemed, repurchased or cancelled, all Global Warrant Certificates shall be returned to, or cancelled and retained pursuant to applicable law by, the Warrant Agent.

(h) Obligations with Respect to Transfers and Exchanges of Warrants.

(i) To permit registrations of transfers and exchanges, the Company shall execute and the Warrant Agent is hereby authorized to countersign Global Warrant Certificates and the Warrant Agent is hereby authorized to register Book-Entry Warrants, in

accordance with the provisions of Sections 3 and 4 hereof and this Section 6 and for the purpose of any distribution of additional Global Warrant Certificates contemplated by Section 12 hereof.

(ii) All Book-Entry Warrants and Global Warrant Certificates issued upon any registration of transfer or exchange of Book-Entry Warrants or Global Warrant Certificates shall be the valid obligations of the Company, entitled to the same benefits under this Warrant Agreement as the Book-Entry Warrants or Global Warrant Certificates surrendered upon such registration of transfer or exchange.

(iii) No service charge shall be made to a holder of Warrants for any registration, transfer or exchange but the Company may require payment of a sum sufficient to cover any stamp or other tax or other charge that may be imposed on the holder in connection with any such exchange or registration of transfer. The Warrant Agent shall have no obligation to effect an exchange or register a transfer unless and until any payments required by the immediately preceding sentence have been made.

(iv) So long as the Depository, or its nominee, is the registered owner of a Global Warrant Certificate, the Depository or such nominee, as the case may be, may be treated by the Company, the Warrant Agent and any agent of the Company or the Warrant Agent as the sole owner or holder of the Warrants represented by such Global Warrant Certificate for all purposes under this Warrant Agreement. Except as provided in Sections 6(b) and 6(f) hereof upon the exchange of a beneficial interest in a Global Warrant Certificate for a Book-Entry Warrants, owners of beneficial interests in a Global Warrant Certificate will not be entitled to have any Warrants registered in their names, and will not receive or be entitled to receive physical delivery of any such Warrants and will not be considered the owners or holders thereof under the Warrants or this Warrant Agreement. Neither the Company nor the Warrant Agent, in its capacity as registrar for such Warrants, will have any responsibility or liability for any aspect of the records relating to beneficial interests in a Global Warrant Certificate or for maintaining, supervising or reviewing any records relating to such beneficial interests. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Warrant Agent or any agent of the Company or the Warrant Agent from giving effect to any written certification, proxy or other authorization furnished by the Depository or impair the operation of customary practices of the Depository governing the exercise of the rights of a holder of a beneficial interest in a Global Warrant Certificate.

(v) Subject to Sections 6(b), (c) and (d) hereof and this Section 6(h), the Warrant Agent shall, upon receipt of all information required to be delivered hereunder, from time to time register the transfer of any Book-Entry Warrants in the Warrant Register and the transfer of any Global Warrant Certificates in the Warrant Register, upon surrender of the Global Warrant Certificates, representing such Warrants at the Warrant Agent Office referred to in Section 20 hereof (the "Warrant Agent Office"), duly endorsed, and accompanied by a completed form of assignment (or with respect to a Book-Entry Warrant, only such completed form of assignment), duly signed by the holder thereof or by the duly appointed legal representative thereof or by a duly authorized attorney, such signature to be guaranteed by an eligible guarantor institution to the extent required by the Warrant Agent or the Depository.

Upon any such registration of transfer, a new Global Warrant Certificate or a Warrant Statement, as the case may be, shall be issued to the transferee.

**SECTION 7 Acknowledgment; Securities Law Compliance.** Each Warrant holder, by its acceptance of any Warrant under this Warrant Agreement, acknowledges and agrees that the Warrants were issued, and the Warrant Shares issuable upon exercise thereof shall be issued, pursuant to an exemption from the registration requirement of Section 5 of the Securities Act provided by Section 1145 of the Bankruptcy Code, and to the extent that a Warrant holder (or holder of Warrant Shares) is an “underwriter” as defined in Section 1145(b)(1) of the Bankruptcy Code, such holder may not be able to sell or transfer any Warrants or Warrant Shares in the absence of an effective registration statement under the Securities Act or an exemption from registration thereunder.

**SECTION 8 Terms of Warrants; Exercise of Warrants.**

(a) Subject to the terms of this Warrant Agreement (including without limitation, Section 12(d)), each Warrant holder shall have the right, which may be exercised at any time, and from time to time, in whole or in part, during the period (x) commencing on the business day (as defined below) immediately following a period of 30 consecutive Trading Days ending prior to, but not including, such business day during which the Closing Price of the Common Stock for at least 20 of the Trading Days within such 30-day period is equal to or greater than \$39.63 (as adjusted from time to time in accordance with the terms hereof, the “Trigger Price”) and (y) ending at 5:00 p.m. New York City Time, on November \_\_, 2014 (the “Expiration Date”), to exercise each Warrant and receive from the Company the number of fully paid and nonassessable Warrant Shares which the holder may at the time be entitled to receive on exercise of such Warrant and payment of the aggregate Exercise Price then in effect for such Warrant Shares. In addition, prior to the delivery of any Warrant Shares that the Company shall be obligated to deliver upon proper exercise of the Warrants, the Company shall comply with all applicable federal and state laws, rules and regulations which require action to be taken by the Company. Subject to the terms and conditions set forth herein, the holder may exercise the Warrants by:

(i) providing written notice of such election (the “Warrant Exercise Notice”) to exercise the Warrants to the Company and the Warrant Agent no later than 5:00 p.m. New York City time, on the Expiration Date, which Warrant Exercise Notice shall be in the form of an election to purchase Warrant Shares substantially set forth either (x) in Exhibit B-1 hereto, properly completed and executed by the holder; provided that such written notice may only be submitted by a holder who holds Book-Entry Warrants or (y) in Exhibit B-2 hereto, properly completed and executed by the holder; provided that such written notice may only be submitted with respect to Warrants held through the book-entry facilities of the Depository, by or through persons that are direct participants in the Depository; and

(ii) delivering no later than 5:00 p.m. New York City time, on the business day immediately prior to the applicable Settlement Date (as defined below), such Warrants to the Warrant Agent by book-entry transfer through the facilities of the Depository, if such Warrants are represented by a Global Warrant Certificate; and

(iii) paying the applicable aggregate Exercise Price for all Warrants being exercised (the “Exercise Amount”), together with all applicable taxes and charges.

The date three business days after a Warrant Exercise Notice is delivered is referred to for all purposes under this Warrant Agreement as the “Settlement Date”.

(b) For purposes of this Section 8, the following terms shall have the meanings set forth below:

“Closing Price” means on any particular date (a) if the Common Stock is then listed or quoted on a Trading Market, (i) the closing price per share of Common Stock on such date on the principal Trading Market (as reported by Bloomberg L.P. or a similar organization or agency succeeding to its functions of reporting prices) or (ii) if there shall have been no sales of Common Stock on such principal Trading Market on such day, the average of the reported closing bid and asked prices per share of Common Stock on such principal Trading Market (as reported by Bloomberg L.P. or a similar organization or agency succeeding to its functions of reporting prices), (b) if the Common Stock is not then listed or quoted on a Trading Market and if prices for the Common Stock are then reported in the “pink sheets” published by Pink OTC Markets, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the average of the reported closing bid and asked prices per share of Common Stock so reported or (c) if the shares of Common Stock are not then publicly traded the fair market value as of such date of a share of Common Stock as reasonably determined in good faith by the Board of Directors of the Company.

“Trading Day” means (a) if the Common Stock is listed or quoted on a Trading Market, a day on which the principal Trading Market is open for business or (b) if the Common Stock is not listed or quoted on a Trading Market, a business day.

“Trading Market” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE Amex Equities, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange or the OTC Bulletin Board.

(c) To the extent a Warrant Exercise Notice is delivered in respect of a Warrant prior to 5:00 p.m., New York City time, on the Expiration Date, but the deliveries and payments specified in Sections 8(a)(ii) and 8(a)(iii) above are effected thereafter but no later than 5:00 p.m., New York City time, on the Settlement Date, the Warrants shall be nonetheless deemed exercised prior to the Expiration Date for the purposes of this Warrant Agreement.

(d) Subject to the adjustments set forth in Section 12 hereof, each Warrant, when exercised, will entitle the holder thereof to purchase one share of Common Stock at the Exercise Price then in effect. Each Warrant not exercised pursuant to this Warrant Agreement prior to 5:00 p.m., New York City time, on the Expiration Date shall become void and all rights thereunder and all rights in respect thereof under this Warrant Agreement shall cease as of such time.

(e) Subject to Section 8(f), the Exercise Amount shall be payable in lawful money of the United States of America either (i) by certified or official bank check made payable to the order of the Company or (ii) by wire transfer in immediately available funds to an account arranged with the Company prior to exercise.

(f) In connection with the exercise of Warrants by the holder thereof, such holder shall have the right, in lieu of paying the Exercise Amount for such Warrants in cash (a "Cashless Exercise"), to instruct the Company to reduce the number of Warrant Shares issuable to such holder upon exercise of such Warrants by delivering to such holder a number of Warrant Shares determined in accordance with the following formula:

$$\begin{array}{l} \text{Warrant Shares} \\ \text{Issuable Following a} \\ \text{Cashless Exercise} \end{array} = W - N \text{ where: } N = \frac{P}{C}$$

For purposes this Section 8(f), the above symbols shall have the following meanings with respect to an exercise of Warrants by a holder thereof:

"W" means the aggregate number of Warrant Shares issuable to such holder upon exercise of such Warrants prior to any reduction pursuant to this Section 8(f);

"N" means the aggregate number of Warrant Shares to be subtracted from the aggregate number of Warrant Shares issuable to such holder upon the exercise of such Warrants;

"P" means the Exercise Amount applicable to the exercise of such Warrants; and

"C" means the Closing Price on the date of exercise of such Warrants.

For purposes of Rule 144 under the Securities Act (17 CFR §230.144), the Company and the Warrant Agent agree that the exercise of Warrants in accordance with the Cashless Exercise option shall be deemed to be a conversion of such Warrants, pursuant to the terms hereof, into Warrant Shares.

(g) Any exercise of a Warrant pursuant to the terms of this Warrant Agreement shall be irrevocable and shall constitute a binding agreement between the holder and the Company, enforceable in accordance with its terms; provided that a holder may condition its exercise of a Warrant on the consummation of a Reorganization Event (as defined below).

(h) The Warrant Agent shall:

(i) examine all Warrant Exercise Notices and all other documents delivered to it by or on behalf of holders to ascertain whether, on their face, such Warrant Exercise Notices and any such other documents have been executed and completed in accordance with their terms;

(ii) where a Warrant Exercise Notice or other document appears on its face to have been improperly completed or executed or some other irregularity in connection with the exercise of the Warrant exists, the Warrant Agent shall endeavor to inform the appropriate parties (including the person submitting such instrument) of the need for fulfillment of all requirements, specifying those requirements which appear to be unfulfilled;

(iii) inform the Company of and cooperate with and assist the Company in resolving any reconciliation problems relating to the Warrant Exercise Notices received and delivery of Warrants to the Warrant Agent's account;

(iv) advise the Company, no later than three business days after receipt of a Warrant Exercise Notice, of (x) the receipt of such Warrant Exercise Notice and the number of Warrants exercised in accordance with the terms and conditions of this Warrant Agreement, (y) the instructions with respect to delivery of the Warrant Shares, subject to the timely receipt from the Depository of the necessary information, and (z) such other information as the Company shall reasonably require; and

(v) subject to the Warrant Shares being made available to the Warrant Agent by or on behalf of the Company for delivery to the Depository, liaise with the Depository and endeavor to effect such delivery to the relevant accounts at the Depository in accordance with its requirements.

(i) All questions as to the validity, form and sufficiency (including time of receipt) of a Warrant exercise shall be reasonably determined by the Company in good faith, which determination shall be final and binding. The Warrant Agent shall incur no liability for or in respect of and, except to the extent such liability arises from the Warrant Agent's gross negligence, willful misconduct or bad faith (each as determined by a final, non appealable order of a court of competent jurisdiction), shall be indemnified and held harmless by the Company for acting or refraining from acting upon, or as a result of such determination by the Company. The Company reserves the right to reject any and all Warrant Exercise Notices not in proper form. Such determination by the Company shall be final and binding on the holders, absent manifest error. Moreover, the Company reserves the absolute right to waive any of the conditions to the exercise of Warrants or defects in Warrant Exercise Notices with regard to any particular exercise of Warrants. The Company shall be under no duty to give notice to the holders of the Warrants of any irregularities in any exercise of Warrants, nor shall it incur any liability for the failure to give such notice.

(j) As soon as reasonably practicable after the exercise of any Warrant, the Company shall issue, or otherwise deliver, in authorized denominations to or upon the order of the holder of such Warrant either:

(i) if such holder holds the Warrants being exercised through the Depository's book-entry transfer facilities, by same-day or next-day credit to the Depository for the account of such holder or for the account of a participant in the Depository the number of Warrant Shares to which such holder is entitled, in each case registered in such name and

delivered to such account as directed in the Warrant Exercise Notice by such holder or by the direct participant in the Depository through which such holder is acting; or

(ii) if such holder holds the Warrants being exercised in the form of Book-Entry Warrants, a book-entry interest in the Warrant Shares registered on the books of the Company's stock transfer agent (the "Transfer Agent") or, at the Company's option, by delivery to the address designated by such holder in its Warrant Exercise Notice of a physical certificate or certificates representing the number of Warrant Shares to which such holder is entitled, in fully registered form, registered in such name or names as may be directed by such holder. Such Warrant Shares shall be deemed to have been issued and any person so designated to be named therein shall be deemed to have become a holder of record of such Warrant Shares as of the close of business on the date of the delivery thereof.

Warrants shall be exercisable during the period provided for in Section 8(a) at the election of the holder thereof, either as an entirety or from time to time for a portion of the number of Warrant Shares issuable upon exercise of such Warrants. If less than all of the Warrants evidenced by a Global Warrant Certificate surrendered upon the exercise of Warrants are exercised at any time prior to 5:00 p.m., New York City time, on the Expiration Date, a new Global Warrant Certificate or Certificates shall be issued for the remaining number of Warrants evidenced by the Global Warrant Certificate so surrendered, and the Warrant Agent is hereby authorized to countersign the new Global Warrant Certificate(s) pursuant to the provisions of Section 5 hereof and this Section 8. The person in whose name any certificate or certificates for the Warrant Shares are to be issued (or such Warrant Shares are to be registered, in the case of a book-entry transfer) upon exercise of a Warrant shall be deemed to have become the holder of record of such Warrant Shares on the date such Warrant Exercise Notice is delivered.

(k) For purposes of this Warrant Agreement, a "business day," means any day other than a Saturday, Sunday or a day on which banking institutions in New York City are authorized or obligated by law, regulation or executive order to close or remain closed. In accordance with Section 14 hereof, no fractional shares shall be issued upon exercise of any Warrants.

(l) All Global Warrant Certificates surrendered upon exercise of Warrants shall be cancelled by the Warrant Agent. Such cancelled Global Warrant Certificates shall then be disposed of by or at the direction of the Company in accordance with applicable law. The Warrant Agent shall (x) advise an authorized representative of the Company as directed by the Company by the end of each day on which Warrants were exercised, of (i) the number of shares of Common Stock issued upon exercise of a Warrant, (ii) the delivery of Global Warrant Certificates evidencing the balance, if any, of the shares of Common Stock issuable after such exercise of the Warrant and (iii) such other information as the Company shall reasonably require and (y) concurrently pay to the Company all funds received by the Warrant Agent in payment of the aggregate Exercise Price. The Warrant Agent shall confirm such information to the Company in writing.

(m) The Warrant Agent shall keep copies of this Warrant Agreement and any notices given or received hereunder, and provide, at the Company's expense, copies thereof to

any registered holder of the Warrants requesting, in writing, such copy prior to 5:00 p.m., New York City time, on the Expiration Date. The Company shall supply the Warrant Agent from time to time with such numbers of copies of this Warrant Agreement as the Warrant Agent may reasonably request.

**SECTION 9 Payment of Taxes.** No service charge shall be made to any holder of a Warrant for any exercise, exchange or registration of transfer of Warrants, and the Company will pay all documentary stamp taxes attributable to the initial issuance of Warrant Shares upon the exercise of Warrants; *provided, however*, that neither the Company nor the Warrant Agent shall be required to pay any tax or taxes which may be payable in respect of any transfer involved in the issuance of Warrant Shares or any certificates for Warrant Shares in a name other than that of the registered holder of a Warrant surrendered upon the exercise of a Warrant, and the Company and the Warrant Agent shall not be required to issue or deliver such Warrant Shares or the certificates representing the Warrant Shares unless or until the person or persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company and the Warrant Agent that such tax has been paid.

**SECTION 10 Mutilated or Missing Warrant Certificates.** The Company may issue and the Warrant Agent shall countersign, upon evidence satisfactory to the Company and the Warrant Agent of the loss, theft, mutilation or destruction of the Global Warrant Certificate in lieu of the Global Warrant Certificate, a new warrant certificate of like tenor and amount in the place of any Global Warrant Certificate theretofore issued by it, alleged to have been lost, stolen, mutilated or destroyed, and the Company and the Warrant Agent may require the owner of the lost, stolen, mutilated or destroyed certificate, or such owner's legal representative, to give the Company and the Warrant Agent a bond sufficient to indemnify them against any claim that may be made against it on account of the alleged loss, theft or destruction of any such Global Warrant Certificate or the issuance of such new certificate.

**SECTION 11 Reservation of Shares of Common Stock.**

(a) The Company will at all times reserve and keep available out of the aggregate of its authorized but unissued shares of Common Stock, for the purpose of enabling it to satisfy any obligation to issue shares of Common Stock upon exercise of Warrants, the maximum number of shares of Common Stock that may then be deliverable upon the exercise of all outstanding Warrants, and the Transfer Agent is hereby irrevocably authorized and directed at all times to reserve such number of authorized and unissued or treasury shares of Common Stock as shall be required for such purpose. The Company will keep a copy of this Agreement on file with the Transfer Agent. The Warrant Agent is hereby irrevocably authorized and directed to requisition from time to time from the Transfer Agent stock certificates issuable upon exercise of outstanding Warrants. The Company will supply the Transfer Agent with duly executed stock certificates for such purpose and will, upon request, provide or otherwise make available any cash which may be payable as provided in Section 14. The Company will furnish the Transfer Agent with a copy of all notices of adjustments and certificates related thereto, transmitted by the Company to the Warrant Agent and each holder. The Warrant Agent shall have no duty or obligation to investigate or confirm the accuracy of the information or the genuineness of the signatures contained in such notices or certificates.



(b) The Company covenants that all shares of Common Stock that may be issued upon exercise of Warrants will be, upon payment of the aggregate Exercise Price and issuance thereof, duly authorized, validly issued, fully paid, nonassessable, free of preemptive rights and free from all taxes, liens, charges and security interests with respect to the issue thereof (other than any liens, charges and security interests created by the Warrant holder or the person to which the shares of Common Stock are to be issued).

**SECTION 12 Adjustments.** The number of shares of Common Stock for which a Warrant is exercisable and the Exercise Price and the Trigger Price shall be subject to adjustment from time to time as set forth in this Section 12.

(a) Stock Dividends, Subdivisions, Combinations, Recapitalizations and Reclassification.

(i) If at any time the Company shall: (A) pay a dividend on its Common Stock (or make some other distribution on its Common Stock) consisting of shares of Common Stock, (B) subdivide its outstanding shares of Common Stock into a larger number of shares of Common Stock, or (C) combine its outstanding shares of Common Stock into a smaller number of shares of Common Stock, then the number of shares of Common Stock or other shares of capital stock that a record holder of the same number of shares of Common Stock or other shares of capital stock for which a Warrant is exercisable immediately prior to any such dividend, distribution, subdivision or combination shall be adjusted so that the holder of each Warrant shall be entitled upon exercise to receive the number of shares of Common Stock or other shares of capital stock that such holder would have owned or have been entitled to receive after the happening of any of the events described above, had such Warrant been exercised immediately prior to the happening of such event (or, in the case of a dividend or distribution of Common Stock, immediately prior to the record date therefor). An adjustment made pursuant to this Section 12(a) shall become effective immediately upon and contemporaneously with the effectiveness of such event.

(ii) Whenever the number of shares of Common Stock purchasable upon the exercise of any Warrant is adjusted as herein provided in Section 12(a), the Exercise Price and the Trigger Price shall be adjusted to equal (A) the Exercise Price or the Trigger Price, as applicable, immediately prior to such adjustment multiplied by the number of shares of Common Stock for which a Warrant is exercisable immediately prior to such adjustment divided by (B) the number of shares of Common Stock for which a Warrant is exercisable immediately after such adjustment.

(b) Extraordinary Dividends or Distributions. If the Company, at any time after the date of this Agreement, pays a dividend or makes a distribution in cash, securities or other assets to the holders of Common Stock (in their capacity as such) or other shares of capital stock into which the Warrants are convertible, other than (i) a dividend or distribution described in Section 12(a)(i)(A), (ii) regular quarterly or other periodic dividends declared and paid pursuant to a dividend policy established by the Board not to exceed in any fiscal year of the Company twenty percent (20%) of the consolidated net income of the Company and its consolidated subsidiaries (determined in accordance with United States generally accepted

accounting principles) for the immediately preceding fiscal year, (iii) distributions made to the holders of Common Stock upon the consummation of a Reorganization Event or (iv) dividends and distributions made in connection with the Company's liquidation or dissolution (any such non-excluded dividends or distributions, an "Extraordinary Dividend"), then the Trigger Price shall be decreased, effective immediately after the effective date of such Extraordinary Dividend, dollar-for-dollar by the amount of cash and/or the fair market value (as reasonably determined in good faith by the Board of Directors of the Company, without regard to any illiquidity or minority discounts) of any securities or other assets paid or distributed on each share of Common Stock in respect of such Extraordinary Dividend.

(c) Other Provisions Applicable to Adjustments under this Section. The following provisions shall be applicable to the making of adjustments of the number of shares of Common Stock for which a Warrant is exercisable and the Exercise Price and the Trigger Price provided for in this Section 12:

(i) When Adjustments to Be Made. The adjustments required by this Section 12 shall be made whenever and as often as any specified event requiring an adjustment shall occur. For the purpose of any adjustment, any specified event shall be deemed to have occurred at the close of business on the date of its occurrence. All calculations shall be made to the nearest cent and to the nearest one-thousandth of a share, as the case may be.

(ii) Fractional Interests. In computing adjustments pursuant to this Section 12 (but subject to Section 14), fractional interests in Common Stock shall be taken into account to the nearest 1/1000th of a share,

(d) Reorganization, Reclassification, Merger or Consolidation of the Company.

(i) If a Reorganization Event shall occur and pursuant to the terms of any such Reorganization Event, the consideration to be paid or distributed to or otherwise received by the holders of Common Stock consists of shares of common stock of the surviving corporation or acquiring or resulting entity and/or any cash, shares of stock (not constituting common stock) or other securities or property of any nature whatsoever (including warrants or other subscription or purchase rights) (such non-common stock property hereinafter referred to as "Other Property"), then each holder of a Warrant shall have the right to receive in connection with the consummation of such Reorganization Event, upon exercise of a Warrant (if then exercisable at the time of such consummation, determined in accordance with Section 12(d)(ii)), solely the number of shares of common stock of the surviving corporation or acquiring or resulting entity and/or such amount of Other Property receivable pursuant to such Reorganization Event by a holder of the number of shares of Common Stock for which a Warrant is exercisable immediately prior to the effective time of such Reorganization Event assuming such holder of Common Stock did not exercise its rights of election, if any, as to the kind or amount of common stock or Other Property receivable upon such Reorganization Event (provided that, if the kind or amount of common stock or Other Property receivable upon such Reorganization Event is not the same for each share of Common Stock in respect of which such rights of election shall not have been exercised ("nonelecting share"), then for the purposes of this Section 12(d)(i) the kind

and amount of common stock or Other Property receivable upon such Reorganization Event for each nonelecting share shall be deemed to be the kind and amount so receivable per share by a plurality of the electing shares). The Company will not effect any Reorganization Event unless prior to the consummation thereof the successor corporation or acquiring or resulting entity (if other than the Company) shall assume by written instrument the obligation to deliver to each holder of Warrants such shares of common stock or Other Property, in accordance with the foregoing provisions, such holder may be entitled to purchase. The Company shall notify (i) in writing, the Warrant Agent at least five (5) business days prior to the consummation of any Reorganization Event of (A) the expected date of consummation of the Reorganization Event, (B) a reasonably detailed description of the consideration to be paid per share of Common Stock in the Reorganization Event to the holders of Common Stock and (C) a description of the procedures and method of payment in respect of the consideration payable to the holders of Warrants, if any, upon exercise of a Warrant and (ii) each holder of a Warrant at least twenty (20) business days prior to the consummation of any Reorganization Event of (A) the expected date of consummation of the Reorganization Event and (B) a reasonably detailed description of the consideration to be paid per share of Common Stock in the Reorganization Event to the holders of Common Stock. No failure of the Company to provide the notice provided for in the foregoing sentence shall affect the validity of the Reorganization Event or the proceedings for the cancellation of the Warrants or limit the rights of the holders of Warrants hereunder.

(ii) The Warrants shall be exercisable in connection with a Reorganization Event if (A) at the date of consummation of such Reorganization Event, the Warrant is then exercisable in accordance with Section 8(a) or (B) if the value of all consideration to be received by a holder of Common Stock in respect of one share of Common Stock in the Reorganization Event, on a fully diluted per share basis, is equal to or greater than the Trigger Price. In the event the Warrants are exercisable pursuant to clause (B) above, a holder of Warrants shall have the option of exercising the Warrants prior to the consummation of such Reorganization Event, provided that the holder may condition the exercise of the Warrants on the consummation of such Reorganization Event. As of the consummation of the Reorganization Event, all of the Warrants shall be deemed to be no longer outstanding and not transferable on the books of the Company or the surviving corporation or resulting entity, and shall represent solely the right to receive the consideration payable upon exercise of the Warrants, without interest. Any Warrants that are not exercisable in connection with a Reorganization Event shall expire and be cancelled.

(iii) For purposes hereof, a “Reorganization Event” shall mean any transaction which the Company enters into constituting (i) a consolidation, merger, share exchange or similar transaction of the Company with or into another person pursuant to which the Common Stock is changed into, converted into or exchanged for cash, securities or other property (whether of the Company or another person); (ii) a reorganization, recapitalization or reclassification or similar transaction in which the Common Stock is exchanged for securities other than Common Stock (other than in circumstances covered by Section 12(a)); or (iii) a statutory exchange of the outstanding shares of Common Stock for securities of another person (other than in connection with a consolidation, merger, share exchange or other similar transaction).

(iv) Notwithstanding anything to the contrary in Section 12(d)(i), if the Company enters into a transaction (a “Specified Transaction”) that would otherwise constitute a Reorganization Event, in each case in which the shares of Common Stock are exchanged for cash, securities or other property, as a result of which the holders of Common Stock immediately prior to such Specified Transaction own or hold at least a majority of the voting equity securities of the continuing or surviving entity immediately following such Specified Transaction, then Section 12(d)(i) shall not apply and as a condition to the consummation of such Specified Transaction effective provisions shall be made in the certificate of incorporation or articles of incorporation of the continuing or surviving entity, or in any contract or agreement providing for such Specified Transaction, so that so long as any Warrant remains outstanding, each Warrant, upon the exercise thereof at any time after the consummation of such Specified Transaction, shall be exercisable into (at an initial Exercise Price equal to the Exercise Price in effect immediately prior to such Specified Transaction), in lieu of the Common Stock issuable upon such exercise prior to such consummation, solely the amount of cash, securities or other property (“Substituted Property”) receivable pursuant to such Specified Transaction by a holder of the number of shares of Common Stock for which a Warrant is exercisable immediately prior to the effective time of such Specified Transaction assuming such holder of Common Stock did not exercise its rights of election, if any, as to the kind or amount of Substituted Property receivable upon such Specified Transaction (provided that, if the kind or amount of Substituted Property receivable upon such Specified Transaction is not the same for each share of Common Stock in respect of which such rights of election shall not have been exercised (“nonelecting share”), then for the purposes of this Section 12(d)(iv), the kind and amount of Substituted Property receivable upon such Specified Transaction for each nonelecting share shall be deemed to be the kind and amount so receivable per share by a plurality of the electing shares); provided that, if the Trigger Price has not been achieved in accordance with Section 8(a) at the time of consummation of the Specified Transaction, then in lieu of the foregoing, any cash which would be part of the Substituted Property shall not be included in the Substituted Property but instead shall be treated as an Extraordinary Dividend in accordance with Section 12(b). The provisions set forth herein providing for adjustments and otherwise for the protection of the holders of Warrants shall thereafter continue to be applicable on an as nearly equivalent basis as may be practicable and any such continuing or surviving entity shall expressly assume all of the obligations of the Company set forth herein to the extent applicable. Without limiting the foregoing, in connection with any such Specified Transaction, the Trigger Price shall be adjusted to the extent reasonably determined by the board of directors (or other governing body) of the continuing or surviving entity to maintain, to the extent practicable, an equivalent intrinsic value of the Warrants immediately prior to such transaction.

(e) Certain Limitations. Notwithstanding anything herein to the contrary, the Company agrees not to enter into any transaction which, by reason of any adjustment hereunder, would cause the Exercise Price to be less than the par value per share of Common Stock (if any) unless the Company shall take such corporate action in order that the Company may validly and legally issue fully paid and nonassessable shares of such Common Stock at such adjusted Exercise Price.

**SECTION 13 Priority Adjustments, Further Actions**. If any single action would require adjustment of the Exercise Price pursuant to more than one subsection of Section 12

hereof, only one adjustment shall be made and such adjustment shall be the amount of adjustment that has the highest, relative to the rights and interests of the holders of the Warrants then outstanding, absolute value.

**SECTION 14 Fractional Shares.** The Company shall not be required to issue fractional shares of Common Stock upon the exercise of the Warrants if it elects, if otherwise permitted, to make a cash payment in respect of any final fraction of a share upon such exercise (after aggregating all fractional shares of each holder). If more than one Warrant shall be presented for exercise at the same time by the same holder, the number of full shares of Common Stock that shall be issuable upon the exercise thereof shall be computed on the basis of the aggregate number of shares of Common Stock purchasable on exercise of all of the Warrants so presented. If any fraction of a share of Common Stock would, except for the provisions of this Section 14, be issuable on the exercise of any Warrants (or specified portion thereof), the Company shall notify the Warrant Agent in writing of the amount to be paid in lieu of the fraction of a share of Common Stock and concurrently pay or provide to the Warrant Agent for payment to the Warrant holder an amount in cash equal to the product of (i) such fraction of a share of Common Stock and (ii) the Closing Price of a share of Common Stock for the Trading Day immediately preceding the date the Warrant was presented for exercise pursuant to Section 8 hereof. The Warrant Agent shall have no duty with respect to any payment for Warrant Shares under any Section of this Warrant Agreement relating to the payment of fractional Warrant Shares unless and until the Warrant Agent shall have received such notice and sufficient monies.

**SECTION 15 Warrant Holders not Stockholders.** Nothing contained in this Warrant Agreement or in any of the Global Warrant Certificates shall be construed as conferring upon the holders of any Warrant (solely in its capacity as a holder of a Warrant) (i) the right to vote or to consent or to receive notice as stockholders in respect of the meetings of stockholders or the election of directors of the Company or any other matter for which stockholders are entitled to vote or to attend any such meetings or any other proceedings of the holders of Common Stock; (ii) without limiting the provisions of Section 12 hereof, the right to receive any cash dividends, stock dividends, allotments or rights or other distributions paid, allotted or distributed or distributable to the holders of Common Stock prior to, or for which the relevant record date precedes, the date of the exercise of such Warrant; or (iii) any other rights whatsoever as stockholders of the Company. The Warrant Agent shall have no duty to monitor or enforce compliance with this provision.

**SECTION 16 Merger, Consolidation or Change of Name of Warrant Agent.** Any person into which the Warrant Agent may be merged or converted or with which it may be consolidated, or any person resulting from any merger, conversion or consolidation to which the Warrant Agent shall be a party, or any person succeeding to all or substantially all of the corporate trust or agency business of the Warrant Agent, shall be the successor to the Warrant Agent hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto. If, at the time such successor to the Warrant Agent by merger or consolidation succeeds to the agency created by this Warrant Agreement, any of the Global Warrant Certificates shall have been countersigned but not delivered, any such successor to the Warrant Agent may adopt the countersignature of the original Warrant Agent; and if, at that time any of the Global Warrant Certificates shall not have been countersigned, any such successor to

the Warrant Agent may countersign such Global Warrant Certificates either in the name of the predecessor Warrant Agent or in the name of the successor Warrant Agent; and in all such cases such Global Warrant Certificates shall have the full force and effect provided in the Global Warrant Certificates in this Warrant Agreement. If at any time the name of the Warrant Agent shall be changed and at such time any of the Global Warrant Certificates shall have been countersigned but not delivered, the Warrant Agent whose name has changed may adopt the countersignature under its prior name; and if at that time any of the Global Warrant Certificates shall not have been countersigned, the Warrant Agent may countersign such Global Warrant Certificates either in its prior name or in its changed name; and in all such cases such Global Warrant Certificates shall have the full force provided in the Global Warrant Certificates and in this Warrant Agreement.

**SECTION 17 Warrant Agent.** The Warrant Agent undertakes only the duties and obligations expressly imposed by this Warrant Agreement upon the following terms and conditions, by all of which the Company and the holders of Warrants, by their acceptance thereof, shall be bound:

(a) The Warrant Agent may rely conclusively and shall be protected in acting upon any order, judgment, instruction, notice, demand, certificate, opinion or advice of counsel (including counsel chosen by or who may be an employee of the Warrant Agent or one of its affiliates), statement, instrument, report or other paper or document (not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and acceptability and of information therein contained) which is believed by the Warrant Agent, in good faith, to be genuine and to be signed or presented by the proper person or persons as set forth in Section 17(d).

(b) The Warrant Agent shall have no duties, responsibilities or obligations as the Warrant Agent except those which are expressly set forth herein, and in any modification or amendment hereof to which the Warrant Agent has consented in writing, and no duties, responsibilities or obligations shall be implied or inferred.

(c) The statements contained herein and in the Global Warrant Certificates shall be deemed to be statements of the Company only. The Warrant Agent assumes no responsibility for the correctness of any of the same and shall not be required to verify the same.

(d) Whenever in the performance of its duties under this Warrant Agreement the Warrant Agent deems it necessary or desirable that any fact or matter be proved or established by the Company prior to taking, suffering or omitting to take any action hereunder, such fact or matter may be deemed to be conclusively proved and established by a certificate signed by the Company's Chairman of the Board, Chief Executive Officer, President or any Vice President and delivered to the Warrant Agent; and in reliance upon such certificate, the Warrant Agent shall take any action or omit to take any action authorized under the provisions of this Warrant Agreement. In the event the Warrant Agent reasonably believes any ambiguity or uncertainty exists hereunder or in any notice, instruction, direction, request or other communication, paper or document received by the Warrant Agent hereunder, or is uncertain of any action to take hereunder, the Warrant Agent, may, following prior written notice to the

Company, refrain from taking any action, and shall be fully protected and shall not be liable in any way to the Company or any other person or entity for refraining from taking such action, unless the Warrant Agent receives written instructions signed by the Company which eliminates such ambiguity or uncertainty to the reasonable satisfaction of the Warrant Agent.

(e) The Warrant Agent shall not be responsible for any failure of the Company to comply with any of the covenants contained in this Warrant Agreement (including, without limitation, any adjustment of the Exercise Price pursuant to Section 12 hereof, the authorization or reservation of shares of Common Stock pursuant to Section 11 hereof, and the due execution and delivery by the Company of this Warrant Agreement or any Global Warrant Certificate) or in the Global Warrant Certificates to be complied with by the Company.

(f) The Warrant Agent may consult at any time with counsel satisfactory to it (who may be counsel for the Company or an employee of the Warrant Agent) and the Warrant Agent shall incur no liability or responsibility to the Company or any holder of any Warrant in respect of any action taken, suffered or omitted by it hereunder and in accordance with the opinion or the advice of such counsel.

(g) The Warrant Agent shall incur no liability or responsibility for any action taken in reliance on any Global Warrant Certificate, Warrant Statement, certificate representing shares of Common Stock, notice, resolution, waiver, consent, order, certificate, or other paper, document or instrument believed by it to be genuine and to have been signed, sent or presented by the proper party or parties. The Warrant Agent shall not be bound by any notice or demand, or any waiver, modification, termination or revision of this Warrant Agreement or any of the terms hereof, unless evidenced by a writing between and signed by, the Company and the Warrant Agent. The Warrant Agent shall not be required to take instructions or directions except those given in accordance with this Warrant Agreement.

(h) The Warrant Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys, accountants, agents or other experts, and the Warrant Agent will not be answerable or accountable for any act, default, neglect or unintentional misconduct of any such attorneys or agents or for any loss to the Company or the holders of the Warrants resulting from any such act, default, neglect or unintentional misconduct, absent gross negligence, willful misconduct or bad faith (as each is determined by a final non-appealable order of a court of competent jurisdiction) in the selection and continued employment or engagement thereof.

(i) The Warrant Agent will not be under any duty or responsibility to insure compliance with any applicable federal or state securities laws in connection with the issuance, transfer or exchange of Global Warrant Certificates.

(j) The Warrant Agent shall not incur any liability for not performing any act, duty, obligation or responsibility by reason of any occurrence beyond the control of the Warrant Agent (including, without limitation, any act or provision of any present or future law or regulation or governmental authority, any act of God, war, civil disorder or failure of any means of communication).

(k) The Company agrees to pay to the Warrant Agent reasonable compensation for all services rendered by the Warrant Agent in the preparation, delivery, administration and execution of this Warrant Agreement and the exercise and performance of its duties hereunder, to reimburse the Warrant Agent for all reasonable expenses (including reasonable counsel fees), taxes (including withholding taxes) and governmental charges and other charges of any kind and nature actually incurred by the Warrant Agent in the execution, delivery and performance of its responsibilities under this Warrant Agreement and to indemnify the Warrant Agent and save it harmless against any and all liabilities, including judgments, costs and counsel fees, for anything done or omitted by the Warrant Agent, or any person acting on behalf of the Warrant Agent, in the execution, delivery and performance of its responsibilities under this Warrant Agreement except as a result of its gross negligence, bad faith or willful misconduct (each as determined by a final, non-appealable order of a court of competent jurisdiction).

(l) The Warrant Agent, shall be under no obligation to institute any action, suit or legal proceeding or to take any other action likely to involve expense unless the Company or one or more holders of Global Warrant Certificates shall furnish the Warrant Agent with reasonable security and indemnity for any costs and expenses which may be incurred, but this provision shall not affect the power of the Warrant Agent to take such action as it may consider proper, whether with or without any such security or indemnity. All rights of action under this Warrant Agreement or under any of the Warrants may be enforced by the Warrant Agent without the possession of any of the Warrants or the production thereof at any trial or other proceeding relative thereto, and any such action, suit or proceeding instituted by the Warrant Agent shall be brought in its name as Warrant Agent and any recovery of judgment shall be for the ratable benefit of the holders of the Warrants, as their respective rights or interests may appear.

(m) Except as otherwise prohibited by applicable law, the Warrant Agent, and any member, stockholder, director, officer or employee of the Warrant Agent, may buy, sell or deal in any of the Warrants or other securities of the Company or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though it were not Warrant Agent under this Warrant Agreement. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other legal entity.

(n) The Warrant Agent shall act hereunder solely as agent for the Company, and its duties shall be determined solely by the express provisions hereof. The Warrant Agent shall not be liable for anything which it may do or refrain from doing in connection with this Warrant Agreement, except for its own gross negligence, bad faith or willful misconduct (each as determined by a final, non-appealable order of a court of competent jurisdiction); provided that in no event shall the Warrant Agent be liable for special, incidental, punitive, indirect or consequential loss or damage of any kind whatsoever (including, without limitation, lost profits). Any liability of the Warrant Agent under this Agreement, except for liability arising out of, or in connection with, the gross negligence, bad faith or willful misconduct (each as determined by a final, non-appealable order of a court of competent jurisdiction) of the Warrant Agent, will be limited to the amount of aggregate fees paid by the Company to the Warrant Agent.



(o) The Warrant Agent shall not at any time be under any duty or responsibility to any holder of any Warrant to make or cause to be made any adjustment of the Exercise Price or number of the shares of Common Stock or other securities or property deliverable as provided in this Warrant Agreement, or to determine whether any facts exist which may require any of such adjustments, or with respect to the nature or extent of any such adjustments, when made, or with respect to the method employed in making the same. The Warrant Agent shall not be accountable with respect to the validity or value or the kind or amount of any shares of Common Stock or of any securities or property which may at any time be issued or delivered upon the exercise of any Warrant or with respect to whether any such shares of Common Stock or other securities will when issued be validly issued and fully paid and nonassessable, and makes no representation with respect thereto. The Warrant Agent shall not be accountable to confirm or verify the accuracy or necessity of any calculation.

(p) The Company agrees to perform, execute and acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments, and assurances as may reasonably be required by the Warrant Agent for the carrying out or performing of the provisions of this Agreement.

(q) The Warrant Agent shall have no responsibility or liability with respect to the validity of this Agreement or with respect to the validity or execution of any Warrant (except its countersignature thereof); nor shall it be responsible for any breach by the Company of any covenant or condition contained in this Agreement or in any Warrant; nor shall it be responsible to make or be liable for any adjustments required under any provision hereof, including but not limited to Section 11 hereof, or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment; nor shall it by act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any shares of Common Stock to be issued pursuant to this Agreement or any Warrant or as to whether any shares of Common Stock will, when issued, be valid and fully paid and nonassessable.

(r) Notwithstanding anything to the contrary contained herein, the Company shall make all determinations with respect to Cashless Exercises, and the Warrant Agent shall have no duty or obligation to investigate or confirm whether the Company determination regarding the number of Shares to be issued in the event of a Cashless Exercise is accurate or correct. Notwithstanding anything to the contrary contained herein, the Warrant Agent shall also have no duty or obligation to investigate or confirm whether any determination of the Exercise Amount under Section 8 is correct or accurate.

(s) No provision of this Agreement shall require the Warrant Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of its rights, except to the extent otherwise expressly set forth herein.

(t) Notwithstanding the foregoing, nothing in this Section 17 shall relieve the Warrant Agent from any liability arising from the Warrant Agent's transfer of any Warrant without obtaining confirmation from the Company as described in Section 6 hereof.

(u) All rights and obligations contained in this Section 17 and Section 18 hereof shall survive the termination of this Warrant Agreement and the resignation, replacement or removal of the Warrant Agent.

**SECTION 18 Expenses.** All expenses incident to the Company's performance of or compliance with this Warrant Agreement will be borne by the Company, including, without limitation: (i) all expenses of printing Global Warrant Certificates; (ii) messenger and delivery services and telephone calls; (iii) all fees and disbursements of counsel for the Company; (iv) all fees and disbursements of independent certified public accountants or knowledgeable experts selected by the Company; and (v) the Company's internal expenses (including, without limitation, all salaries and expenses of their officers and employees performing legal or accounting duties).

**SECTION 19 Change of Warrant Agent.**

(a) If the Company terminates the Warrant Agent or the Warrant Agent shall become incapable of acting as Warrant Agent or shall resign as provided below, the Company shall appoint a successor to such Warrant Agent. If the Company shall fail to make such appointment within a period of 30 days after it has terminated the Warrant Agent or it has been notified in writing of a resignation or incapacity by the Warrant Agent, then any holder of a Warrant may apply to any court of competent jurisdiction for the appointment of a successor to the Warrant Agent. Pending appointment of a successor to the Warrant Agent, either by the Company or by such a court, the duties of the Warrant Agent shall be carried out by the Company. Any successor Warrant Agent, whether appointed by the Company or by such a court, shall be a bank or trust company, in good standing, incorporated under the laws of any state or of the United States of America. As soon as practicable after appointment of the successor Warrant Agent, the Company shall cause written notice of the change in the Warrant Agent to be given to each of the holders of the Warrants at such holder's address appearing on the Warrant Register. After appointment, the successor to the Warrant Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Warrant Agent without further act or deed. The former Warrant Agent shall deliver and transfer to the successor to the Warrant Agent any property at the time held by it hereunder and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Failure to give any notice provided for in this Section 19, however, or any defect therein, shall not affect the legality or validity of the appointment of a successor to the Warrant Agent.

(b) The Warrant Agent may resign at any time and be discharged from the obligations hereby created by so notifying the Company in writing at least 30 days in advance of the proposed effective date of its resignation. If no successor Warrant Agent accepts the engagement hereunder by such time, the Company shall act as Warrant Agent.

**SECTION 20 Notices to the Company and Warrant Agent.** Any notice or demand authorized or permitted by this Warrant Agreement to be given or made by the Warrant Agent or by any holder of the Warrants to or on the Company to be effective shall be in writing (including by facsimile), and shall be deemed to have been duly given or made when delivered by hand, or two (2) business days after being delivered to a recognized courier (whose stated terms of

delivery are two (2) business days or less to the destination of such notice), or five (5) days after being deposited in the mail, first class and postage prepaid or, in the case of facsimile notice, when received, addressed as follows (until another address or facsimile number is filed in writing by the Company with the Warrant Agent):

Lear Corporation  
21557 Telegraph Drive  
Southfield, Michigan 48033  
Attn: General Counsel  
Telephone: (248) 447-5123  
Facsimile: (248) 447-5126

with a copy to:

Winston & Strawn LLP  
35 West Wacker Drive  
Chicago, Illinois 60601  
Attn: Bruce A. Toth  
Brian M. Schafer  
Telephone: (312) 558-5600  
Facsimile: (312) 558-5700

Any notice or demand pursuant to this Warrant Agreement to be given by the Company or by any holder(s) of the Warrants to the Warrant Agent shall be sufficiently given if sent in the same manner as notices or demands are to be given or made to or on the Company (as set forth above) to the Warrant Agent at the Warrant Agent Office as follows (until another address is filed in writing by the Warrant Agent with the Company):

Mellon Investor Services LLC  
Newport Office Center VII  
480 Washington Boulevard  
Jersey City, NJ 07310  
Attn: Relationship Manager

**SECTION 21 Supplements and Amendments.** The Company and the Warrant Agent may from time to time supplement or amend this Warrant Agreement (a) without the approval of any holders of Warrants in order to cure any ambiguity or to correct or supplement any provision contained herein that may be defective or inconsistent with any other provision herein, or to make any other provisions in regard to matters or questions arising hereunder that the Company may deem necessary or desirable and that shall not adversely affect the rights or interests of the holders of Warrants or (b) with the prior written consent of holders of the Warrants exercisable for a majority of the shares of Common Stock then issuable upon exercise of the Warrants then outstanding; provided, however, that the consent of each holder of a Warrant affected shall be required for any amendment of this Warrant Agreement that would (i) increase the Exercise Price or the Trigger Price or decrease the number of shares of Common Stock purchasable upon exercise of the Warrants, except that such consent shall not be required

for any adjustment to the Exercise Price or the Trigger Price or the number of shares of Common Stock purchasable if made pursuant to the provisions of Section 12 hereof, (ii) alter the Company's obligation to issue Warrant Shares upon exercise of the underlying Warrant (other than pursuant to adjustments otherwise provided for in this Agreement, including the adjustments provided for in Section 12 hereof), (iii) change the Expiration Date of the Warrants to an earlier date, (iv) waive the application of the adjustment provisions contained in Section 12 in connection with any events to which such provisions apply or otherwise modify the adjustment provisions contained in Section 12 in a manner that would have an adverse economic impact on the holders of Warrants, or (v) treat such holder differently in an adverse way from any other holder of Warrants. The Warrant Agent may, but shall not be obligated to, execute any amendment or supplement which affects the rights or increases the duties or obligations of the Warrant Agent.

**SECTION 22 Successors.** All the covenants and provisions of this Warrant Agreement by or for the benefit of the Company, the holders of the Warrants or the Warrant Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

**SECTION 23 Termination.** This Warrant Agreement shall terminate at 5:00 p.m., New York City time, on the Expiration Date (or, at 5:00 p.m., New York City time, on the Settlement Date with respect to any Warrant Exercise Notice delivered prior to 5:00 p.m., New York City time, on the Expiration Date). Notwithstanding the foregoing, this Warrant Agreement will terminate on such earlier date on which all outstanding Warrants have been exercised. Termination of this Warrant Agreement shall not relieve the Company or the Warrant Agent of any of their obligations arising prior to the date of such termination or in connection with the settlement of any Warrant exercised prior to 5:00 p.m., New York City time, on the Expiration Date.

**SECTION 24 Governing Law.** This Warrant Agreement and each Warrant issued hereunder shall be deemed to be a contract made under the laws of the State of New York and for all purposes shall be governed by and construed in accordance with the laws of the State of New York without giving effect to conflict of laws principles.

**SECTION 25 Benefits of this Warrant Agreement.** This Warrant Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent and the holders of the Warrants, and nothing in this Warrant Agreement shall be construed to give to any person other than the Company, the Warrant Agent and the holders of the Warrants any legal or equitable right, remedy or claim under this Warrant Agreement. Each holder, by acceptance of a Warrant, agrees to all of the terms and provisions of this Warrant Agreement applicable thereto.

**SECTION 26 Counterparts.** This Warrant Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

**SECTION 27 Further Assurances.** From time to time on and after the date hereof, the Company shall deliver or cause to be delivered to the Warrant Agent such further documents and instruments and shall do and cause to be done such further acts as the Warrant Agent shall

reasonably request (it being understood that the Warrant Agent shall have no obligation to make such request) to carry out more effectively the provisions and purposes of this Warrant Agreement, to evidence compliance herewith or to assure itself that it is protected hereunder.

**SECTION 28 Entire Agreement.** This Warrant Agreement and the Global Warrant Certificates constitute the entire agreement of the Company, the Warrant Agent and the holders of the Warrants with respect to the subject matter hereof and supersede all prior agreements and undertakings, both written and oral, among the Company, the Warrant Agent and the holders of the Warrants with respect to the subject matter hereof. Except as expressly made herein, the Company makes no representation, warranty, covenant or agreement with respect to the Warrants.

**SECTION 29 Severability.** Wherever possible, each provision of this Warrant Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Warrant Agreement; provided, however, that if such excluded or added provision shall materially affect the rights, immunities, duties or obligations of the Warrant Agent, the Warrant Agent shall be entitled to resign immediately upon notification in writing to the Company.

**SECTION 30 Force Majeure.** In no event shall the Warrant Agent be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused by, directly or indirectly, forces beyond its reasonable control, including without limitation strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software or hardware) services.

IN WITNESS WHEREOF, the parties hereto have caused this Warrant Agreement to be duly executed, as of the day and year first above written.

LEAR CORPORATION

By: /s/ Matthew J. Simoncini  
Name: Matthew J. Simoncini  
Title: Senior Vice President  
and Chief Financial Officer

MELLON INVESTOR SERVICES LLC,  
as Warrant Agent

By: /s/ Lee Kowably  
Name: Lee Kowably  
Title: Vice President

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**EXHIBIT A**

**FORM OF GLOBAL WARRANT CERTIFICATE**

**FORM OF FACE OF GLOBAL WARRANT CERTIFICATE**

**VOID AFTER 5:00 P.M., NEW YORK CITY TIME, ON NOVEMBER 9, 2014**

THE SALE, ASSIGNMENT, PLEDGE, ENCUMBRANCE, EXCHANGE OR OTHER TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS OF THE WARRANT AGREEMENT, DATED AS OF NOVEMBER \_\_, 2009 (THE "**WARRANT AGREEMENT**"), BETWEEN THE ISSUER OF THIS CERTIFICATE AND THE WARRANT AGENT NAMED THEREIN. BY ACCEPTING ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE, THE RECIPIENT OF SUCH SECURITIES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL OF THE PROVISIONS OF THE WARRANT AGREEMENT. A COPY OF THE WARRANT AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE CORPORATE SECRETARY OF THE ISSUER OF THIS CERTIFICATE.

NO. W-1

**WARRANT TO PURCHASE  
\_\_ SHARES OF COMMON  
STOCK**

**LEAR CORPORATION**

WARRANT TO PURCHASE COMMON STOCK, PAR VALUE \$0.01 PER SHARE

**CUSIP # 521865 113**

**DISTRIBUTION DATE: NOVEMBER 9, 2009**

This Global Warrant Certificate certifies that Cede & Co., or its registered assigns, is the registered holder of a Warrant (this "**Warrant**") of **LEAR CORPORATION**, a Delaware corporation (the "**Company**"), to purchase the number of shares of common stock, par value \$0.01 per share ("**Common Stock**"), of the Company set forth above (as adjusted from time to time in accordance with the terms of the Warrant Agreement). This Warrant expires at 5:00 p.m. New York City time on November 9, 2014 (the "**Expiration Date**") and entitles the holder to purchase from the Company up to the number of fully paid and nonassessable shares of Common Stock set forth above at an exercise price of \$0.01 per share of Common Stock (as adjusted from time to time in accordance with the terms of the Warrant Agreement, the "**Exercise Price**"). Subject to the terms and conditions set forth in the Warrant Agreement, this Warrant may be exercised at any time, and from time to time, in whole or in part, during the period (i) commencing on the business day immediately following a period of 30 consecutive Trading Days ending prior to, but not including, such business day during which the Closing Price of the Common Stock for at least 20 of the Trading Days within such 30-day period is equal to or greater than \$39.63 (as adjusted from time to time in accordance with the terms of the Warrant Agreement, the "**Trigger Price**") and (ii) ending at 5:00 p.m. New York City time on the Expiration Date. The Exercise Price, the Trigger Price and the number of shares of Common Stock purchasable upon exercise of this Warrant are subject to adjustment upon the occurrence of certain events as set forth in the Warrant Agreement.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS GLOBAL WARRANT CERTIFICATE SET FORTH ON THE REVERSE HEREOF. SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

This Global Warrant Certificate shall not be valid unless countersigned by the Warrant Agent.

All capitalized terms used herein and not defined herein shall have the meanings assigned to them in the Warrant Agreement.

**IN WITNESS WHEREOF**, the Company has caused this Global Warrant Certificate to be executed by its duly authorized officers as of the date below set forth.

Dated: \_\_\_\_\_, 2009

**LEAR CORPORATION**

By: \_\_\_\_\_  
Name: Robert E. Rossiter  
Title: Chairman, Chief Executive Officer  
and President

By: \_\_\_\_\_  
Name: Terrence B. Larkin  
Title: Senior Vice President, General  
Counsel and Corporate Secretary

Countersigned:

**MELLON INVESTOR SERVICES LLC,**  
as Warrant Agent

By: \_\_\_\_\_  
Name:  
Title:

Address of Registered Holder for Notices (until changed in accordance with the Warrant Agreement):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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## FORM OF REVERSE OF GLOBAL WARRANT CERTIFICATE

The Warrant evidenced by this Global Warrant Certificate is a part of a duly authorized issue of Warrants to purchase up to \_\_\_\_\_ shares of Common Stock issued pursuant to the Warrant Agreement. The Warrant Agreement is hereby incorporated by reference herein and made a part of this instrument and is hereby referred to for a description of the rights, limitation of rights, obligations, duties and immunities thereunder of the Warrant Agent, the Company and the registered holders of the Warrants. All capitalized terms used but not defined herein shall have the meanings assigned to them in the Warrant Agreement.

Upon due presentment for registration of transfer of the Warrant and surrender of this Global Warrant Certificate at the office of the Warrant Agent designated for such purpose, a new Global Warrant Certificate or Global Warrant Certificates of like tenor and evidencing in the aggregate a like number of Warrants shall be issued to the transferee in exchange for this Global Warrant Certificate, subject to the limitations set forth in the Warrant Agreement, without charge except for any applicable tax or other charge.

Subject to Section 14 of the Warrant Agreement, the Company shall not be required to issue fractional shares of Common Stock.

No Warrants may be sold, exchanged or otherwise transferred in violation of the Securities Act state securities laws or other applicable law.

The Warrant does not entitle the registered holder thereof to any of the rights of a stockholder of the Company.

The Company and Warrant Agent may deem and treat the registered holder hereof as the absolute owner of this Global Warrant Certificate (notwithstanding any notation of ownership or other writing hereon made by anyone other than the Company or the Warrant Agent) for the purpose of any exercise hereof and for all other purposes, and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary.

This Global Warrant Certificate is held by The Depository Trust Company (the "Depository") or its nominee in custody for the benefit of the beneficial owners hereof, and is not transferable to any Person under any circumstances except that (i) this Global Warrant Certificate may be transferred in whole pursuant to Section 6(e) of the Warrant Agreement (as hereinafter defined) and (ii) this Global Warrant Certificate may be delivered to the Warrant Agent for cancellation pursuant to Sections 6(g) and 8(l) of the Warrant Agreement.

Unless this Global Warrant Certificate is presented by an authorized representative of the Depository to the Company or the Warrant Agent for registration of transfer, exchange or payment and any certificate issued is registered in the name of Cede & Co., or such other entity as is requested by an authorized representative of the Depository (and any payment hereon is made to Cede & Co. or to such other entity as is requested by an authorized representative of the Depository), any transfer, pledge or other use hereof for value or otherwise by or to any Person is wrongful because the registered owner hereof, Cede & Co., has an interest herein.

No registration or transfer of the securities issuable pursuant to the Warrant will be recorded on the books and records of the Company or the Warrant Agent until the provisions set forth in the Warrant Agreement have been complied with.

In the event of any conflict or inconsistency between this Global Warrant Certificate and the Warrant Agreement, the Warrant Agreement shall control.

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**EXHIBIT B-1**

**EXERCISE FORM FOR HOLDERS  
HOLDING BOOK-ENTRY WARRANTS  
(To be executed upon exercise of the Warrant(s))**

The undersigned hereby irrevocably elects to exercise the right, represented by the Book-Entry Warrant(s), to purchase shares of Common Stock of Lear Corporation and (check one or both):

- herewith tenders in payment for \_\_\_\_\_ shares of Common Stock an amount of \$\_\_\_\_\_ by certified or official bank check made payable to the order of Lear Corporation or by wire transfer in immediately available funds to an account arranged with Lear Corporation; and/or
- herewith tenders the Warrant(s) for \_\_\_\_\_ shares of Common Stock pursuant to the cashless exercise provision of Section 8(f) of the Warrant Agreement.

Please check below if this exercise is contingent upon the consummation of a Reorganization Event as provided in Sections 8(g) and 12(d) of the Warrant Agreement:

- This exercise is being made in connection with a Reorganization Event; provided, that in the event the Reorganization Event shall not be consummated, then this exercise shall be deemed to be revoked.

The undersigned requests that a statement representing the shares of Common Stock issued upon exercise of the Warrant(s) be delivered in accordance with the instructions set forth below.

Dated: \_\_\_\_\_, 20\_\_\_\_

THIS EXERCISE NOTICE MUST BE DELIVERED TO THE WARRANT AGENT, PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

ALL CAPITALIZED TERMS USED HEREIN BUT NOT DEFINED HEREIN SHALL HAVE THE MEANINGS ASSIGNED TO THEM IN THE WARRANT AGREEMENT.

**THE UNDERSIGNED REQUESTS THAT A STATEMENT REPRESENTING THE SHARES OF COMMON STOCK BE DELIVERED AS FOLLOWS:**

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Social Security Number or Other Taxpayer Identification Number (if applicable):

\_\_\_\_\_

**IF SAID NUMBER OF SHARES SHALL NOT BE ALL THE SHARES PURCHASABLE UNDER THE WARRANT(S), THE UNDERSIGNED REQUESTS THAT NEW BOOK-ENTRY WARRANT(S) REPRESENTING THE BALANCE OF SUCH WARRANT(S) SHALL BE REGISTERED AS FOLLOWS:**

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Social Security Number or Other Taxpayer Identification Number (if applicable):

\_\_\_\_\_

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Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Capacity in which Signing: \_\_\_\_\_

SIGNATURE GUARANTEED BY: \_\_\_\_\_

Signatures must be guaranteed by a participant in the Securities Transfer Agent Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program.

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**EXHIBIT B-2**

**EXERCISE FORM FOR HOLDERS  
HOLDING WARRANTS THROUGH THE DEPOSITORY TRUST COMPANY  
TO BE COMPLETED BY DIRECT PARTICIPANT  
IN THE DEPOSITORY TRUST COMPANY  
(To be executed upon exercise of the Warrant(s))**

The undersigned hereby irrevocably elects to exercise the right, represented by Global Warrant Certificate No. \_\_\_\_ held for its benefit through the book-entry facilities of The Depository Trust Company (the "Depository"), to purchase \_\_\_\_\_ shares of Common Stock of Lear Corporation and (check one or both):

- herewith tenders in payment for such shares an amount of \$\_\_\_\_\_ by certified or official bank check made payable to the order of Lear Corporation or by wire transfer in immediately available funds to an account arranged with Lear Corporation; and/or
- herewith tenders the Warrant(s) for \_\_\_\_\_ shares of Common Stock pursuant to the cashless exercise provision of Section 8(f) of the Warrant Agreement.

Please check below if this exercise is contingent upon the consummation of a Reorganization Event as provided in Sections 8(g) and 12(d) of the Warrant Agreement:

- This exercise is being made in connection with a Reorganization Event; provided, that in the event the Reorganization Event shall not be consummated, then this exercise shall be deemed to be revoked.

The undersigned requests that the shares of Common Stock issuable upon exercise of the Warrant(s) be in registered form in the authorized denominations, registered in such names and delivered, all as specified in accordance with the instructions set forth below; provided, that if the shares of Common Stock are evidenced by global securities, the shares of Common Stock shall be registered in the name of the Depository or its nominee.

Dated: \_\_\_\_\_, 20\_\_

THIS EXERCISE NOTICE MUST BE DELIVERED TO THE WARRANT AGENT, PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE. THE WARRANT AGENT SHALL NOTIFY YOU (THROUGH THE CLEARING SYSTEM) OF (1) THE WARRANT AGENT'S ACCOUNT AT THE DEPOSITORY TO WHICH YOU MUST DELIVER YOUR WARRANT(S) ON THE EXERCISE DATE AND (2) THE ADDRESS, PHONE NUMBER AND FACSIMILE NUMBER WHERE YOU CAN CONTACT THE WARRANT AGENT AND TO WHICH WARRANT EXERCISE NOTICES ARE TO BE SUBMITTED.

ALL CAPITALIZED TERMS USED HEREIN BUT NOT DEFINED HEREIN SHALL HAVE THE MEANINGS ASSIGNED TO THEM IN THE WARRANT AGREEMENT.

**NAME OF DIRECT PARTICIPANT IN THE DEPOSITORY:**

Account Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
\_\_\_\_\_

Contact Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Social Security Number or Other Taxpayer Identification Number (if applicable):

\_\_\_\_\_

Account from which Warrant(s) are Being Delivered: \_\_\_\_\_

Depository Account Number: \_\_\_\_\_

**WARRANT HOLDER DELIVERING WARRANT(S), IF OTHER THAN THE DIRECT PARTICIPANT:**

Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Account to which the Shares of Common Stock are to be Credited: \_\_\_\_\_

Depository Account Number: \_\_\_\_\_

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**FILL IN FOR DELIVERY OF THE COMMON STOCK, IF OTHER THAN TO THE PERSON DELIVERING THIS WARRANT EXERCISE NOTICE:**

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
\_\_\_\_\_

Contact Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Social Security Number or Other Taxpayer Identification Number (if applicable):

\_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Capacity in which Signing: \_\_\_\_\_

Signature Guaranteed By: \_\_\_\_\_

Signatures must be guaranteed by a participant in the Securities Transfer Agent Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program.

**REGISTRATION RIGHTS AGREEMENT**

**THIS REGISTRATION RIGHTS AGREEMENT** (this “Agreement”) is made as of the Effective Date by and among Lear Corporation, a Delaware corporation (the “Company”), and each of the other Persons who become parties to this Agreement in accordance with Section 14 hereof. Capitalized terms used but not otherwise defined herein are defined in Section 9 hereof.

**NOW, THEREFORE**, in consideration of the mutual promises made herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

**1. Demand Registrations.**

(a) Requests for Registration. At any time after the Effective Date, the holders of Registrable Securities may request registration under the Securities Act of all or a portion of their Registrable Securities up to a total of four times (on Form S-3, or if Form S-3 is not then available to the Company, Form S-1 or any successor form) (any registration under this Section 1(a), a “Demand Registration”).

(b) Demand Notices. All requests for Demand Registrations shall be made by giving written notice to the Company (the “Demand Notice”). Each Demand Notice shall specify the number of Registrable Securities requested to be registered and whether a Shelf Registration is being requested. Within five (5) days after receipt of any Demand Notice, the Company shall give written notice of such requested registration to all other holders of Registrable Securities (the “Company Notice”) and, subject to the provisions of Section 1(f) below, shall include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 15 days after the receipt of the Company Notice.

(c) Demand Expenses. The Company shall pay all Registration Expenses of all holders of Registrable Securities in all Demand Registrations.

(d) Demand Registrations. A registration shall not count as one of the permitted Demand Registrations until both (i) it has become effective (unless such Demand Registration has not become effective due solely to the fault of the holders requesting such registration) and (ii) the holders of Registrable Securities initially requesting such registration are able to register and sell pursuant to such registration at least 90% of the Registrable Securities requested to be included in such registration either at the time that the registration statement shall have become effective or within 90 days thereafter; provided that the Company shall in any event pay all Registration Expenses in connection with any registration initiated as a Demand Registration whether or not it has become effective and whether or not such registration has counted as one of the permitted Demand Registrations; provided further that any holder whose Registrable Securities were to be included in any such registration pursuant to Section 1(a), by written notice to the Company, may withdraw such request, and on receipt of such notice of the withdrawal from holders owning a percentage of the Registrable Securities such that holders that have not elected to withdraw do not own in the aggregate the requisite percentage to initiate a

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request under this Section 1, the Company shall not effect such registration (and such Demand Registration will count as a request pursuant to Section 1(a) unless the Company is reimbursed by such holder or holders for all reasonable out-of-pocket expenses incurred by the Company in connection with such registration).

(e) Shelf Registration. The holders of a majority of the Registrable Securities requested to be registered in connection with any Demand Registration may, in connection with such Demand Registration requested by such holders, require the Company to file a shelf registration statement with the Securities and Exchange Commission in accordance with and pursuant to Rule 415 promulgated under the Securities Act (or any successor rule then in effect) (a “Shelf Registration”).

(f) Priority on Demand Registrations. The Company shall not include in any Demand Registration any securities which are not Registrable Securities without the prior written consent of the holders of a majority of the Registrable Securities included in such registration. If a Demand Registration is an underwritten offering and the managing underwriters advise the Company in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such offering exceeds the number of Registrable Securities and other securities, if any, which can be sold in an orderly manner in such offering within a price range acceptable to the holders of a majority of the Registrable Securities initially requesting registration, the Company shall include in such registration the number which can be so sold in the following order of priority: (i) first, the Registrable Securities requested to be included in such registration, which in the opinion of such underwriter can be sold in an orderly manner within the price range of such offering, pro rata among the respective holders of such Registrable Securities on the basis of the number of shares of such Registrable Securities owned by each such holder, and (ii) second, other securities, if any, requested to be included in such registration to the extent permitted hereunder.

(g) Restrictions on Demand Registrations.

(i) The Company shall not be obligated to effect (A) any Demand Registration on Form S-1 (or any similar long-form registration) unless the aggregate fair market value of the Registrable Securities requested to be registered in such Demand Registration (including any Registrable Securities requested to be included in such Demand Registration pursuant to Section 1(b) hereof by holders other than holders that instituted such Demand Registration) is at least \$100,000,000 (based on the Closing Price on the Trading Day prior to the day on which such request for a Demand Registration is given), (B) any Demand Registration on Form S-3 (or any similar short-form registration) unless the aggregate fair market value of the Registrable Securities requested to be registered in such Demand Registration (including any Registrable Securities requested to be included in such Demand Registration pursuant to Section 1(b) hereof by holders other than holders that instituted such Demand Registration) is at least \$40,000,000 (based on the Closing Price on the Trading Day prior to the day on which such request for a Demand Registration is given) or (C) any Demand Registration within 120 days (or 180 days if such Demand Registration was on a Form S-1 or any successor form) after the effective date of a previous Demand Registration or a previous registration in which the holders of Registrable Securities were given piggyback rights pursuant to Section 2 and, in each case, in which such holders were able to register and sell at least 90% of the number of Registrable

Securities requested to be included therein. In addition, the Company shall not be obligated to effect any Demand Registration during the period starting with the date that is sixty (60) days prior to the Board's good faith estimate of the date of filing of, and ending on the date that is ninety (90) days (provided that such 90-day period shall be reduced by the number of days in which the 60-day period shall have been extended, if any) after the effective date of, a Company initiated registration, provided that the Company is actively employing in good faith all reasonable efforts to cause such registration to become effective, and provided, further that the aggregate number of days that any one or more Demand Registrations are suspended or delayed by operation of this Section 1(g) shall not exceed 180 days in any twelve month period.

(ii) The Company may postpone, for a reasonable period of time, the filing of, or suspend the effectiveness of, any registration statement for a Demand Registration or amendment thereto, or suspend the use of any prospectus and shall not be required to amend or supplement the registration statement, any related prospectus or any document incorporated therein by reference if the Board, in its reasonable good faith judgment, determines that it would reasonably be expected to have a material adverse effect on any plan or proposal by the Company to engage in any acquisition or disposition of assets (other than in the ordinary course of business) or any stock purchase, merger, consolidation, tender offer, reorganization or similar transaction or would require the disclosure of information that has not been disclosed to the public, the premature disclosure of which would materially adversely affect the Company; provided that in such event, the duration of the rights of the holders to require Demand Registrations pursuant to this Section 1 and to participate in Piggyback Registrations pursuant to Section 2 shall be extended by the period of any such postponement; and provided, further that the Company may delay a Demand Registration hereunder only once in any 12-month period and the duration of such postponement or suspension may not exceed more than 90 consecutive days in any 12 month period.

(iii) In the event of any such suspension or delay, the holders of Registrable Securities initially requesting a Demand Registration that is suspended or delayed by operation of this Section 1(g) shall be entitled to withdraw such request and, if such request is withdrawn, such Demand Registration shall not count as one of the permitted Demand Registrations hereunder, and the Company shall pay all Registration Expenses in connection with such registration.

(h) Selection of Underwriters. In the event of a Demand Registration pursuant to this Section 1, the Company shall select the underwriter(s) for each underwritten offering, subject to the reasonable approval of the holders of a majority of the Registrable Securities to be registered.

## **2. Piggyback Registrations.**

(a) Right to Piggyback. Whenever the Company proposes to register any of its securities under the Securities Act (other than pursuant to a Demand Registration) and the registration form to be used may be used for the registration of Registrable Securities (a "Piggyback Registration"), the Company shall give prompt written notice to all holders of Registrable Securities of its intention to effect such a registration and shall, subject to the provisions of Sections 2(c) and (d) below, include in such registration all Registrable Securities

with respect to which the Company has received written requests for inclusion therein within 15 days after the receipt of the Company's notice. Notwithstanding anything to the contrary contained herein, in the event the registration statement is initiated by the Company, the Company may determine not to proceed with a registration which is the subject of such notice.

(b) Piggyback Expenses. The Registration Expenses of the holders of Registrable Securities shall be paid by the Company in all Piggyback Registrations.

(c) Priority on Primary Registrations. If a Piggyback Registration is an underwritten primary registration on behalf of the Company, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in an orderly manner in such offering within a price range acceptable to the Company, the Company shall include in such registration the number which can be so sold in the following order of priority: (i) first, the securities the Company proposes to sell, (ii) second, the Registrable Securities requested to be included in such registration, which in the opinion of such underwriter can be sold in an orderly manner within the price range of such offering, pro rata among the holders of such Registrable Securities on the basis of the number of shares of such Registrable Securities owned by each such holder, and (iii) third, other securities, if any, requested to be included in such registration, which in the opinion of such underwriter can be sold in an orderly manner within the price range of such offering.

(d) Priority on Secondary Registrations. If a Piggyback Registration is an underwritten secondary registration on behalf of holders of the Company's securities (it being understood that demand registrations on behalf of holders of Registrable Securities are addressed in Section 1 rather than this Section 2), and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in an orderly manner in such offering within a price range acceptable to the holders initially requesting such registration, the Company shall include in such registration the number which can be so sold in the following order of priority: (i) first, the securities requested to be included therein by the holders requesting such registration and the Registrable Securities requested to be included in such registration, which in the opinion of such underwriter can be sold in an orderly manner within the price range of such offering, pro rata among the holders of all such securities on the basis of the number of securities owned by each such holder, and (ii) second, other securities, if any, requested to be included in such registration, which in the opinion of such underwriter can be sold in an orderly manner within the price range of such offering.

(e) Selection of Underwriters. In the event of a Piggyback Registration pursuant to Section 2(c), the Company shall select a nationally recognized underwriter(s) for such underwritten offering. In the event of a Piggyback Registration pursuant to Section 2(d), the Company shall select the underwriter(s) for each underwritten offering, subject to the reasonable approval of the holders of a majority of the Registrable Securities to be registered.

(f) Right to Terminate Registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2 whether or not any holder of Registrable Securities has elected to include securities in such registration, without

prejudice to the rights of any holder to include Registrable Securities in any future registration (or registrations) pursuant to this Section 2 or, if applicable, to cause such registration to be effected as a registration under Section 1 hereof, as the case may be. The Registration Expenses of such withdrawn registration shall be borne by the Company in accordance with Section 5 hereof.

(g) Not Counted as a Demand Registration. No registration effected under this Section 2 shall relieve the Company of its obligation to effect any registration upon request under Section 1(a) hereof and no registration effected pursuant to this Section 2 shall be deemed to have been effected pursuant to Section 1(a) hereof.

### **3. Holdback Agreements.**

(a) Holders of Registrable Securities. Each holder of Registrable Securities shall not effect any public sale or distribution (including sales pursuant to Rule 144) of equity securities of the Company, or any securities convertible into or exchangeable or exercisable for such securities, during (i) with respect to any underwritten Demand Registration or any underwritten Piggyback Registration in which Registrable Securities of such holder are included in such registration, the seven days prior to and the 90 day period beginning on the effective date of such registration, provided, however, that (x) the Company and the managing underwriter may not discriminate among the holders with respect to any holdback arrangement pursuant to this Section 3 and (y) all officers and directors of the Company are bound by and have entered into similar agreements to the extent required by the managing underwriter(s), and (ii) upon notice from the Company of the commencement of an underwritten distribution in connection with any Shelf Registration in which Registrable Securities of such holder are included in such distribution, the seven days prior to and the 90 day period beginning on the date of commencement of such distribution, provided, however, that (x) the Company and the managing underwriter may not discriminate among the holders with respect to any holdback arrangement pursuant to this Section 3 and (y) all officers and directors of the Company are bound by and have entered into similar agreements to the extent required by the managing underwriter(s), in each case except as part of such underwritten registration or distribution, and in each case unless the underwriters managing the public offering otherwise agree. Each holder of Registrable Securities whose Registrable Securities are included as part of any such underwritten registration or distribution agrees to execute a customary lock-up agreement in favor of the Company's underwriters to such effect and, in any event, that the Company's underwriters in any relevant offering shall be third party beneficiaries of this Section 3(a).

(b) The Company. The Company shall not effect any public sale or distribution of its equity securities, or any securities convertible into or exchangeable or exercisable for such securities (except pursuant to registrations on Form S-8, Form S-4 or any successor forms), during (i) with respect to any underwritten Demand Registration or any underwritten Piggyback Registration in which the holders of Registrable Securities are participating, the seven days prior to and the 90 day period beginning on the effective date of such registration, and (ii) upon notice from any holder(s) of Registrable Securities that such holder(s) intend to effect a distribution of Registrable Securities pursuant to a Shelf Registration (upon receipt of which, the Company will promptly notify all other holders of Registrable

Securities of the date of commencement of such distribution), the seven days prior to and the 90 day period beginning on the date of commencement of such distribution.

**4. Registration Procedures.** Whenever the holders of Registrable Securities have requested that any Registrable Securities be registered pursuant to this Agreement, the Company shall use its commercially reasonable efforts to effect the registration and the sale of such Registrable Securities in accordance with the intended method of disposition thereof, and pursuant thereto the Company shall as promptly as practicable:

(a) prepare and file with the Securities and Exchange Commission a registration statement with respect to such Registrable Securities (and, in the case of a Demand Registration, the Company shall use its commercially reasonable efforts to make such filing within 90 days of its receipt of a Demand Notice) and use its commercially reasonable efforts to cause such registration statement to become effective (and, in the case of a Demand Registration, use its commercially reasonable efforts to cause such registration statement to become effective within 120 days of its receipt of a Demand Notice); provided that a reasonable time before filing a registration statement or prospectus or any amendments or supplements thereto, the Company shall furnish to the counsel selected by the holders of a majority of the Registrable Securities covered by such registration statement copies of all such documents proposed to be filed;

(b) notify each holder of Registrable Securities of the effectiveness of each registration statement filed hereunder and prepare and file with the Securities and Exchange Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not less than 90 days (plus a number of days equal to the number of days, if any, that such registration statement is not kept effective (including any days for which the registration statement is suspended pursuant to Section 1(g)(ii)) (or, if sooner, until all Registrable Securities have been sold under such Registration Statement) (or, in the case of a Shelf Registration, a period ending on the earlier of (i) the date on which all Registrable Securities have been sold pursuant to the Shelf Registration or have otherwise ceased to be Registrable Securities, and (ii) the two year anniversary of the effective date of such Shelf Registration) and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

(c) furnish to each seller of Registrable Securities and their representatives such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus) and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller;

(d) use its commercially reasonable efforts (i) to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests, (ii) to keep such registration or qualification in effect for so long as such registration statement remains in effect, and (iii) to do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that

the Company shall not be required to (i) qualify generally to do business as a foreign corporation in any jurisdiction where it would not otherwise be required to qualify but for this subsection, (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

(e) notify each seller of such Registrable Securities (i) at any time when a prospectus relating thereto is required to be delivered under the Securities Act, (A) upon discovery that, or upon the happening of any event as a result of which, the prospectus included in such registration statement contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made, in each case, that has not been corrected or superseded, and, at the request of any such seller, the Company shall prepare a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus, as supplemented, amended or superseded, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made, (B) after the Company becomes aware of any request by the Securities and Exchange Commission or any Federal or state governmental authority for amendments or supplements to a registration statement or related prospectus covering Registrable Securities or for additional information relating thereto, (C) after the Company becomes aware of the issuance or threatened issuance by the Securities and Exchange Commission of any stop order suspending or threatening to suspend the effectiveness of a registration statement covering the Registrable Securities or (D) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any Registrable Security for sale in any jurisdiction, or the initiation or threatening of any proceeding for such purpose; and (ii) when each registration statement or any amendment thereto has been filed with the Securities and Exchange Commission and when each registration statement or any post-effective amendment thereto has become effective;

(f) cause all such Registrable Securities (i) if the Common Stock is then listed on a securities exchange or included for quotation in a recognized trading market, to continue to be so listed on such securities exchange or included for quotation in such recognized trading market or if the Common Stock is not then listed on a securities exchange or included for quotation in a recognized trading market, use its commercially reasonable efforts to list the Registrable Securities on a national securities exchange, and (ii) to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the sellers thereof to consummate the disposition of the Registrable Securities;

(g) provide and cause to be maintained a transfer agent and registrar for all such Registrable Securities from and after the effective date of such registration statement;

(h) enter into such customary agreements (including underwriting agreements in customary form) and take all such other actions as the holders of a majority of the Registrable Securities being sold or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities;

(i) make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information, in each case, as reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement;

(j) otherwise use its commercially reasonable efforts to comply with all applicable rules and regulations of the Securities and Exchange Commission and any other governmental agency or authority having jurisdiction over the offering, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months beginning with the first day of the Company's first full calendar quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(k) cause its officers to use their commercially reasonable efforts to support the marketing of the Registrable Securities covered by the registration statement (including, without limitation, participation in "road shows");

(l) cooperate with each seller of Registrable Securities and each underwriter and agent participating in the disposition of such Registrable Securities and their respective counsel in connection with any required filings;

(m) use its commercially reasonable efforts to obtain and, if obtained, furnish to each seller of Registrable Securities, and each such seller's underwriters, if any, a signed

(i) opinion of counsel for the Company, dated the effective date of such registration statement (and, if such registration involves an underwritten offering, dated the date of the closing under the underwriting agreement and addressed to the underwriters), reasonably satisfactory (based on the customary form and substance of opinions of issuers' counsel customarily given in such an offering) in form and substance to such seller, and

(ii) "cold comfort" letter, dated the effective date of such registration statement (and, if such registration involves an underwritten offering, dated the date of the closing under the underwriting agreement and addressed to the underwriters) and signed by the independent public accountants who have certified the Company's financial statements included or incorporated by reference in such registration statement, reasonably satisfactory (based on the customary form and substance of "cold comfort" letters of issuers' independent public accountant customarily given in such an offering) in form and substance to such seller,

in each case, covering substantially the same matters with respect to such registration statement (and the prospectus included therein) and, in the case of the accountants' comfort letter, with respect to events subsequent to the date of such financial statements, as are customarily covered

in opinions of issuer's counsel and in accountants' comfort letters delivered to underwriters in such types of offerings of securities.

#### **5. Registration Expenses.**

(a) Expenses. All expenses incident to the Company's performance of or compliance with this Agreement, including all registration, filing, listing, stock exchange and FINRA fees (including, without limitation, all fees and expenses of any "qualified independent underwriter" required by the rules of FINRA), fees and expenses of compliance with securities or blue sky laws, rating agency fees, printing expenses, messenger and delivery expenses, fees and disbursements of custodians, the reasonable fees, disbursements and other charges of one firm of counsel in each applicable jurisdiction (per registration statement prepared) to the holders of Registrable Securities making a request pursuant to Section 1 or Section 2 hereof (selected by the holders of a majority of the Registrable Securities covered by such registration), and fees and disbursements of counsel for the Company and all independent certified public accountants, underwriters (excluding discounts and commissions) and other Persons retained by the Company (all such expenses being herein called "Registration Expenses"), shall be borne by the Company. The Company shall, in any event, pay its internal expenses (including all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit or quarterly review, the expense of any liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange on which securities issued by the Company are listed. If the Company shall not register any securities with respect to which it had given written notice of its intention to register to holders, notwithstanding anything to the contrary, all reasonable out-of-pocket expenses incurred by such requesting holders in connection with such registration (other than the reasonable fees, disbursements and other charges of counsel other than the one firm of counsel referred to above) shall be deemed to be Registration Expenses.

(b) Payment of Certain Expenses by Holders of Registrable Securities. Underwriting discounts and commissions and transfer taxes relating to the Registrable Securities included in any registration hereunder, and all fees and expenses of counsel for any holder of Registrable Securities (other than fees and expenses to be reimbursed by the Company as set forth in Section 5(a)) shall be borne and paid by all sellers of securities included in such registration in proportion to the aggregate selling price of the securities to be so registered.

#### **6. Indemnification; Contribution.**

(a) The Company agrees to indemnify, to the extent permitted by law, each holder or seller of Registrable Securities and each Person that controls (within the meaning of the Securities Act and the Exchange Act) such holder or seller, and their respective stockholders, officers, directors, partners, employees, agents and Affiliates against all losses, claims, damages, liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof and whether or not such indemnified party is a party thereto), joint or several, and expenses, including attorneys' fees and disbursements and expenses of investigation (collectively, "Losses"), arising out of, based upon, relating to or resulting from any untrue or alleged untrue statement of material fact contained in any registration statement, prospectus or preliminary prospectus or summary prospectus related thereto or any amendment thereof or supplement



thereto (or any document incorporated by reference in any of the foregoing) (collectively, “Offering Documents”), any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances in which they were made, or violation or alleged violation by the Company of any applicable federal or state securities law or any rule or regulation promulgated thereunder, except insofar as the same are caused by or contained in any information furnished in writing to the Company by such holder expressly for use therein. In connection with an underwritten offering, the Company shall indemnify such underwriters, their stockholders, officers, directors, partners, employees, agents and Affiliates and each Person who controls (within the meaning of the Securities Act and the Exchange Act) such underwriters to the same extent as provided above with respect to the indemnification of the holders or sellers of Registrable Securities.

(b) In connection with any registration statement filed by the Company pursuant to Section 1 or Section 2 hereof in which a holder of Registrable Securities is participating, each such holder shall furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the extent permitted by law, shall, on a several and not joint basis, indemnify the Company, its stockholders, directors, officers, partners, employees, agents and Affiliates and each Person who controls (within the meaning of the Securities Act and the Exchange Act) the Company against any Losses arising out of, based upon, relating to or resulting from any untrue or alleged untrue statement of material fact contained in any Offering Documents or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made, but only to the extent that such untrue statement or omission is contained in any writing furnished by such holder expressly for use therein; provided however that such liability shall be limited to the net amount of proceeds received by such holder from the sale of Registrable Securities pursuant to such registration statement.

(c) Any Person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any Person’s right to indemnification hereunder to the extent such failure has not actually prejudiced the indemnifying party) and (ii) unless in such indemnified party’s reasonable judgment (x) a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim or (y) such indemnified party has one or more defenses to such claim that are not available to the indemnifying party, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party at such indemnifying party’s own expense. If such defense is assumed, the indemnifying party shall not settle such claim unless the indemnified party is released and discharged of any and all liability. Whether or not such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim.

(d) The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified

party or any stockholder, officer, director, employee, partner, agent or Affiliate or controlling (within the meaning of the Securities Act and the Exchange Act) Person of such indemnified party and shall survive the transfer of securities.

(e) If the indemnification required by this Section 6 from the indemnifying party is unavailable to an indemnified party hereunder in respect of any Losses referred to in this Section 6:

(i) The indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such Losses in such proportion as is appropriate to reflect the relative fault of the indemnifying party and indemnified parties in connection with the actions which resulted in such Losses, as well as any other relevant equitable considerations. If the allocation provided by clause (i) is not permitted by applicable law, then the allocation shall be in such proportion as shall be appropriate to reflect the relative benefits received by the Company, on the one hand, and such prospective sellers, on the other hand, from their sale of Registrable Securities; provided that the relative benefits received by the prospective sellers shall be deemed not to exceed the net proceeds received by such sellers. The relative fault of such indemnifying party and indemnified parties shall be determined by reference to, among other things, whether any violation has been committed by, or relates to information supplied by, such indemnifying party or indemnified parties, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such violation. The amount paid or payable by a party as a result of Losses shall be deemed to include, subject to the limitations set forth in Section 6(a) and Section 6(b), any legal or other fees or expenses reasonably incurred by such party in connection with any investigation or proceeding. The obligations, if any, of the selling holders to contribute as provided in this Section 6(e) are several in proportion to the relative value of their respective Registrable Securities covered by such registration statement and not joint. In addition, no Person shall be obligated to contribute hereunder any amounts in payment for any settlement of any action or Loss effected without such Person's consent, which shall not be unreasonably withheld.

(ii) The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 6(e) were determined solely by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to in Section 6(e)(i); provided, however, that with respect to any pro rata allocation, the holders of Registrable Securities included in any such registration shall be deemed to have only received the net proceeds from such holders' sales of Registrable Securities in such registration. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

#### **7. Participation in Underwritten Registrations.**

(a) No Person may participate in any registration hereunder which is underwritten unless such Person (i) agrees to sell such Person's securities on the basis provided

in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements. Each holder of Registrable Securities agrees to execute and deliver such other agreements as may be reasonably requested by the Company and the lead managing underwriter(s) that are consistent with such holder's obligations under Section 3 or that are necessary to give further effect thereto. No such holder shall be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such holder and such holder's Registrable Securities.

(b) Each Person that is participating in any registration hereunder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 4(e)(i), such Person will forthwith discontinue the disposition of its Registrable Securities pursuant to the applicable registration statement until such Person's receipt of the copies of a supplemented or amended prospectus as contemplated by Section 4(e)(i). In the event the Company shall give any such notice, the applicable time period mentioned in Section 4(b) during which a Registration Statement is to remain effective shall, to the extent possible, be extended by the number of days during the period from and including the date of the giving of such notice pursuant to Section 4(e)(i) to and including the date when each seller of a Registrable Security covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by Section 4(e)(i).

(c) In connection with the preparation and filing of each registration statement under the Securities Act pursuant to this Agreement, the Company shall (i) give representatives (designated to the Company in writing) of each holder of Registrable Securities or group of holders, the underwriters, if any, and one firm of counsel, one firm of accountants and one firm of other agents retained on behalf of all underwriters and one firm of counsel, one firm of accountants and one firm of other agents retained by holders of a majority of Registrable Securities covered by such registration statement on behalf of all holders of Registrable Securities registered under such registration statement, the reasonable opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Securities and Exchange Commission, and each amendment thereof or supplement thereto, (ii) upon reasonable advance notice to the Company, give each of them such reasonable access to all financial and other records, corporate documents and properties of the Company and its Subsidiaries, as shall be necessary, in the reasonable opinion of such holders' and such underwriters' counsel, to conduct a reasonable due diligence investigation for purposes of the Securities Act, and (iii) upon reasonable advance notice to the Company, provide such reasonable opportunities to discuss the business of the Company with its officers, directors, employees and the independent public accountants who have certified its financial statements as shall be necessary, in the reasonable opinion of such holders' and such underwriters' counsel, to conduct a reasonable due diligence investigation for purposes of the Securities Act.

**8. Effective Time.** This Agreement shall be effective in accordance with the terms and conditions set forth in the Plan and the confirmation order related thereto.

## 9. Definitions.

“Affiliate” of any particular Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person.

“Agreement” has the meaning specified in the first paragraph hereof.

“Board” means the board of directors of the Company.

“Closing Price” means on any particular date (a) if the Common Stock is then listed or quoted on a Trading Market, (i) the closing price per share of Common Stock on such date on the principal Trading Market (as reported by Bloomberg L.P. or a similar organization or agency succeeding to its functions of reporting prices) or (ii) if there shall have been no sales of Common Stock on such principal Trading Market on such day, the average of the reported closing bid and asked prices per share of Common Stock on such principal Trading Market (as reported by Bloomberg L.P. or a similar organization or agency succeeding to its functions of reporting prices), (b) if the Common Stock is not then listed or quoted on a Trading Market and if prices for the Common Stock are then reported in the “pink sheets” published by Pink OTC Markets, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the average of the reported closing bid and asked prices per share of Common Stock so reported or (c) if the shares of Common Stock are not then publicly traded the fair market value as of such date of a share of Common Stock as reasonably determined in good faith by the Board of Directors of the Company.

“Common Stock” means the shares of common stock of the Company, par value \$0.01 per share.

“Company” has the meaning specified in the preamble hereto.

“Company Notice” has the meaning specified in [Section 1\(b\)](#).

“control” (including the terms “controlling,” “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise.

“Demand Notice” has the meaning specified in [Section 1\(b\)](#).

“Demand Registration” has the meaning specified in [Section 1\(a\)](#).

“Effective Date” has the meaning assigned to such term in the Plan.

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time.

“FINRA” shall mean the Financial Industry Regulatory Authority.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

“Piggyback Registration” has the meaning specified in Section 2(a).

“Plan” means the Joint Plan of Reorganization under chapter 11 of title 11 of the United States Code of Lear Corporation, et al., Case No. 09-14326, as confirmed on November 5, 2009 by order of the United States Bankruptcy Court for the Southern District of New York.

“Registrable Securities” means (i) any shares of Common Stock issued on or after the Effective Date to or otherwise acquired by Persons who are parties hereto (including, without limitation, any shares of Common Stock issued pursuant to the Plan) and any shares of Common Stock issued upon the conversion or exercise of any other securities of the Company (together with any securities issued or issuable with respect to any of the foregoing securities by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization, or upon conversion or exercise of any such securities) and (ii) any Warrants issued to or otherwise acquired by Persons who are parties hereto; provided, that such securities shall cease to be Registrable Securities when they have been (A) effectively registered under the Securities Act and disposed of in accordance with the registration statement covering them or (B) distributed to the public through a broker, dealer or market maker pursuant to Rule 144 under the Securities Act (or any similar rule promulgated by the Securities and Exchange Commission then in force).

“Registration Expenses” has the meaning specified in Section 5(a).

“Securities Act” means the Securities Act of 1933, as amended from time to time.

“Securities and Exchange Commission” means the United States Securities and Exchange Commission or any successor governmental agency.

“Shelf Registration” has the meaning specified in Section 1(e).

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the membership, partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more of the other Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of the gains or losses of such limited liability company, partnership, association or other business entity or shall be or control (or have the power to

control) a managing director, manager or general partner of such limited liability company, partnership, association or other business entity.

“Trading Day” means (a) if the Common Stock is listed or quoted on a Trading Market, a day on which the principal Trading Market is open for business or (b) if the Common Stock is not listed or quoted on a Trading Market, a business day.

“Trading Market” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE Amex Equities, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange or the OTC Bulletin Board.

“Warrants” means the warrants to purchase Common Stock issued on the Effective Date pursuant to the Plan.

#### **10. Amendment, Modification and Waivers; Further Assurances.**

(a) Amendment. This Agreement may be amended with the consent of the Company, and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, in each case only if the Company shall have obtained the prior written consent of the holders of at least a majority of the Registrable Securities then outstanding to such amendment, action or omission to act; provided that if any such amendment or waiver is to a provision in this Agreement that requires a specific vote to take an action thereunder or to take an action with respect to the matters described therein, such amendment or waiver shall not be effective unless such specific vote is obtained with respect to such amendment or waiver. Notwithstanding the foregoing, additional Persons may from time to time become parties to this Agreement in accordance with Section 14.

(b) Effect of Waiver. No waiver of any terms or conditions of this Agreement shall operate as a waiver of any other breach of such terms and conditions or any other term or condition, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision hereof. No written waiver hereunder, unless it by its own terms explicitly provides to the contrary, shall be construed to effect a continuing waiver of the provisions being waived and no such waiver in any instance shall constitute a waiver in any other instance or for any other purpose or impair the right of the party against whom such waiver is claimed in all other instances or for all other purposes to require full compliance with such provision.

(c) Further Assurances. Each of the parties hereto shall execute all such further instruments and documents and take all such further action as any other party hereto may reasonably require in order to effectuate the terms and purposes of this Agreement.

**11. Calculation of Percentage or Number of Shares of Registrable Securities**. For purposes of this Agreement, all references to a percentage or number of shares of Common Stock or Common Stock underlying such Registrable Securities shall be calculated based upon the number of shares of Common Stock or Common Stock underlying such Registrable Securities, as the case may be, outstanding at the time such calculation is made and shall exclude any

Common Stock or Common Stock underlying such Registrable Securities, as the case may be, beneficially owned by the Company or any Subsidiary of the Company. For the purposes of calculating any percentage or number of shares of Common Stock or Common Stock underlying such Registrable Securities as contemplated by the previous sentence, the term "holder" shall include all Affiliates thereof (other than the Company and its Subsidiaries) beneficially owning any shares of Common Stock or Common Stock underlying such Registrable Securities.

**12. Rule 144.** If the Company has a class of equity securities registered under the Exchange Act, the Company shall take such actions reasonably necessary to enable the holders to sell Registrable Securities without registration under the Securities Act to the maximum extent permitted by the exemptions provided by (a) Rule 144 under the Securities Act, as such Rule may be amended from time to time or (b) any similar rules or regulations hereafter adopted by the Securities and Exchange Commission, including, without limiting the generality of the foregoing, filing on a timely basis all reports required to be filed under the Exchange Act.

**13. Assignment.** Any holder of Registrable Securities may transfer to any permitted transferee (as permitted under applicable law) its Registrable Securities and its rights and obligations under this Agreement; provided that such permitted transferee shall not be deemed to be a holder of Registrable Securities or have any rights or obligations under this Agreement unless and until such permitted transferee elects to become a party to this Agreement within the time period and in accordance with the other requirements set forth in Section 14. Upon satisfaction of all requirements under Section 14, such permitted transferee shall for all purposes be deemed to be a holder of Registrable Securities and shall be bound by this Agreement as if it were an original party hereto.

**14. Parties to Agreement.** Any Person who receives Common Stock or Warrants on the Effective Date pursuant to the terms of the Plan or is a permitted transferee of Registrable Securities pursuant to Section 13 shall have the right to elect to become a party to this Agreement by (i) providing written notice of such election to the Company in accordance with Section 16(h) within 30 days after the Effective Date or the date of any transfer pursuant to Section 13, as applicable, and (ii) promptly executing and returning to the Company a counterpart signature page to this Agreement. The Company shall furnish, without charge, to each Person referred to in the immediately preceding sentence a copy of this Agreement upon written request to the Company in accordance with Section 16(h). In addition, this Agreement shall be filed with the Securities and Exchange Commission, and any Person may obtain a copy thereof for execution from the Securities and Exchange Commission's internet site at <http://www.sec.gov>.

**15. Termination.** This Agreement and all rights and obligations of the parties hereunder shall terminate automatically on November [\_\_\_], 2012; provided, however, that the parties' respective obligations under Sections 5, 6 and 16(g) shall survive any termination of this Agreement.

**16. Miscellaneous.**

(a) No Inconsistent Agreements. The Company shall not hereafter enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the holders of Registrable Securities in this Agreement.

(b) Remedies; Specific Performance. Any Person having rights under any provision of this Agreement shall be entitled to enforce such rights specifically, to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor. The parties hereto agree and acknowledge that money damages would not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief (without posting any bond or other security) in order to enforce or prevent violation of the provisions of this Agreement and shall not be required to prove irreparable injury to such party or that such party does not have an adequate remedy at law with respect to any breach of this Agreement (each of which elements the parties admit). The parties hereto further agree and acknowledge that each and every obligation applicable to it and contained in this Agreement shall be specifically enforceable against it and hereby waives and agrees not to assert any defenses against an action for specific performance of their respective obligations hereunder.

(c) Successors and Assigns. All covenants and agreements in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto (including any trustee in bankruptcy) whether so expressed or not. In addition, whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of purchasers or holders of Registrable Securities are also for the benefit of, and enforceable by, any subsequent holder of Registrable Securities, subject to all of the agreements and obligations hereunder.

(d) Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

(e) Counterparts. This Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same Agreement.

(f) Descriptive Headings; Interpretation; No Strict Construction. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns, pronouns, and verbs shall include the plural and vice versa. References to sections are to sections of this Agreement unless otherwise stated. Reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and, if applicable, hereof. The words “include”, “includes” or “including” in this Agreement shall be deemed to be followed by “without limitation”. The use of the words “or,” “either” or “any” shall not be



exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

**(g) Governing Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.**

(h) Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when (a) delivered personally to the recipient, (b) telecopied to the recipient (with hard copy sent to the recipient by reputable overnight courier service (charges prepaid) that same day) if telecopied before 5:00 p.m. New York, New York time on a business day, and otherwise on the next business day, or (c) one business day after being sent to the recipient by reputable overnight courier service (charges prepaid). Such notices, demands and other communications shall be sent to the Company at the address or facsimile number set forth below and to any holder of Registrable Securities at such address or facsimile number as indicated by the Company's records, or at such address or facsimile number or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. The Company's address is:

Lear Corporation  
21557 Telegraph Drive  
Southfield, Michigan 48033  
Attn: General Counsel  
Telephone: (248) 447-1500  
Facsimile: (248) 447-1677

*with a copy to:*

Winston & Strawn LLP  
35 West Wacker Drive  
Chicago, Illinois 60601  
Attn: Bruce A. Toth  
Brian M. Schafer  
Telephone: (312) 558-5600  
Facsimile: (312) 558-5700

If any time period for giving notice or taking action hereunder expires on a day which is a Saturday, Sunday or legal holiday in the State of New York or the jurisdiction in which the Company's principal office is located, the time period shall automatically be extended to the business day immediately following such Saturday, Sunday or legal holiday. The term "legal

holiday” shall mean any day on which commercial banks in New York City or the jurisdiction in which the Company’s principal office is located are authorized or required by law to be closed.

(i) Delivery by Facsimile. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall reexecute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

(j) Waiver of Jury Trial. Each of the parties to this Agreement hereby agrees to waive its respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement, including contract claims, tort claims and all other common law and statutory claims. Each party hereto acknowledges that this waiver is a material inducement to enter into this Agreement, that each has already relied on this waiver in entering into this Agreement, and that each will continue to rely on this waiver in their related future dealings. Each party hereto further warrants and represents that it has reviewed this waiver with its legal counsel and that it knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 16(J) AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

(k) Third Party Beneficiaries. This Agreement is solely for the benefit of the parties hereto and no provision of this Agreement, including any representations, warranties or covenants set forth herein, shall be deemed to confer upon any third party any rights, remedies, claims, or causes of action, except that (i) underwriters shall be third party beneficiaries to the extent provided in Section 3(a) hereof and (ii) Persons entitled to indemnification or contribution under Section 6 shall be third party beneficiaries of Section 6 hereof.

(l) Arms’ Length Agreement. Each of the parties to this Agreement agrees and acknowledges that this Agreement has been negotiated in good faith, at arm’s length, and not by any means prohibited by law.

(m) Sophisticated Parties; Advice of Counsel. Each of the parties to this Agreement specifically acknowledges that (a) it is a knowledgeable, informed, sophisticated Person capable of understanding and evaluating the provisions set forth in this Agreement and (b) it has been fully advised and represented by, or has had the opportunity to retain, legal counsel of its own independent selection and has relied wholly upon its independent judgment and the advice of such counsel in negotiating and entering into this Agreement.

(n) Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein, and there are no restrictions, promises, representations, warranties, covenants, or undertakings with respect to the subject matter hereof, other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings between the parties hereto with respect to the subject matter hereof.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

**LEAR CORPORATION**

/s/ Matthew J. Simoncini

By: Matthew J. Simoncini  
Its: Senior Vice President and  
Chief Financial Officer

\$550,000,000

SECOND LIEN CREDIT AGREEMENT

among

LEAR CORPORATION

(as reorganized pursuant to and under the Plan of Reorganization)

The Several Lenders from Time to Time Parties Hereto,

and

JPMORGAN CHASE BANK, N.A.,

as Administrative Agent and Collateral Agent

Dated as of November 9, 2009

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J. P. MORGAN SECURITIES INC.,

as Sole Lead Arranger and Sole Bookrunner

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- 1.1A Loan Amounts
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EXHIBITS:

- A Form of Intercompany Subordinated Note
- B Form of Assignment and Assumption
- C Form of Compliance Certificate
- D Form of Second Lien Guarantee and Collateral Agreement
- E Form of Intercreditor Agreement
- F Form of Exemption Certificate
- G Form of Closing Certificate

SECOND LIEN CREDIT AGREEMENT (this "Agreement"), dated as of November 9, 2009, among (i) LEAR CORPORATION, a Delaware corporation, as reorganized pursuant to and under the Plan of Reorganization (as defined below) (the "Borrower"), (ii) the several banks and other financial institutions or entities from time to time parties to this Agreement (consisting initially of the holders of Prepetition Credit Agreement Secured Claims (as defined below)) (the "Lenders"), and (iii) JPMORGAN CHASE BANK, N.A., as administrative agent (in such capacity, the "Administrative Agent") and as collateral agent for the Lenders (in such capacity, the "Collateral Agent").

#### INTRODUCTORY STATEMENT:

WHEREAS, on July 7, 2009 (the "Petition Date"), the Borrower and certain of its subsidiaries (the "Debtors") filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (as amended, the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") and continued in the possession of their property and in the management of their businesses pursuant to Sections 1107 and 1108 of the Bankruptcy Code;

WHEREAS, it is expected that on or about November 5, 2009, the Bankruptcy Court will enter the Confirmation Order confirming the Debtors' First Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code, dated September 18, 2009 (as in effect on the date of confirmation thereof and as thereafter may be amended, the "Plan of Reorganization"); and

WHEREAS, in connection with the confirmation and implementation of the Plan of Reorganization, the reorganized Debtors shall issue to the holders of Prepetition Credit Agreement Secured Claims, certain second lien term loans, and in partial satisfaction of the Prepetition Credit Agreement Secured Claims, the holders of the Prepetition Credit Agreement Secured Claims shall automatically become parties to this Agreement on the Effective Date.

Accordingly, the parties hereto hereby agree as follows:

#### SECTION 1. DEFINITIONS

1.1. Defined Terms. As used in this Agreement, the terms listed in this Section 1.1 shall have the respective meanings set forth in this Section 1.1.

"ABR": for any day, a rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1% and (c) the Eurodollar Rate with a one-month Interest Period commencing on such day plus 1.0%; provided, that in no event shall ABR be less than 4.50% per annum. Any change in the ABR due to a change in the Prime Rate, the Federal Funds Effective Rate or such Eurodollar Rate shall be effective as of the opening of business on the effective day of such change in the Prime Rate, the Federal Funds Effective Rate or such Eurodollar Rate, respectively.

"ABR Loans": Loans the rate of interest applicable to which is based upon the ABR.

"Acquisition": any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition of all or a substantial portion of the assets of a Person, or of all or a substantial portion of any business or division of a Person, (b) the acquisition of in excess of 50% of the capital stock, partnership interests, membership interests or equity of any Person, or otherwise causing any Person to become a Subsidiary, or (c) a merger or consolidation or any other combination with another Person (other than a Person that is already a Subsidiary).

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“Administrative Agent”: JPMorgan Chase Bank, N.A., together with its affiliates, as the arranger of the Loans and as the administrative agent for the Lenders under this Agreement and the other Loan Documents, together with any of its successors.

“Affiliate”: as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, “control” of a Person means the power, directly or indirectly, either to (a) vote 10% or more of the securities having ordinary voting power for the election of directors (or persons performing similar functions) of such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

“Agent Indemnitees”: as defined in Section 9.7.

“Agents”: the collective reference to the Administrative Agent and the Collateral Agent.

“Agreement”: as defined in the preamble hereto.

“Applicable Margin”: a percentage per annum equal to (a) for ABR Loans, (i) prior to the date which is 18 calendar months after the Closing Date, 4.50%, (ii) for the next 12 months thereafter, 5.50% and (iii) thereafter, 6.50% and (b) for Eurodollar Loans, (i) prior to the date which is 18 calendar months after the Closing Date, 5.50%, (ii) for the next 12 months thereafter, 6.50% and (iii) thereafter, 7.50%; provided that, for any Interest Period in which the Borrower makes a PIK Election with respect to any Loans, the Applicable Margin for such Loans shall be increased by 1.0% per annum for such Interest Period.

“Approved Fund”: any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is administered or managed by (a) a Lender, (b) an affiliate of a Lender or (c) an entity or an affiliate of an entity that administers or manages a Lender.

“Asset Sale”: any Disposition of property or series of related Dispositions of property excluding any such Disposition permitted by Section 7.5(a) through (l).

“Assignee”: as defined in Section 10.6(b).

“Assignment and Assumption”: an Assignment and Assumption, substantially in the form of Exhibit B.

“Bankruptcy Code”: as defined in the recitals hereto.

“Bankruptcy Court”: as defined in the recitals hereto.

“Benefited Lender”: as defined in Section 10.7(a).

“Board”: the Board of Governors of the Federal Reserve System of the United States (or any successor).

“Borrower”: as defined in the preamble hereto.

“Business”: as defined in Section 4.16(b).

“Business Day”: a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to close, provided, that with respect to notices and determinations in connection with, and payments of principal and interest on, Eurodollar Loans, such day is also a day for trading by and between banks in Dollar deposits in the interbank eurodollar market.

“Call Premium”: as defined in Section 2.6(a).

“Canadian Court”: the Ontario Superior Court of Justice, Commercial List.

“Canadian Debtors”: the Borrower’s Canadian Subsidiaries that are Debtors.

“Capital Expenditures”: for any period, with respect to any Person, the aggregate of all expenditures by such Person and its Subsidiaries for the acquisition or leasing (pursuant to a capital lease) of fixed or capital assets or additions to equipment (including replacements, capitalized repairs and improvements during such period) that should be capitalized under GAAP on a consolidated balance sheet of such Person and its Subsidiaries, but excluding (i) such expenditures that are made in connection with the purchase, replacement, substitution or restoration of assets to the extent of (A) insurance proceeds (or other similar recoveries) paid (or reasonably expected to be paid) on account of the loss of or damage to assets or (b) cash awards of compensation arising from (or reasonably expected to arise from) the taking by eminent domain or condemnation of assets, (ii) such expenditures that are made with all or any portion of a Reinvestment Deferred Amount, (iii) capitalized interest, (iv) such expenditures for which such Person is or reasonably expects to be reimbursed in cash by a third party (other than any Group Member), (v) such expenditures that are made with the proceeds of an Excluded Issuance and (vi) such expenditures that are made to fund the purchase price for assets acquired in Permitted Acquisitions.

“Capital Lease Obligations”: as to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP.

“Capital Stock”: any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

“Cases”: the cases of the Debtors before the Bankruptcy Court.

“Cash Election”: as defined in Section 2.12(c).

“Cash Equivalents”: (a) securities issued or unconditionally guaranteed or insured by the United States Government, the Canadian Government, Japan or any member of the European Union or any other government approved by the Administrative Agent (which approval shall not be unreasonably withheld), (b) securities issued or unconditionally guaranteed or insured by any state of the United States of America or province of Canada or any agency or instrumentality thereof having maturities of not more than twelve months from the date of acquisition and having one of the two highest ratings obtainable from either S&P or Moody’s, (c) time deposits, certificates of deposit and bankers’ acceptances having maturities of not more than twelve months from the date of acquisition, in each case with any Lender (or any affiliate of any thereof) or with any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia, Japan, Canada or any member of the European

Union or any U.S. branch of a foreign bank having at the date of acquisition capital and surplus of not less than \$100,000,000, (d) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (a), (b) and (c) entered into with any bank meeting the qualifications specified in clause (c) above, (e) commercial paper issued by the parent corporation of any Lender and commercial paper rated, at the time of acquisition, at least "A-1" or the equivalent thereof by S&P or "P-1" or the equivalent thereof by Moody's and in either case maturing within twelve months after the date of acquisition, (e) deposits maintained with money market funds having total assets in excess of \$300,000,000, (f) demand deposit accounts maintained in the ordinary course of business with banks or trust companies, (g) temporary deposits, of amounts received in the ordinary course of business pending disbursement of such amounts, in demand deposit accounts in banks outside the United States, (h) deposits in mutual funds which invest substantially all of their assets in preferred equities issued by U.S. corporations rated at least "AA" (or the equivalent thereof) by S&P; provided, that notwithstanding the foregoing, Cash Equivalents shall, in any event, include all cash and cash equivalents as set forth in the Borrower's balance sheet prepared in accordance with GAAP, and (i) other investments requested by the Borrower and approved by the Administrative Agent.

"CCAA Cases": the cases commenced by the Canadian Debtors in the Canadian Court under Section 18.6 of the Companies' Creditors Arrangement Act.

"Change of Control": after the occurrence of the Effective Date, (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof), of Capital Stock representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding Capital Stock of the Borrower; or (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were neither (i) nominated by the board of directors of the Borrower nor (ii) appointed by directors so nominated.

"Chinese Acceptance Notes": acceptance notes issued by Chinese banks in the ordinary course of business for the account of any direct or indirect Chinese Subsidiary of the Borrower or customers thereof to effect the current payment of goods and services in accordance with customary trade terms in China.

"Closing Date": the date on which the conditions precedent set forth in Section 5 shall have been satisfied or waived and the issuance of the Loans occurs.

"Code": the Internal Revenue Code of 1986, as amended from time to time.

"Collateral": all property of the Loan Parties (other than Excluded Property), now owned or hereafter acquired upon which a Lien is purported to be created by any Security Document.

"Collateral Agent": as defined in the preamble hereto.

"Commonly Controlled Entity": an entity, whether or not incorporated, that is under common control with the Borrower within the meaning of Section 4001 of ERISA or is part of a group that includes the Borrower and that is treated as a single employer under Section 414 of the Code.

"Compliance Certificate": a certificate of the Borrower duly executed by a Responsible Officer, on behalf of the Borrower, substantially in the form of Exhibit C.

“Conduit Lender”: any special purpose corporation organized and administered by any Lender for the purpose of making or receiving Loans otherwise required to be made or received by such Lender and designated by such Lender in a written instrument; provided, that the designation by any Lender of a Conduit Lender shall not relieve the designating Lender of any of its obligations to fund a Loan under this Agreement if, for any reason, its Conduit Lender fails to fund any such Loan, and the designating Lender (and not the Conduit Lender) shall have the sole right and responsibility to deliver all consents and waivers required or requested under this Agreement with respect to its Conduit Lender, and provided, further, that no Conduit Lender shall (a) be entitled to receive any greater amount pursuant to Section 2.16, 2.17, 2.18 or 10.5 than the designating Lender would have been entitled to receive in respect of the extensions of credit made by such Conduit Lender or (b) be deemed to have any Loan Amount.

“Confirmation Order”: as defined in Section 5(h).

“Consolidated Assets”: at a particular date, all amounts which would be included under total assets on a consolidated balance sheet of the Borrower and its Subsidiaries as at such date, determined in accordance with GAAP.

“Consolidated Current Assets”: at any date, all amounts (other than cash and Cash Equivalents) that would, in conformity with GAAP, be set forth opposite the caption “total current assets” (or any like caption) on a consolidated balance sheet of Borrower and its Subsidiaries at such date.

“Consolidated Current Liabilities”: at any date, all amounts that would, in conformity with GAAP, be set forth opposite the caption “total current liabilities” (or any like caption) on a consolidated balance sheet of the Borrower and its Subsidiaries at such date, but excluding the current portion of any Funded Debt of the Borrower and its Subsidiaries.

“Consolidated EBITDA”: for any period (and calculated without duplication), Consolidated Net Income for such period excluding (a) any extraordinary and non-recurring non-cash expenses, losses, income or gains as determined in accordance with GAAP, (b) charges, premiums, expenses and any gains associated with the discharge of Indebtedness, (c) charges relating to FAS 106, (d) any non-cash income included, and any non-cash deductions made, in determining Consolidated Net Income for such period (other than any deductions which represent the accrual of or a reserve for the payment of cash charges in any future period), provided that cash payments made in any subsequent period in respect of any item for which any such non-cash deduction was excluded in a prior period shall be deemed to reduce Consolidated Net Income by such amount in such subsequent period, (e) stock compensation expense and non-cash equity linked expense, (f) deferred financing fees (and any write-offs thereof), (g) write-offs of goodwill, (h) an aggregate amount of up to (i) \$200,000,000 for fiscal year 2009, and (ii) \$150,000,000 for each fiscal year thereafter (provided that up to \$25,000,000 of such amount may be carried forward to the following fiscal year or carried back to the preceding fiscal year) in respect of restructuring, restructuring-related or other similar charges, (i) fees, costs, charges, commissions and expenses or other charges incurred during such period in connection with this Agreement, the DIP Credit Agreement, the Cases, the Plan of Reorganization and the transactions contemplated by the foregoing, including the write-off of receivables of Chrysler, GM and their affiliates as a result of their respective bankruptcy filings, the termination or settlement of executory contracts, professional and accounting costs fees and expenses, management incentive, employee retention or similar plans (in each case to the extent such plan is approved by the Bankruptcy Court to the extent required), litigation costs and settlements, asset write-downs, income and gains recorded in connection with the corporate reorganization effected in connection with the winding up the Debtors prior to emergence, (j) foreign exchange gains and losses and (k) any state or local taxes, plus, to the extent deducted in determining Consolidated Net Income, the sum of (A) Consolidated Interest Expense, (B) any expenses for taxes, (C) depreciation and amortization expense, (D) minority interests in income (or

losses) of Subsidiaries and (E) net equity earnings (and losses) in Affiliates (excluding Subsidiaries). For purposes of calculating the ratios set forth in Section 7.1(a) and (b), Consolidated EBITDA for any fiscal period shall in any event include the Consolidated EBITDA for such fiscal period of any entity acquired by the Borrower or any of its Subsidiaries in a Permitted Acquisition during such period. Notwithstanding the foregoing, for purposes of calculating Consolidated EBITDA for each of the four fiscal quarter periods ending December 31, 2009, March 31, 2010 and June 30, 2010, Consolidated EBITDA for such four fiscal quarter periods shall equal Consolidated EBITDA for the period commencing on October 1, 2009 and ending on December 31, 2009, April 3, 2010 and July 3, 2010, as applicable, multiplied by 4, 2 and 4/3, respectively.

“Consolidated Interest Expense”: for any period, the amount which would, in conformity with GAAP, be set forth opposite the caption “interest expense” (or any like caption) on a consolidated income statement of the Borrower and its Subsidiaries for such period and, to the extent not otherwise included in “interest expense”, any other discounts and expenses comparable to or in the nature of interest under any Receivable Financing Transaction; provided, that Consolidated Interest Expense for any period shall (a) exclude (i) fees payable in respect of such period under Section 2.6, (ii) any amortization or write-off of deferred financing fees during such period, (iii) premiums paid in connection with the discharge of Indebtedness, (iv) any non-cash expense, and (v) interest payments made by the Debtors during the pendency of the Cases on pre-petition Indebtedness, and (b) include any interest income during such period.

“Consolidated Leverage Ratio”: as at the last day of any period of four consecutive fiscal quarters, the ratio of (a) Consolidated Total Debt on such day to (b) Consolidated EBITDA for such period.

“Consolidated Net Income”: for any period, the consolidated net income (or deficit) of the Borrower and its Subsidiaries for such period (taken as a cumulative whole), determined in accordance with GAAP; provided that any provision for post-retirement medical benefits, to the extent such provision calculated under FAS 106 exceeds actual cash outlays calculated on the “pay as you go” basis, shall not to be taken into account.

“Consolidated Revenues”: for any fiscal period, the consolidated revenues of the Borrower and its Subsidiaries for such period, determined in accordance with GAAP.

“Consolidated Total Tangible Assets”: as of any date of determination thereof, the aggregate consolidated book value of the assets of the Borrower and its Subsidiaries (other than patents, patent rights, trademarks, trade names, franchises, copyrights, licenses, permits, goodwill and other similar intangible assets properly classified as such in accordance with GAAP) after all appropriate adjustments (including, without limitation, reserves for doubtful receivables, obsolescence, depreciation and amortization), all as set forth in the most recent consolidated balance sheet of the Borrower delivered pursuant to Section 6.1 on such date of determination, determined on a consolidated basis in accordance with GAAP.

“Consolidated Total Debt”: at any date, the aggregate principal amount of all Indebtedness of the Borrower and its Subsidiaries at such date, determined on a consolidated basis, that would be required to be shown as debt on a balance sheet of the Borrower prepared in accordance with GAAP, but excluding Chinese Acceptance Notes and Earn-outs; provided that solely with respect to the definition of “ECF Percentage”, Consolidated Total Debt shall be determined as set forth above, but net of cash and Cash Equivalents of the Borrower and its Subsidiaries in excess of \$650,000,000 on the date of determination.

“Consolidated Working Capital”: at any date, the excess of Consolidated Current Assets on such date over Consolidated Current Liabilities on such date.

“Consummation Date”: the date of substantial consummation (as defined in Section 1101 of the Bankruptcy Code) of the Plan of Reorganization.

“Contractual Obligation”: as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Debtors”: as defined in the preamble.

“Default”: any of the events specified in Section 8.1, whether or not any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

“Defaulting Lender” any Lender that (a) has failed to pay over to the Administrative Agent or any other Lender any amount required to be paid by it hereunder within one (1) Business Day of the date when due, unless such failure is the subject of a good faith dispute or subsequently cured (in which case such Lender shall cease to be a Defaulting Lender as of the date of such cure), or (b) has been deemed insolvent or become the subject of a bankruptcy or insolvency proceeding.

“DIP Agent”: JPMorgan Chase Bank, N.A. in its capacity as administrative agent for the lenders under the DIP Credit Agreement.

“DIP Credit Agreement”: the Credit and Guarantee Agreement, dated as of July 6, 2009 among the Borrower and certain of its Subsidiaries, the lenders from time to time party thereto, the DIP Agent and the other parties thereto, as amended, supplemented or otherwise modified prior to the date hereof.

“DIP Facility”: the term loan facility made available under the DIP Credit Agreement.

“Disclosure Statement”: the disclosure statement in respect of the Plan of Reorganization, in form and substance reasonably satisfactory to the Administrative Agent, distributed to certain holders of claims (as defined in Section 101(5) of the Bankruptcy Code) against the Debtors.

“Disposition”: with respect to any property, any sale, lease, sale and leaseback, assignment, conveyance, transfer or other disposition thereof, excluding any such transaction that yields Net Cash Proceeds to any Group Member (valued at the initial principal amount thereof in the case of non-cash proceeds consisting of notes or other debt securities and valued at fair market value in the case of other non-cash proceeds) of \$1,000,000 or less. The terms “Dispose” and “Disposed of” shall have correlative meanings.

“Dollars” and “\$”: dollars in lawful currency of the United States.

“Domestic Subsidiary”: any Subsidiary of the Borrower organized under the laws of any jurisdiction within the United States.

“Earn-outs”: with respect to any Person, obligations of such Person arising from a Permitted Acquisition which are payable to the seller based on the achievement of specified financial results over time. The amount of any Earn-outs at any time for the purpose of this Agreement shall be the amount earned and due to be paid at such time.



“ECF Percentage”: for any fiscal year (or, in the case of the first period, the portion of the fiscal year following the first anniversary of the Closing Date), (a) 50% if the Consolidated Leverage Ratio exceeds 1.75 to 1.00 as of the last day of such fiscal year, (b) 25% if the Consolidated Leverage Ratio is equal to or less than 1.75 to 1.00 but exceeds 0.50 to 1.00 as of the last day of such fiscal year and (c) 0% if the Consolidated Leverage Ratio is equal to or less than 0.50 to 1.00 as of the last day of such fiscal year.

“Effective Date”: the effective date of the Plan of Reorganization.

“Eligible Assignee”: (a) a commercial bank, financial institution, financial company, fund or insurance company that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course or (b) any other Person that is not a competitor of the Borrower or any of its Subsidiaries or an affiliate of any such competitor.

“Environmental Laws”: any and all foreign, Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority or other Requirements of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of human health or the environment, as now or may at any time hereafter be in effect.

“Equity Sweep Percentage”: at any time, (a) 50% if the Consolidated Leverage Ratio exceeds 1.75 to 1.00 as of the last day of the most recent period of four consecutive fiscal quarters of the Borrower, (b) 25% if the Consolidated Leverage Ratio is equal to or less than 1.75 to 1.00 but exceeds 1.00 to 1.00 as of the last day of the most recent period of four consecutive fiscal quarters of the Borrower and (c) 0% if the Consolidated Leverage Ratio is equal to or less than 1.00 to 1.00 as of the last day of the most recent period of four consecutive fiscal quarters of the Borrower.

“ERISA”: the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate”: any trade or business (whether or not incorporated) that, together with any Loan Party, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event”: (a) any Reportable Event; (b) the existence with respect to any Plan of a non-exempt Prohibited Transaction; (c) any failure by any Single Employer Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the Code or Section 302 of ERISA) applicable to such Single Employer Plan, whether or not waived; (d) a determination that any Single Employer Plan is in “at risk” status (within the meaning of Section 430 of the Code or Title IV of ERISA); (e) the incurrence by any Loan Party or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Single Employer Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Single Employer Plan; (f) the incurrence by any Loan Party or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by any Loan Party or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from a Loan Party or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, Insolvent, in Reorganization, or in endangered or critical status (within the meaning of Section 432 of the Code or Section 305 or Title IV of ERISA).

“Eurocurrency Reserve Requirements”: for any day as applied to a Eurodollar Loan, the aggregate (without duplication) of the maximum rates (expressed as a decimal) of reserve requirements in effect on such day (including basic, supplemental, marginal and emergency reserves) under any regulations of the Board or other Governmental Authority having jurisdiction with respect thereto dealing with reserve requirements prescribed for eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Board) maintained by a member bank of the Federal Reserve System.

“Eurodollar Base Rate”: with respect to each day during each Interest Period pertaining to a Eurodollar Loan, the rate per annum determined on the basis of the rate for deposits in Dollars for a period equal to such Interest Period commencing on the first day of such Interest Period appearing on Reuters Screen LIBOR01 page as of 11:00 A.M., London time, two Business Days prior to the beginning of such Interest Period. In the event that such rate does not appear on Reuters Screen LIBOR01 page (or otherwise on such screen), the “Eurodollar Base Rate” shall be determined by reference to such other comparable publicly available service for displaying eurodollar rates as may be reasonably selected by the Administrative Agent or, in the absence of such availability, by reference to the rate at which the Administrative Agent is offered Dollar deposits at or about 11:00 A.M., New York City time, two Business Days prior to the beginning of such Interest Period in the interbank eurodollar market where its eurodollar and foreign currency and exchange operations are then being conducted for delivery on the first day of such Interest Period for the number of days comprised therein.

“Eurodollar Loans”: Loans the rate of interest applicable to which is based upon the Eurodollar Rate.

“Eurodollar Rate”: with respect to each day during each Interest Period pertaining to a Eurodollar Loan, a rate per annum determined for such day in accordance with the following formula (rounded upward to the nearest 1/100th of 1%):

$$\frac{\text{Eurodollar Base Rate}}{1.00 - \text{Eurocurrency Reserve Requirements}}$$

; provided, however, notwithstanding the foregoing, the Eurodollar Rate shall be the greater of (x) such rate determined pursuant to the foregoing formula and (y) 3.50% per annum.

“Eurodollar Tranche”: the collective reference to Eurodollar Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).

“Event of Default”: any of the events specified in Section 8.1, provided that any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

“Excess Cash Flow”: for any fiscal year of the Borrower (or shorter period beginning on the first anniversary of the Closing Date through the end of such fiscal year), the excess, if any, of (a) the sum, without duplication, of (i) Consolidated Net Income for such fiscal year (or period), (ii) the amount of all non-cash charges (including depreciation and amortization) deducted in arriving at such Consolidated Net Income, (iii) decreases in Consolidated Working Capital for such fiscal year (or period), and (iv) the aggregate net amount of non-cash loss on the Disposition of property by the Borrower and its Subsidiaries during such fiscal year (or period) (other than sales of inventory in the ordinary course of business), to the extent deducted in arriving at such Consolidated Net Income over (b) the sum, without duplication, of (i) the amount of all non-cash credits included in arriving at such Consolidated Net Income, (ii) the aggregate amount actually paid by the Borrower and its Subsidiaries in cash during such

fiscal year (or period) on account of Capital Expenditures (excluding the principal amount of Indebtedness incurred in connection with such expenditures and any such expenditures financed with the proceeds of any Reinvestment Deferred Amount), (iii) the aggregate amount of all (A) optional prepayments of the First Lien Term Loans, (B) optional prepayments of any revolving loans under the First Lien Credit Agreement with a concurrent reduction of commitments thereunder, and (C) optional prepayments of the Loans, in each case during such fiscal year (or period), (iv) the aggregate amount of all regularly scheduled principal payments of Indebtedness (including the Loans and the First Lien Loans) of the Borrower and its Subsidiaries made in cash during such fiscal year (or period) (other than in respect of any revolving credit facility to the extent there is not an equivalent permanent reduction in commitments thereunder), (v) increases in Consolidated Working Capital for such fiscal year (or period), (vi) the aggregate net amount of non-cash gain on the Disposition of property by the Borrower and its Subsidiaries during such fiscal year (or period) (other than sales of inventory in the ordinary course of business), (vii) minority interests in income and earnings of Affiliates for which the Borrower has not received cash distributions thereof, and (viii) all cash consideration paid with respect to Permitted Acquisitions (except to the extent funded with the proceeds of Excluded Issuances or Indebtedness), including, without limitation, payments in respect of “earnouts” and similar payment obligations and seller notes, to the extent included in arriving at such Consolidated Net Income.

“Excess Cash Flow Application Date”: as defined in Section 2.9(c).

“Excluded Issuance”: any Capital Stock of the Borrower issued (a) to directors, employees or consultants of the Borrower or its Subsidiaries pursuant to compensation plans or arrangements approved by the Board, (b) upon the conversion or exercise of any Capital Stock of the Borrower outstanding on the date hereof or issued hereafter as part of an Excluded Issuance, (c) to a Group Member in accordance with Section 7.7, (d) to fund Capital Expenditures permitted under Section 7.1(c) and (e) to fund the payment of any consideration for a Permitted Acquisition in accordance with Section 7.7.

“Excluded Property”: (i) property owned by any Excluded Subsidiary or Foreign Subsidiary; (ii) receivables and customary related rights and assets subject to a Receivables Financing Transaction; (iii) any property to the extent that a grant of a security interest in such property pursuant to the Security Documents is prohibited by any Requirements of Law of a Governmental Authority, requires a consent not obtained of any Governmental Authority pursuant to such Requirement of Law or is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, license, agreement, instrument or other document evidencing or giving rise to such property or, in the case of any Investment, Pledged Stock or Pledged Note (as such terms are defined in the Security Documents), any applicable shareholder or similar agreement, except to the extent that such Requirement of Law or the term in such contract, license, agreement, instrument or other document or shareholder or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law; (iv) Vehicles (as defined in the Guarantee and Collateral Agreement) and title documents therefor; (v) any Capital Stock held by a Loan Party in (A) a joint venture, so long as (x) not more than 50% of the aggregate Capital Stock of such joint venture is held by the Loan Parties in the aggregate and (y) such Capital Stock is not subject to a Lien in favor of any other Person and (B) any direct holding company of one or more joint ventures under clause (A) of this clause (v), provided that such holding company does not engage in any business or own any assets other than owning the Capital Stock of such joint ventures; (vi) any property with respect to which the Administrative Agent determines that the cost or burden of subjecting such property to a Lien under the Security Documents is disproportionate to the value of the collateral security afforded thereby; (vii) real property owned by the Loan Parties having a fair market value estimated in good faith by the Borrower of less than \$5,000,000, provided that the aggregate fair market value of all such owned real property located in the U.S. (as estimated in good faith by the Borrower) that is Excluded Property shall

not exceed \$25,000,000 as of the Closing Date and \$25,000,000 as of the date the financial statements are delivered for the end of any fiscal year of the Borrower; (viii) interests in real property leased, subleased or licensed to any of the Loan Parties; (ix) thirty-five percent (35%) of the total outstanding voting Capital Stock of each new and existing Foreign Subsidiary; and (x) any other property which the First Lien Credit Agreement defines as “Excluded Property” thereunder.

“Excluded Subsidiary”: each Subsidiary of a Foreign Subsidiary and, with respect to any requirement to enter into any Security Document, any Special Purpose Subsidiary.

“Facility”: the term loan facility made available to the Borrower pursuant to this Agreement.

“Federal Funds Effective Rate”: for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for the day of such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

“First Lien Agent”: JPMorgan Chase Bank, N.A., as the administrative agent for the lenders under the First Lien Credit Agreement, together with any of its successors.

“First Lien Cap Amount”: means the sum of (i) \$600,000,000 less (ii) the amount by which the aggregate face amount of First Lien Specified Letters of Credit and, without duplication, letters of credit which are cash collateralized as permitted by Section 7.3(t) of this Agreement exceeds \$200,000,000.

“First Lien Credit Agreement”: the Credit Agreement, dated as of October 23, 2009, among Lear Corporation, the several lenders and agent banks from time to time parties thereto and the First Lien Agent, as amended, supplemented, restated or otherwise modified, renewed, refunded, replaced or refinanced in whole or in part from time to time (including increasing the amount loaned or issued thereunder, provided that such additional Indebtedness is permitted by Section 7.2) and in any event shall include any agreement which qualifies as a “First Priority Agreement” under the Intercreditor Agreement.

“First Lien Incremental Facility”: the “Incremental Facility” as defined in the First Lien Credit Agreement.

“First Lien Loan Documents”: the “Loan Documents” as defined in the First Lien Credit Agreement.

“First Lien Loans”: the loans outstanding under the First Lien Credit Agreement (including any loans under the First Lien Incremental Facility).

“First Lien Obligations”: the “First Priority Obligations” as defined in the Intercreditor Agreement.

“First Lien Specified Cash Management Agreements”: the “Specified Cash Management Agreements” as defined in the First Lien Credit Agreement.

“First Lien Specified Letters of Credit”: the “Specified Letters of Credit” as defined in the First Lien Credit Agreement.

“First Lien Specified Swap Agreements”: the “Specified Swap Agreements” as defined in the First Lien Credit Agreement.

“First Lien Term Loans”: the term loans outstanding under the First Lien Credit Agreement (including any term loans under the First Lien Incremental Facility).

“First Priority Obligations Payment Date”: as defined in the Intercreditor Agreement.

“Foreign Subsidiary”: any Subsidiary of the Borrower that is not a Domestic Subsidiary.

“Funded Debt”: as to any Person, all Indebtedness of such Person that matures more than one year from the date of its creation or matures within one year from such date but is renewable or extendible, at the option of such Person, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including all current maturities and current sinking fund payments in respect of such Indebtedness whether or not required to be paid within one year from the date of its creation or maturity and, in the case of the Borrower, Indebtedness in respect of the Loans.

“Funding Office”: the office of the Administrative Agent specified in Section 10.2 or such other office as may be specified from time to time by the Administrative Agent as its funding office by written notice to the Borrower and the Lenders.

“GAAP”: generally accepted accounting principles in the United States as in effect from time to time, except that for purposes of Section 7.1, GAAP shall be determined on the basis of such principles in effect on the date hereof and consistent with those used in the preparation of the most recent audited financial statements delivered pursuant to Section 6.1(a) of the DIP Credit Agreement.

“Governmental Authority”: any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization (including the National Association of Insurance Commissioners).

“Group Members”: the collective reference to the Borrower and its Subsidiaries.

“Guarantee and Collateral Agreement”: the Second Lien Guarantee and Collateral Agreement to be executed and delivered by the Borrower and each Guarantor, substantially in the form of Exhibit D.

“Guarantee Obligation”: as to any Person (the “guaranteeing person”), any obligation, including a reimbursement, counterindemnity or similar obligation, of the guaranteeing Person that guarantees or in effect guarantees, or which is given to induce the creation of a separate obligation by another Person (including any bank under any letter of credit) that guarantees or in effect guarantees, any Indebtedness, leases, dividends or other obligations (the “primary obligations”) of any other third Person (the “primary obligor”) in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (1) for the purchase or payment of any such primary obligation or (2) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or

(iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof as determined by the Borrower in good faith.

"Guarantor": each Domestic Subsidiary of the Borrower other than (a) Excluded Subsidiaries, (b) Immaterial Subsidiaries (provided that all Immaterial Subsidiaries excluded under this clause (b) and Section 6.9(c)(ii)(B) shall not at any time contribute in the aggregate more than 5% of Consolidated Assets or more than 5% of Consolidated Revenues), (c) joint ventures in which not more than 85% of the aggregate Capital Stock of such joint venture is held by the Loan Parties in the aggregate and (d) any direct holding company of one or more joint ventures under clause (c) hereof, provided that such holding company does not engage in any business or own any assets other than owning the Capital Stock of such joint ventures; provided that, prior to the First Priority Obligations Payment Date, any Subsidiary which is not a "Guarantor" under the First Lien Loan Documents shall not be required to be a Guarantor hereunder.

"Immaterial Subsidiary": at any time, any Subsidiary of the Borrower which, based on the financial statements most recently delivered pursuant to Section 6.1(a) or (b), constituted less than 1% of Consolidated Assets or, for the twelve month period ended on the date of such financial statements, represented less than 1% of Consolidated Revenues, in each case determined using the equity method of accounting in accordance with GAAP; provided that, except for the purposes of Section 8.3(e), prior to the First Priority Obligations Payment Date, any Subsidiary which is an "Immaterial Subsidiary" under the First Lien Loan Documents shall be deemed to be an Immaterial Subsidiary hereunder.

"Indebtedness": of any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services, which would, in accordance with GAAP be shown on the liability side of the balance sheet, (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Capital Lease Obligations of such Person, (f) all obligations of such Person, contingent or otherwise, as an account party or applicant under or in respect of acceptances, letters of credit, surety bonds or similar arrangements, (g) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (f) above, (h) all obligations of the kind referred to in clauses (a) through (g) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligation, provided, if such Person has not assumed or become liable for such obligation, the amount of such Indebtedness shall be deemed to be the lesser of the fair market value of such property or the obligation being secured thereby and (i) for the purposes of Section 8.1(e) only, all obligations of such Person in respect of Swap Agreements, but excluding (i) trade and other accounts payables incurred in the ordinary course of such Person's business, (ii) accrued expenses and deferred compensation arrangements in the ordinary course, and (iii) advance payments in the ordinary course. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person

is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor.

"Insolvency": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Insolvent": pertaining to a condition of Insolvency.

"Intellectual Property": the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including copyrights, copyright licenses, inventions, designs, patents, patent licenses, trademarks, tradenames, domain names and other source indicators, trademark licenses, technology, trade secrets, know-how and processes, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"Intercompany Subordinated Note": a promissory note, substantially in the form of Exhibit A or otherwise in form and substance reasonably acceptable, prior to the First Priority Obligations Payment Date, to the First Lien Agent and thereafter, to the Administrative Agent.

"Intercreditor Agreement": the Intercreditor Agreement to be executed and delivered by the Administrative Agent, the Collateral Agent, the agent or trustee for the First Lien Loans and the Loan Parties, substantially in the form of Exhibit E, as amended, modified and supplemented from time to time.

"Interest Coverage Ratio": for any period, the ratio of (a) Consolidated EBITDA for such period to (b) Consolidated Interest Expense for such period.

"Interest Election": a Cash Election or PIK Election, as applicable.

"Interest Payment Date": (a) as to any Eurodollar Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided that if any Interest Period for a Eurodollar Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; (b) as to any ABR Loan, the last day of each calendar quarter and the Maturity Date, (c) as to any Loan, the date of any repayment or prepayment made in respect thereof, and (d) as to any ABR Loan if an Event of Default is in existence, the last day of each calendar month.

"Interest Period": as to any Eurodollar Loan, (a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurodollar Loan and ending one, two, three or six months thereafter, as selected by the Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and (b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurodollar Loan and ending one, two, three or six months thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not later than 11:00 A.M., New York City time, on the date that is three Business Days prior to the last day of the then current Interest Period with respect thereto; provided that, all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) the Borrower may not select an Interest Period that would extend beyond the Maturity Date; and

(iii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month.

“Investments”: an advance, loan, extension of credit (by way of guaranty or otherwise, but excluding trade debt incurred in the ordinary course of business) or capital contribution to, or purchase any Capital Stock, bonds, notes, loans, debentures or other debt securities of, or any assets constituting a business unit of, or any other similar investment in, any Person. The amount of any Investment by any Person on any date of determination shall be the acquisition price of the gross assets acquired (including any liability assumed by such Person to the extent such liability would be reflected on a balance sheet prepared in accordance with GAAP) plus all additional capital contributions or purchase price paid in respect thereof, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment minus the amount of all cash returns of principal or capital thereon, cash dividends thereon and other cash returns on investment thereon or liabilities expressly assumed by another Person (other than a Group Member) in connection with the sale of such Investment. Whenever the term “outstanding” is used in this Agreement with reference to an Investment, it shall take into account the matters referred to in the preceding sentence.

“LC Basket Limit”: \$225,000,000 less the aggregate amount of any First Lien Incremental Facility added to the First Lien Credit Agreement that is a revolving facility to the extent such revolving facility may be used for letters of credit.

“Lenders”: as defined in the preamble; provided, that unless the context otherwise requires, each reference herein to the Lenders shall be deemed to include any Conduit Lender.

“Lien”: any mortgage, pledge, hypothecation, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any priority or other security agreement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any capital lease having substantially the same economic effect as any of the foregoing).

“Liquidity”: on any date of determination, the sum, without duplication, of (i) the cash and Cash Equivalents which are not subject to any Liens (other than (a) Liens in favor of the First Lien Agent on behalf of the lenders under the First Lien Credit Agreement, (b) Liens in favor of the Collateral Agent on behalf of the Secured Parties, (c) Liens permitted by Section 7.3(c)(ii) and (d) inchoate Liens arising by operation of law which are not the subject of enforcement actions) held by the Borrower and its Subsidiaries on such date and (ii) the aggregate availability under any loan agreements or other lines of credit of the Borrower and its Subsidiaries which are committed for longer than one year from the date of determination.

“Liquidity Event”: Liquidity of the Borrower and its Subsidiaries as of the last day of the most recent fiscal month shall be less than \$650,000,000; provided that, if a Liquidity Event shall occur, it shall be deemed to continue until the next delivery of financial statements pursuant to Section 6.1 of this Agreement demonstrating Liquidity of at least \$650,000,000.

“Loan”: as defined in Section 2.1 and shall include any interest which is paid-in-kind and added to the principal amount of the Loans in accordance with Section 2.12(c).



“Loan Amount”: as to any Lender, the principal amount of Loans issued to such Lender on the Closing Date set forth under the heading “Loan Amount” opposite such Lender’s name on Schedule 1.1A. The original aggregate amount of the Loan Amount is \$550,000,000.

“Loan Documents”: this Agreement, the Security Documents, the Intercreditor Agreement, the Notes and any amendment, waiver, supplement or other modification to any of the foregoing.

“Loan Parties”: the Borrower and the Guarantors.

“Material Adverse Effect”: a material adverse effect on (a) the business, property, operations or financial condition of the Borrower and its Subsidiaries, taken as a whole or (b) the validity or enforceability of this Agreement or any of the other Loan Documents or the rights or remedies of the Administrative Agent, the Collateral Agent or the Lenders hereunder or thereunder.

“Materials of Environmental Concern”: any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including asbestos, polychlorinated biphenyls and urea-formaldehyde insulation.

“Maturity Date”: the third anniversary of the Closing Date.

“Moody’s”: Moody’s Investors Service, Inc.

“Mortgaged Property”: as defined in Section 4.20(b).

“Mortgages”: collectively, any deeds of trust, trust deeds, hypothecs and mortgages creating and evidencing a Lien on any real property made by the Loan Parties in favor of or for the benefit of the Collateral Agent on behalf of the Secured Parties in form and substance reasonably satisfactory to the Administrative Agent, in each case securing the Obligations.

“Multiemployer Plan”: a Plan that is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Net Cash Proceeds”: (a) in connection with any Asset Sale or any Recovery Event, the proceeds thereof in the form of cash and Cash Equivalents (including any such proceeds received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable or otherwise, but only as and when received), net of (i) attorneys’ fees, accountants’ fees, investment banking fees, amounts required to be applied to the repayment of Indebtedness secured by a Lien expressly permitted hereunder on any asset that is the subject of such Asset Sale or Recovery Event (other than any Lien created pursuant to a Security Document) and other third-party fees and expenses actually incurred in connection therewith and (ii) Taxes and Other Taxes paid or reasonably estimated to be payable as a result of any Asset Sale or Recovery Event (after taking into account any available tax credits or deductions and any tax sharing arrangements), (b) in connection with any issuance or sale of Capital Stock or any incurrence of Indebtedness, the cash proceeds received from such issuance or incurrence, net of attorneys’ fees, investment banking fees, accountants’ fees, underwriting discounts and commissions and other customary fees and expenses actually incurred in connection therewith, and (c) in connection with any Receivable Financing Transaction, the initial cash purchase price received by, or Indebtedness incurred by, any Loan Party thereunder (and any increase in the aggregate funded amount thereof) net of attorneys’ fees, investment banking fees, accountants’ fees, underwriting discounts and commissions and other customary fees and expenses actually incurred in connection therewith.

“Non-Excluded Taxes”: as defined in Section 2.17(a).

“Non-U.S. Lender”: as defined in Section 2.17(d).

“Notes”: the collective reference to any promissory note evidencing Loans.

“Obligations”: the unpaid principal of and interest on (including interest accruing after the maturity of the Loans and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding relating to a Loan Party, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Loans and all other obligations and liabilities of the Borrower and each Guarantor (or, in the case of Specified Letters of Credit, each Group Member on whose account such Specified Letter of Credit is issued and guarantee obligations of other Group Members in respect thereof) to the Administrative Agent or to any Lender (or, in the case of Specified Letters of Credit, Specified Swap Agreements and Specified Cash Management Agreements, to the applicable provider thereof), whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any other Loan Document, any Specified Letter of Credit (and related letter of credit applications), any Specified Swap Agreement, any Specified Cash Management Agreement or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, Guarantee Obligations, fees, indemnities, costs, expenses (including all reasonable fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by the Borrower pursuant hereto) or otherwise.

“Other Taxes”: any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document, including any interest, additions to tax or penalties applicable thereto, whether disputed or not.

“Outstanding Amount”: with respect to the Loans at any time, the aggregate principal amount thereof, after giving effect to any borrowings and prepayments or repayments of Loans occurring on such date.

“Outstanding Percentage”: as to any Lender at any time the percentage which is the aggregate principal amount of such Lender’s Loans then outstanding constitutes of the aggregate principal amount of the Loans then outstanding.

“Participant”: as defined in Section 10.6(c).

“Participation Register”: as defined in Section 10.6(c).

“PBGC”: the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor).

“Permitted Acquisition”: any Acquisition by (i) the Borrower or any of its Subsidiaries of all or substantially all of the assets of a Person, or of all or substantially all of any business or division of a Person or (ii) the Borrower or any of its Subsidiaries of no less than 100% of the capital stock, partnership interests, membership interests or equity of any Person, in each case to the extent that:

(a) each of the conditions precedent set forth in Annex III shall have been satisfied in a manner reasonably satisfactory to the Administrative Agent;

(b) such Acquisition shall not be hostile and shall have been approved by the board of directors (or other similar body) and/or the stockholders or other equityholders of the Target; and

(c) no Default or Event of Default is in existence or would occur after giving effect to such Acquisition.

“Permitted Refinancing Indebtedness”: as defined in Section 7.2(s).

“Person”: an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“Petition Date”: as defined in the recitals hereto.

“PIK Election”: as defined in Section 2.12(c).

“Plan”: at a particular time, any employee pension benefit plan (as defined in Section 3(2) of ERISA) in respect of which a Loan Party or any ERISA Affiliate is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Plan of Reorganization” as defined in the recitals hereto.

“Prepetition Credit Agreement Secured Claims”: as defined in the Plan of Reorganization.

“Prime Rate”: the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate in effect at its principal office in New York City (the Prime Rate not being intended to be the lowest rate of interest charged by JPMorgan Chase Bank, N.A. in connection with extensions of credit to debtors).

“Prohibited Transaction”: as defined in Section 406 of ERISA or Section 4975 of the Code.

“Pro Forma Balance Sheet”: as defined in Section 4.18.

“Projections”: as defined in Section 6.2(c).

“Properties”: as defined in Section 4.16(a).

“Receivable Financing Transaction”: any transaction or series of transactions involving a sale for cash of accounts receivable, without recourse based upon the collectibility of the receivables sold, by the Borrower or any of its Subsidiaries to a Special Purpose Subsidiary and a subsequent sale or pledge of such accounts receivable (or an interest therein) by such Special Purpose Subsidiary, in each case without any guarantee by the Borrower or any of its Subsidiaries (other than the Special Purpose Subsidiary).

“Recovery Event”: any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding relating to any asset of any Group Member in an amount in excess of \$2,500,000.

“Refinanced Term Loans”: as defined in Section 10.1(d).

“Register”: as defined in Section 10.6(b).

“Regulation U”: Regulation U of the Board as in effect from time to time.

“Reinvestment Deferred Amount”: with respect to any Reinvestment Event, the aggregate Net Cash Proceeds received by any Group Member in connection therewith that are not applied to prepay the Loans pursuant to Section 2.9(b) as a result of the delivery of a Reinvestment Notice.

“Reinvestment Event”: any Asset Sale or Recovery Event in respect of which the Borrower has delivered a Reinvestment Notice.

“Reinvestment Notice”: a written notice executed by a Responsible Officer stating that no Event of Default has occurred and is continuing and that the Borrower (directly or indirectly through a Subsidiary) intends and expects to use all or a specified portion of the Net Cash Proceeds of an Asset Sale or a Recovery Event in the business.

“Reinvestment Prepayment Amount”: with respect to any Reinvestment Event, the Reinvestment Deferred Amount relating thereto less any amount expended prior to the relevant Reinvestment Prepayment Date to acquire or repair assets useful in the businesses of the Borrower and its Subsidiaries.

“Reinvestment Prepayment Date”: with respect to any Reinvestment Event, the earlier of (a) the date occurring 360 days after such Reinvestment Event (provided that if on such 360<sup>th</sup> day, the applicable Reinvestment Prepayment Amount is contractually committed to acquire or repair assets useful in the businesses of the Borrower and its Subsidiaries, the Reinvestment Prepayment Date with respect to such amount shall be the earlier of (i) the date occurring 450 days after such Reinvestment Event, (ii) the date of termination of such commitment, and (iii) if such amount is not so expended, the first Business Day following the date such amount was contractually committed to be expended) and (b) the date on which the Borrower shall have determined not to, or shall have otherwise ceased to, acquire or repair assets useful in the businesses of the Borrower and its Subsidiaries with all or any portion of the relevant Reinvestment Deferred Amount.

“Related Parties”: as defined in Section 9.3.

“Replacement Term Loans”: as defined in Section 10.1(d).

“Reorganization”: with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

“Reorganized Lear Corporation”: Lear Corporation, as reorganized pursuant to and under the Plan of Reorganization.

“Reportable Event”: any of the events set forth in Section 4043(c) of ERISA or the regulations thereunder, other than those events as to which the thirty day notice period is waived under PBGC regulations.

“Required Lenders”: at any time, Lenders holding more than 50% of the Outstanding Amount; provided that the portion of the Outstanding Amount held or deemed held by any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

“Requirement of Law”: as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Responsible Officer”: with respect to any Loan Party, the chief executive officer, the president, the chief financial officer, any vice president, the treasurer or the assistant treasurer of such Loan Party.

“Restricted Payments”: as defined in Section 7.6.

“S&P”: Standard & Poor’s Ratings Services.

“SEC”: the Securities and Exchange Commission, any successor thereto and any analogous Governmental Authority.

“Secured Parties”: collectively, the Administrative Agent, the Lenders, each provider under a Specified Cash Management Agreement, each issuer of a Specified Letter of Credit, each counterparty to a Specified Swap Agreement, the Persons entitled to indemnification under the Loan Documents and each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.2.

“Security Documents”: the collective reference to the Guarantee and Collateral Agreement, the Mortgages and all other security documents hereafter delivered to the Administrative Agent and the Collateral Agent granting a Lien on any property of any Person to secure the obligations and liabilities of any Loan Party under any Loan Document.

“Seller Debt”: unsecured debt owing to the seller in a Permitted Acquisition.

“Series A Preferred Stock”: as defined in the Plan of Reorganization.

“Single Employer Plan”: any Plan that is covered by Title IV of ERISA, but that is not a Multiemployer Plan.

“Solvent”: when used with respect to any Person, means that, as of any date of determination, (a) the amount of the “present fair saleable value” of the assets of such Person will, as of such date, exceed the amount of all “liabilities of such Person, contingent or otherwise”, as of such date, as such quoted terms are determined in accordance with applicable federal and state laws governing determinations of the insolvency of debtors, (b) the present fair saleable value of the assets of such Person will, as of such date, be greater than the amount that will be required to pay the liability of such Person on its debts as such debts become absolute and matured, (c) such Person will not have, as of such date, an unreasonably small amount of capital with which to conduct its business, and (d) such Person will be able to pay its debts as they mature. For purposes of this definition, (i) “debt” means liability on a “claim”, and (ii) “claim” means any (x) right to payment, whether or not such a right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured or (y) right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured or unmatured, disputed, undisputed, secured or unsecured.

“Special Purpose Subsidiary”: any Wholly Owned Subsidiary of the Borrower created by the Borrower for the sole purpose of facilitating a Receivable Financing Transaction; provided, that such

Special Purpose Subsidiary shall cease to be a Special Purpose Subsidiary if at any time (a) such Special Purpose Subsidiary engages in any business other than Receivable Financing Transactions and activities directly related thereto or (b) the Borrower or any of its Subsidiaries (other than a Special Purpose Subsidiary) or any of their respective assets incur any liability, direct or indirect, contingent or otherwise, in respect of any obligation of a Special Purpose Subsidiary whether arising under or in connection with any Receivable Financing Transaction or otherwise (other than Standard Securitization Undertakings); provided further, however, that if the law of a jurisdiction in which the Borrower proposes to create a Special Purpose Subsidiary does not provide for the creation of a bankruptcy remote entity that is acceptable to the Borrower or requires the formation of one or more additional entities (whether or not Subsidiaries of the Borrower), such other type of entity may, upon the request of the Borrower and with the consent of the Administrative Agent (such consent not to be unreasonably withheld) serve as a “Special Purpose Subsidiary.”

“Specified Cash Management Agreement”: any agreement providing for treasury, depository or cash management services, including in connection with any automated clearing house transactions, controlled disbursements, return items, overdrafts, interstate depository network services or any similar transactions between the Borrower or any Guarantor (or guaranteed by the Borrower or any Guarantor) and any “Lender” under the First Lien Credit Agreement (or any affiliate thereof) or any Lender hereunder at the time such obligations were created; provided that, prior to the First Priority Obligations Payment Date, any agreement that is a “Specified Cash Management Agreement” under the First Lien Credit Agreement shall not be a Specified Cash Management Agreement hereunder.

“Specified Jurisdiction”: any country, state or other jurisdictional subdivision outside North America or Europe.

“Specified Letters of Credit”: any letter of credit (a) issued for the account of any Group Member by any “Lender” under the First Lien Credit Agreement or Lender hereunder at the time such agreement is entered into or any affiliate thereof at the time such letter of credit is issued and (b) that has been designated by the relevant Lender and such Group Member, by written notice to the Administrative Agent prior to the issuance thereof (or, in the case of a First Lien Specified Letter of Credit that shall be continued as Specified Letter of Credit, on or prior to the First Priority Obligations Payment Date), as a Specified Letter of Credit and with respect to which the Administrative Agent has confirmed to the relevant issuer sufficient availability pursuant to Section 7.2(i). Such designation shall not create in favor of such issuer or affiliate thereof any rights in connection with the management or release of any Collateral or of the obligations of any Loan Party hereunder or under any Collateral Document. Notwithstanding the foregoing, prior to the First Priority Obligations Payment Date, any letter of credit that is a “Specified Letter of Credit” under the First Lien Credit Agreement shall not be a Specified Letter of Credit hereunder.

“Specified Swap Agreement”: any Swap Agreement (a) entered into by the Borrower or any Guarantor and (i) any Person that is a “Lender” under the First Lien Credit Agreement or an affiliate of a “Lender” under the First Lien Credit Agreement or (ii) any Person that is a Lender hereunder or an affiliate of a Lender hereunder, in each case at the time such Swap Agreement is entered into and (b) that has been designated by the relevant counterparty and such Group Member, by written notice to the Administrative Agent prior to the effectiveness thereof (or, in the case of a First Lien Specified Swap Agreement that shall be continued as Specified Swap Agreement, on or prior to the First Priority Obligations Payment Date), as a Specified Swap Agreement. Such designation shall not create in favor of such counterparty or affiliate thereof any rights in connection with the management or release of any Collateral or of the obligations of any Loan Party hereunder or under any Collateral Document. Notwithstanding the foregoing, prior to the First Priority Obligations Payment Date, any Swap Agreement that is a “Specified Swap Agreement” under the First Lien Credit Agreement shall not be a Specified

Swap Agreement hereunder. For purposes hereof a Specified Swap Agreement shall include any trade executed pursuant to a master agreement which is a Specified Swap Agreement.

“Standard Securitization Undertakings”: representations, warranties, covenants and indemnities entered into by the Borrower or any Subsidiary thereof in connection with a Receivable Financing Transaction which are reasonably customary in an accounts receivable financing transaction.

“Subsidiary”: as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person (exclusive of any Affiliate in which such Person has a minority ownership interest). Unless otherwise qualified, all references to a “Subsidiary” or to “Subsidiaries” in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower.

“Swap Agreement”: any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

“Target”: the Person, or business or substantially all of the assets of a Person or a division of a Person intended to be acquired in a Permitted Acquisition.

“Taxes”: all present or future taxes, duties, levies, imposts, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto, whether disputed or not.

“3% Subsidiary”: at any time, any Subsidiary of the Borrower which, based on the financial statements most recently delivered pursuant to subsection 6.1(a) or (b), constituted at least 3% of Consolidated Assets or for the twelve month period ended on the date of such financial statements represented at least 3% of Consolidated Revenues, in each case determined using the equity method of accounting in accordance with GAAP.

“Title Insurance Company”: as defined in Section 5(t)(ii).

“Transferee”: any Assignee or Participant.

“Type”: as to any Loan, its nature as an ABR Loan or a Eurodollar Loan.

“UCC”: the Uniform Commercial Code, as in effect from time to time in the State of New York or any other applicable jurisdiction.

“United States”: the United States of America.

“Wholly Owned Subsidiary”: as to any Person, any other Person all of the Capital Stock of which (other than directors’ qualifying shares required by law) is owned by such Person directly and/or through other Wholly Owned Subsidiaries.

**“Withdrawal Liability”**: liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

1.2. **Other Definitional Provisions.** (a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Loan Documents or any certificate or other document made or delivered pursuant hereto or thereto.

(b) As used herein and in the other Loan Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i) accounting terms relating to any Group Member not defined in Section 1.1 and accounting terms partly defined in Section 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP, as in effect from time to time; provided that, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn by the Borrower or the Administrative Agent, as the case may be, or such provision amended in accordance herewith, (ii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”, (iii) the word “incur” shall be construed to mean incur, create, issue, assume or become liable in respect of or suffer to exist (and the words “incurred” and “incurrence” shall have correlative meanings), (iv) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, Capital Stock, securities, revenues, accounts, leasehold interests and contract rights, and (v) references to agreements or other Contractual Obligations shall, unless otherwise specified, be deemed to refer to such agreements or Contractual Obligations as amended, supplemented, restated or otherwise modified from time to time.

(c) The words “hereof”, “herein” and “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(e) When determining whether a Default or Event of Default pursuant to Section 7.1 shall be in existence after giving pro forma effect to a certain event, the covenant levels to be used in making such determination shall be those in effect as of the last day of the most recent fiscal quarter of the Borrower for which financial reports are required to have been delivered pursuant to Section 6.1.

## SECTION 2. AMOUNT AND TERMS OF LOANS

2.1. **Loans.** Subject to the terms and conditions set forth herein and to give effect to the Plan of Reorganization and provide for the repayment, in part, of the Prepetition Credit Agreement Secured Claims, each Lender listed on Schedule 1.1A hereto shall be deemed to have made term loans (the “**Loans**”) to the Borrower on the Closing Date in the full amount of such Lender’s Loan Amount. The Loans deemed made on the Closing Date shall be made without any actual funding and shall initially be



Eurodollar Loans with a \_\_\_\_ — month<sup>1</sup> interest period. The Loans may from time to time be Eurodollar Loans or ABR Loans, as determined by the Borrower and notified to the Administrative Agent in accordance with Section 2.10.

2.2. [Reserved].

2.3. [Reserved].

2.4. Maturity and Repayment of Loans. The Loan of each Lender shall mature in a single installment on the Maturity Date.

2.5. [Reserved].

2.6. Prepayment Premium; Fees. (a) The Borrower agrees to pay to the Administrative Agent, for the account of each Lender, a call premium (the “Call Premium”) equal to 2% of the principal amount of such Lender’s Loans repaid on or after the second anniversary of the Closing Date, such Call Premium to be payable on the date of such repayment; provided, however, that if the outstanding principal balance of the Lenders’ Loans are not repaid in full on or prior to the Maturity Date, the Call Premium on such outstanding principal balance shall be payable on the Maturity Date rather than on the date of such repayment.

(b) The Borrower agrees to pay to the Administrative Agent the fees in the amounts and on the dates as set forth in any fee agreements with the Administrative Agent and to perform any other obligations contained therein.

2.7. [Reserved].

2.8. Optional Prepayments. The Borrower may at any time and from time to time prepay the Loans, in whole or in part, without premium or penalty, upon irrevocable notice delivered to the Administrative Agent no later than 1:00 P.M., New York City time, three Business Days prior thereto, in the case of Eurodollar Loans, and one Business Day prior thereto, in the case of ABR Loans (provided that ABR Loans may be prepaid on the same Business Day if notice is received by the Administrative Agent no later than 12:00 P.M., New York City time), which notice shall specify the date and amount of prepayment and Type of the Loans being prepaid, as applicable; provided, that if a Eurodollar Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to Section 2.18. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, together with accrued interest to such date on the amount prepaid. Partial prepayments of Loans shall be in an aggregate principal amount of \$1,000,000 or a whole multiple of \$1,000,000 in excess thereof. Partial optional prepayments of the Loans shall be ratable as among the Lenders thereof.

2.9. Mandatory Prepayments. (a) If any Capital Stock or Indebtedness shall be issued or incurred by any Group Member (excluding any Excluded Issuance and any Indebtedness permitted by Section 7.2(a) through (s)) an amount equal to the Equity Sweep Percentage of such Net Cash Proceeds in the case of Capital Stock and 100% of the Net Cash Proceeds in the case of Indebtedness shall be applied by the Borrower on the date of receipt thereof by such Group Member toward the prepayment of the Loans as set forth in Section 2.9(e).

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<sup>1</sup> Please indicate the length of the initial LIBOR period Lear is requesting.

(b) If on any date any Group Member shall receive Net Cash Proceeds from any Asset Sale or Recovery Event then, unless a Reinvestment Notice shall have been timely delivered in respect thereof, an amount equal to 100% of such Net Cash Proceeds shall be applied by or on behalf of the Borrower promptly but no later than the end of the fiscal month following the fiscal month in which such Net Cash Proceeds are received) toward the prepayment of the Loans as set forth in Section 2.9(e); provided that notwithstanding the foregoing, (i) the aggregate Net Cash Proceeds of Asset Sales that may be excluded from the foregoing prepayment requirement pursuant to Reinvestment Notices shall not exceed \$150,000,000 in any fiscal year of the Borrower and (ii) on each Reinvestment Prepayment Date, an amount equal to the Reinvestment Prepayment Amount with respect to the relevant Reinvestment Event shall be applied toward the prepayment of the Loans as set forth in Section 2.9(e).

(c) If, for (i) the period from the first anniversary of the Closing Date through the end of the then current fiscal year of the Borrower or (ii) any fiscal year of the Borrower thereafter, there shall be Excess Cash Flow, the Borrower shall, on the relevant Excess Cash Flow Application Date, apply the ECF Percentage of such Excess Cash Flow toward the prepayment of the Loans as set forth in Section 2.9(e). Each such prepayment shall be made on a date (an "Excess Cash Flow Application Date") no later than five Business Days after the earlier of (i) the date on which the financial statements of the Borrower referred to in Section 6.1(a), for the fiscal year with respect to which such prepayment is made, are required to be delivered to the Lenders and (ii) the date such financial statements are actually delivered.

(d) Following the establishment of any Receivable Financing Transaction by the Borrower or any of its Domestic Subsidiaries, an amount equal to 100% of the Net Cash Proceeds thereof shall be promptly applied by or on behalf of the Borrower toward the prepayment of the Loans as set forth in Section 2.9(e).

(e) Amounts to be applied in connection with prepayments made pursuant to this Section 2.9 shall be made ratably among the Lenders of the Loans. The application of any prepayment made pursuant to this Section 2.9 shall be made, first, to ABR Loans and, second, to Eurodollar Loans. Each prepayment of the Loans under Section 2.9 shall be accompanied by accrued interest to the date of such prepayment on the amount prepaid, the Call Premium owing pursuant to Section 2.6(a) (if applicable) and, if a Eurodollar Loan is prepaid on any day other the last day of the Interest Period applicable thereto, the Borrower shall also pay amounts owing pursuant to Section 2.18.

(f) Notwithstanding anything to the contrary in this Agreement, Section 2.9 shall not apply, and no mandatory repayment of Loans shall be required to be made pursuant hereto, until after the First Lien Loans (and accrued interest thereon) have been repaid in full and any letters of credit outstanding under the First Lien Credit Agreement and any outstanding First Lien Specified Letters of Credit have been cash collateralized, in each case to the extent required under the First Lien Credit Agreement and the documentation for the First Lien Specified Letters of Credit.

2.10. Conversion and Continuation Options. (a) The Borrower may elect from time to time to convert Eurodollar Loans to ABR Loans by giving the Administrative Agent prior irrevocable notice of such election no later than 11:00 A.M., New York City time, on the Business Day preceding the proposed conversion date. The Borrower may elect from time to time to convert ABR Loans to Eurodollar Loans by giving the Administrative Agent prior irrevocable notice of such election no later than 11:00 A.M., New York City time, on the third Business Day preceding the proposed conversion date (which notice shall specify the length of the initial Interest Period therefor), provided that no ABR Loan may be converted into a Eurodollar Loan when any Event of Default has occurred and is continuing and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such conversions. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof.

(b) Any Eurodollar Loan may be continued as such upon the expiration of the then current Interest Period with respect thereto by the Borrower giving irrevocable notice to the Administrative Agent, in accordance with the applicable provisions of the term “Interest Period” set forth in Section 1.1, of the length of the next Interest Period to be applicable to such Loans, provided that no Eurodollar Loan may be continued as such when any Event of Default has occurred and is continuing and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuations, and provided, further, that if the Borrower shall fail to give any required notice as described above in this paragraph or if such continuation is not permitted pursuant to the preceding proviso such Loans shall be automatically converted to ABR on the last day of such then expiring Interest Period. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof.

2.11. Limitations on Eurodollar Tranches. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Eurodollar Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that, (a) after giving effect thereto, the aggregate principal amount of the Eurodollar Loans comprising each Eurodollar Tranche shall be equal to \$1,000,000 or a whole multiple of \$500,000 in excess thereof and (b) no more than ten Eurodollar Tranches shall be outstanding at any one time.

2.12. Interest Rates and Payment Dates. (a) Subject to the provisions of Section 2.12(c) and (d), each Eurodollar Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurodollar Rate determined for such day plus the Applicable Margin.

(b) Subject to the provisions of Section 2.12(c) and (d), each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin.

(c) Notwithstanding anything to the contrary contained in this Section 2.12, upon the occurrence and during the continuance of a Liquidity Event, interest on the Loans for the succeeding Interest Period shall be paid, at the Borrower’s option, in cash (a “Cash Election”) or by increasing the principal amount of the outstanding Loans (a “PIK Election”), in each case quarterly in arrears. The Borrower shall make an Interest Election with respect to each Interest Period by providing prior irrevocable notice of such election (the “Interest Election Notice”) no later than 11:00 A.M., New York City time, on the third Business Day preceding the beginning of such Interest Period. Each Interest Election Notice shall include information to the following effect: (1) the relevant Interest Payment Date, (2) whether the Borrower is electing a Cash Election or a PIK Election and (3) if the Borrower elects a PIK Election, the increase in the principal amount of the Loans to be effective upon the relevant Interest Payment Date as a result of such payment and the principal amount of the Loans outstanding as of such Interest Payment Date after giving effect to such payment. If the Borrower shall fail to give timely notice as described above in this paragraph, the Borrower shall be deemed to have elected to continue with the last Interest Election made for the previous period (and in the case of the first Interest Election upon the occurrence of a Liquidity Event, the Borrower shall be deemed to have made a Cash Election).

(d) If any Event of Default shall have occurred and be continuing, on and after the date the Borrower receives notice from the Administrative Agent stating that interest is to accrue pursuant to this paragraph (d) or following acceleration of payment of the Loans, all outstanding Loans and other Obligations under the Loan Documents (whether or not overdue at such time) shall bear interest at a rate per annum equal to (i) in the case of the Loans, the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this Section plus 2% or and (ii) in the case of any other Obligation, the rate then applicable to ABR Loans plus 2%, in each case, with respect to clauses (i) and (ii) above, from the date of such non-payment until such amount is paid in full (after as well as before judgment).

(e) Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to paragraph (d) of this Section shall be payable from time to time on demand.

2.13. Computation of Interest and Fees. (a) Interest and fees payable pursuant hereto shall be calculated on the basis of a 360-day year for the actual days elapsed, except that, with respect to ABR Loans the rate of interest on which is calculated on the basis of the Prime Rate, the interest thereon shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of each determination of a Eurodollar Rate. Any change in the interest rate on a Loan resulting from a change in the ABR or the Eurocurrency Reserve Requirements shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of the effective date and the amount of each such change in interest rate.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be presumptively correct and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Borrower, deliver to the Borrower a statement showing the quotations used by the Administrative Agent in determining any interest rate pursuant to Section 2.12(a).

2.14. Inability to Determine Interest Rate. If prior to the first day of any Interest Period:

(a) the Administrative Agent shall have determined (which determination shall be presumptively correct and binding upon the Borrower) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Eurodollar Rate for such Interest Period, or

(b) the Administrative Agent shall have received notice from the Required Lenders that the Eurodollar Rate determined or to be determined for such Interest Period will not adequately and fairly reflect the cost to such Lenders (as conclusively certified by such Lenders) of making or maintaining their affected Loans during such Interest Period,

the Administrative Agent shall give telecopy or telephonic notice thereof to the Borrower and the relevant Lenders as soon as practicable thereafter. If such notice is given (x) any Eurodollar Loans requested to be made on the first day of such Interest Period shall be made as ABR Loans, (y) any Loans that were to have been converted on the first day of such Interest Period to Eurodollar Loans shall be continued as ABR Loans and (z) any outstanding Eurodollar Loans shall be converted, on the last day of the then-current Interest Period, to ABR Loans. Until such notice has been withdrawn by the Administrative Agent (which the Administrative Agent shall do promptly after the circumstances giving rise to such event no longer exist), no further Eurodollar Loans shall be made or continued as such, nor shall the Borrower have the right to convert Loans to Eurodollar Loans.

2.15. Pro Rata Treatment and Payments. (a) Except as otherwise provided herein, each payment by the Borrower on account of any fee payable to Lenders shall be made pro rata according to the respective Outstanding Percentages of the relevant Lenders entitled thereto.

(b) Except as otherwise provided herein, each payment (including each prepayment) by the Borrower on account of principal of and interest on the Loans and each payment of the Call Premium (if applicable) shall be made pro rata according to the respective Outstanding Percentages of the relevant Lenders entitled thereto. Amounts prepaid on account of the Loans may not be reborrowed.

(c) All payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, interest, fees or otherwise, shall be made without setoff or counterclaim and shall be made prior to 12:00 Noon, New York City time, on the due date thereof to the Administrative Agent, for the account of the Lenders, at the Funding Office, in Dollars and in immediately available funds. The Administrative Agent shall distribute such payments to each relevant Lender promptly upon receipt in like funds as received. If any payment hereunder (other than payments on the Eurodollar Loans) becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day. If any payment on a Eurodollar Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. In the case of any extension of any payment of principal pursuant to the preceding two sentences, interest thereon shall be payable at the then applicable rate during such extension.

(d) [Reserved]

(e) Unless the Administrative Agent shall have been notified in writing by the Borrower prior to the date of any payment due to be made by the Borrower hereunder that the Borrower will not make such payment to the Administrative Agent, the Administrative Agent may assume that the Borrower is making such payment, and the Administrative Agent may, but shall not be required to, in reliance upon such assumption, make available to the Lenders their respective pro rata shares of a corresponding amount. If such payment is not made to the Administrative Agent by the Borrower within three Business Days after such due date, the Administrative Agent shall be entitled to recover, on demand, from each Lender to which any amount which was made available pursuant to the preceding sentence, such amount with interest thereon at the rate per annum equal to the daily average Federal Funds Effective Rate. Nothing herein shall be deemed to limit the rights of the Administrative Agent or any Lender against the Borrower.

(f) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.15(e) or 9.7, then the Administrative Agent may, in its discretion (notwithstanding any contrary provision of this Agreement), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

2.16. Requirements of Law. (a) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority, in each case, made subsequent to the date hereof:

- (i) shall subject any Lender to any tax of any kind whatsoever with respect to this Agreement or any Eurodollar Loan made by it, or change the basis of taxation of payments to such Lender in respect thereof (except for Non-Excluded Taxes covered by Section 2.17 and changes in the rate of tax on the overall net income of such Lender);
- (ii) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the

account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any office of such Lender that is not otherwise included in the determination of the Eurodollar Rate; or

(iii) shall impose on such Lender any other condition;

and the result of any of the foregoing is to increase the cost to such Lender, by an amount that such Lender reasonably deems to be material, of making, converting into, continuing or maintaining Eurodollar Loans, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Borrower shall promptly pay such Lender, within 30 days after receipt of a reasonably detailed invoice therefor, any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable. If any Lender becomes entitled to claim any additional amounts pursuant to this paragraph, it shall promptly notify the Borrower (with a copy to the Administrative Agent) of the event by reason of which it has become so entitled.

(b) If any Lender shall have determined that the adoption of or any change in any Requirement of Law regarding capital adequacy or in the interpretation or application thereof or compliance by such Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy (whether or not having the force of law) from any Governmental Authority, in each case, made subsequent to the date hereof shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy) by an amount reasonably deemed by such Lender to be material, then from time to time, after submission by such Lender to the Borrower (with a copy to the Administrative Agent) of a written request therefor, the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or such corporation for such reduction.

(c) A certificate as to any additional amounts payable pursuant to this Section submitted by any Lender to the Borrower (with a copy to the Administrative Agent) shall be presumptively correct in the absence of manifest error. Notwithstanding anything to the contrary in this Section, the Borrower shall not be required to compensate a Lender pursuant to this Section for any amounts incurred more than nine months prior to the date that such Lender notifies the Borrower of such Lender's intention to claim compensation therefor; provided that, if the circumstances giving rise to such claim have a retroactive effect, then such nine-month period shall be extended to include the period of such retroactive effect. The obligations of the Borrower pursuant to this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.17. Taxes. (a) All payments made by or on account of any Loan Party under this Agreement or any other Loan Document shall be made free and clear of, and without deduction or withholding for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority (including any interest, addition to tax or penalties applicable thereto), excluding income taxes and franchise taxes (imposed in lieu of net income taxes) and taxes imposed on or measured by the Administrative Agent's or any Lender's net profits if such tax is imposed as a result of a present or former connection between the Administrative Agent or such Lender and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from the Administrative Agent or such Lender having executed, delivered or performed its obligations or received a payment under, or enforced, this Agreement or any other Loan Document). If any such non-excluded taxes, levies, imposts, duties, charges, fees, deductions or withholdings ("Non-Excluded Taxes") or any Other Taxes are

required to be withheld from any amounts payable to the Administrative Agent or any Lender hereunder or under any other Loan Document, the amounts so payable to the Administrative Agent or such Lender shall be increased to the extent necessary to yield to the Administrative Agent or such Lender (after payment of all Non-Excluded Taxes and Other Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement; provided, however, that the Borrower shall not be required to increase any such amounts payable to the Administrative Agent or any Lender with respect to any Non-Excluded Taxes (i) that are attributable to the Administrative Agent's or such Lender's failure to comply with the requirements of paragraph (d) or (e) of this Section or (ii) that are United States withholding taxes imposed on amounts payable to the Administrative Agent or such Lender at the time the Administrative Agent or such Lender becomes a party to this Agreement, except to the extent that the Administrative Agent's or such Lender's assignor (if any) was entitled, at the time of assignment, to receive additional amounts from the Borrower with respect to such Non-Excluded Taxes pursuant to this paragraph (a).

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Whenever any Non-Excluded Taxes or Other Taxes are payable by any Loan Party, as promptly as reasonably possible thereafter such Loan Party shall send to the Administrative Agent for its own account or for the account of the relevant Lender, as the case may be, (i) a certified copy of an original official receipt received by such Loan Party showing payment thereof or (ii) if such Loan Party reasonably determines that it is unable to provide a certified copy of such receipt, a certificate as to the amount of such payment. If the relevant Loan Party fails to pay any Non-Excluded Taxes or Other Taxes when due to the appropriate taxing authority or fails to remit to the Administrative Agent copies of the required receipts or other required documentary evidence, such Loan Party shall indemnify the Administrative Agent and the Lenders for any incremental taxes, interest or penalties that may become payable by the Administrative Agent or any Lender as a result of any such failure.

(d) Each Lender (or Transferee) that is not a "United States Person" as defined in Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to the Borrower and the Administrative Agent (or, in the case of a Participant, to the Administrative Agent and the Lender from which the related participation shall have been purchased) two copies of either U.S. Internal Revenue Service ("IRS") Form W-8BEN claiming eligibility for benefits of an income tax treaty to which the United States is a party, Form W-8ECI or Form W-8IMY (accompanied by applicable underlying IRS forms), or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of Exhibit F and two copies of the applicable Form W-8, or any subsequent versions thereof or successors thereto, in each case properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on all payments by the Borrower under this Agreement and the other Loan Documents. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation). In addition, each Non-U.S. Lender shall deliver such forms promptly upon the expiration, obsolescence or invalidity of any form previously delivered by such Non-U.S. Lender. Each Non-U.S. Lender shall promptly notify the Borrower and the Administrative Agent at any time it determines that it is no longer in a position to provide any previously delivered certificate to the Borrower and the Administrative Agent (or any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this paragraph, a Non-U.S. Lender shall not be required to deliver any form pursuant to this paragraph that such Non-U.S. Lender is not legally able to deliver.

(e) A Lender that is entitled to an exemption from or reduction of non-U.S. withholding tax under the law of the jurisdiction in which the Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law or reasonably requested by the Borrower (or the Administrative Agent), such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate, provided that such Lender is legally entitled to complete, execute and deliver such documentation and in such Lender's reasonable judgment such completion, execution or submission would not materially prejudice the commercial or legal position of such Lender.

(f) Any Lender that is a United States person as defined in Section 7701(a)(30) of the Code shall deliver to the Borrower (with a copy to the Administrative Agent) a duly completed and signed IRS Form W-9 (or successor form) establishing that the Lender is organized under the laws of the United States and is not subject to backup withholding.

(g) If the Administrative Agent or any Lender determines, in its sole discretion (exercised in good faith), that it has received a refund of any Non-Excluded Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.17, it shall pay over such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.17 with respect to the Non-Excluded Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); within 45 Business Days of the determination that the Borrower is entitled to such refund provided, that the Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. This paragraph shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Borrower or to any other Person.

(h) Each Lender shall indemnify the Administrative Agent, within 10 days after demand therefor, for the full amount of any Taxes attributable to such Lender that are payable or paid by the Administrative Agent, and reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error.

(i) The agreements in this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.18. Indemnity. The Borrower agrees to indemnify each Lender for, and to hold each Lender harmless from, any loss or expense that such Lender may sustain or incur as a consequence of (a) default by the Borrower in making a conversion into or continuation of Eurodollar Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement (other than by operation of Section 2.14), (b) default by the Borrower in making any prepayment of or conversion from Eurodollar Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement or (c) the making of a prepayment of Eurodollar Loans on a day that is not the last day of an Interest Period with respect thereto. Such indemnification may include an amount equal to the excess, if any, of (i) the amount of interest that would have accrued on the amount so prepaid, or not so converted or continued, for the period from the date of such prepayment or of such failure to



convert or continue to the last day of such Interest Period (or, in the case of a failure to convert or continue, the Interest Period that would have commenced on the date of such failure) in each case at the applicable rate of interest for such Loans provided for herein (excluding, however, the Applicable Margin included therein, if any) over (ii) the amount of interest (as reasonably determined by such Lender) that would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the interbank eurodollar market. A certificate as to any amounts payable pursuant to this Section submitted to the Borrower by any Lender shall be presumptively correct in the absence of manifest error. This covenant shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.19. Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.16 or 2.17(a) with respect to such Lender, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event with the object of avoiding the consequences of such event; provided, that such designation is made on terms that, in the sole judgment of such Lender, cause such Lender and its lending office(s) to suffer no economic, legal or regulatory disadvantage, and provided, further, that nothing in this Section shall affect or postpone any of the obligations of the Borrower or the rights of any Lender pursuant to Section 2.16 or 2.17(a).

2.20. Intercreditor Agreement. Each Lender hereby authorizes and directs the Administrative Agent and the Collateral Agent to enter into the Intercreditor Agreement on its behalf and hereby approves and agrees to be bound by the terms of the Intercreditor Agreement (including the subordination of its Liens on the Collateral to the extent provided in the Intercreditor Agreement). Notwithstanding anything to the contrary herein, in the case of any inconsistency between this Agreement and the Intercreditor Agreement, the Intercreditor Agreement shall govern. The Lenders acknowledge that the First Lien Loans, First Lien Specified Letters of Credit, First Lien Specified Swap Agreements and First Lien Specified Cash Management Agreements and related obligations are secured by the Collateral, subject to the Intercreditor Agreement, and that the First Lien Obligations may be increased from time to time, including pursuant to the First Lien Incremental Facility or by amendment.

2.21. No Requirement of Lender Signatures. Each Lender listed on Schedule 1.1A shall be a party hereto in accordance with the Plan of Reorganization and, pursuant to the Plan of Reorganization, is bound hereby without the requirement of any Lender to execute a signature page hereto.

### SECTION 3. [RESERVED]

### SECTION 4. REPRESENTATIONS AND WARRANTIES

To induce the Agents and the Lenders to enter into this Agreement, each Loan Party hereby jointly and severally represents and warrants to the Agents and each Lender that:

4.1. No Change. Since the Petition Date, there has been no development or event that has had or could reasonably be expected to have a Material Adverse Effect (it being agreed that solely for purposes of this Section 4.1 no change in automotive industry conditions or in banking, financial or capital markets on and after such date which does not disproportionately adversely affect the Borrower and its Subsidiaries, taken as a whole, shall have a Material Adverse Effect).

4.2. Existence; Compliance with Law. Each Loan Party (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has the power and authority, and the legal right, to own and operate its property, to lease the property it operates as lessee

and to conduct the business in which it is currently engaged, (c) is duly qualified as a foreign corporation or other organization and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification and (d) is in compliance with all Requirements of Law.

4.3. Power; Authorization; Enforceable Obligations. Upon entry by the Bankruptcy Court of the Confirmation Order, each Loan Party has the power and authority, and the legal right, to make, deliver and perform the Loan Documents to which it is a party and, in the case of the Borrower, to issue the Loans hereunder. Each Loan Party has taken all necessary organizational action to authorize the execution, delivery and performance of the Loan Documents to which it is a party and, in the case of the Borrower, to authorize the issuance of the Loans on the terms and conditions of this Agreement. No consent or authorization of, filing with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the issuance of the Loans hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement or any of the Loan Documents except (i) consents, authorizations, filings and notices described in Schedule 4.3, which consents, authorizations, filings and notices have been obtained or made and are in full force and effect and (ii) the filings referred to in Section 4.20. Each Loan Document has been duly executed and delivered on behalf of each Loan Party thereto. This Agreement constitutes, and each other Loan Document upon execution will constitute, a legal, valid and binding obligation of each Loan Party party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

4.4. No Legal Bar. The execution, delivery and performance of this Agreement and the other Loan Documents, the issuance of the Loans hereunder will not violate any Requirement of Law or any Contractual Obligation of any Loan Party and will not result in, or require, the creation or imposition of any Lien on any of their respective properties or revenues pursuant to any Requirement of Law or any such Contractual Obligation (other than the Liens created by the Loan Documents and the First Lien Loan Documents).

4.5. Litigation. No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened by or against any Loan Party or against any of their respective properties or revenues (including with respect to the Loan Documents) that could reasonably be expected to have a Material Adverse Effect.

4.6. No Default. No Loan Party is in default under or with respect to any of its Contractual Obligations in any respect that could reasonably be expected to have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.

4.7. Ownership of Property; Liens. Except as could not reasonably be expected to have a Material Adverse Effect, each Loan Party has title in fee simple to, or a valid leasehold, subleasehold, license or other interest in, all its real property, and good title to, or a valid leasehold interest in, all its other property, and none of such property, except for minor encumbrances and defects in title that do not materially interfere with its ability to conduct its business as currently conducted or to utilize such properties and assets for their intended purposes is subject to any Lien except as permitted by Section 7.3.

4.8. Intellectual Property. Each Loan Party owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted. No material claim has been asserted and is pending by any Person against any Loan Party challenging or questioning the use of any Intellectual Property or the validity or effectiveness of any Intellectual Property of any Loan Party, nor

does the Borrower know of any valid basis for any such claim. To the knowledge of the Borrower, no use by each Loan Party of any of its material Intellectual Property infringes on the rights of any Person in any material respect.

4.9. Taxes. Each Loan Party has filed or caused to be filed all Federal and material state and other material tax returns that are required to be filed and has paid all taxes shown to be due and payable on said returns or on any material assessments made against it or any of its property and all other material taxes, fees or other charges imposed on it or any of its property by any Governmental Authority (except any such taxes the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP (where GAAP requires such reserves) have been provided on the books of the relevant Loan Party); no tax Lien has been filed, and, to the knowledge of the Borrower, no claim is being asserted, with respect to any such tax, fee or other charge.

4.10. Federal Regulations. No part of the proceeds of any Loans, and no other extensions of credit hereunder, will be used (a) for “buying” or “carrying” any “margin stock” within the respective meanings of each of the quoted terms under Regulation U as now and from time to time hereafter in effect for any purpose that violates the provisions of the Regulations of the Board or (b) for any purpose that violates the provisions of the Regulations of the Board. If requested by any Lender or the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form G-3 or FR Form U-1, as applicable, referred to in Regulation U.

4.11. Labor Matters. Except as, in the aggregate, could not reasonably be expected to have a Material Adverse Effect: (a) there are no strikes or other labor disputes against any Loan Party pending or, to the knowledge of the Borrower, threatened; (b) hours worked by and payment made to employees of each Loan Party have not been in violation of the Fair Labor Standards Act or any other applicable Requirement of Law dealing with such matters; and (c) all payments due from any Loan Party on account of employee health and welfare insurance have been, in all material respects, paid or accrued as a liability on the books of the relevant Loan Party.

4.12. ERISA. Except, in the aggregate, as could not reasonably be expected to result in a Material Adverse Effect, (i) each Loan Party and each of their respective ERISA Affiliates is in compliance with the applicable provisions of ERISA and the Code relating to Single Employer Plans and Multiemployer Plans and the regulations and published interpretations thereunder and (ii) no ERISA Event has occurred during the five-year period prior to the date on which this representation is made or deemed made with respect to any Plan. Except, in the aggregate, as could not reasonably be expected to result in a Material Adverse Effect, the present value of all accrued benefits under each Single Employer Plan (based on those assumptions used to fund such Plan) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Plan allocable to such accrued benefits.

4.13. Investment Company Act; Other Regulations. No Loan Party is an “investment company”, or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended. No Loan Party is subject to regulation under any Requirement of Law (other than Regulation X of the Board) that limits its ability to incur the Indebtedness to be incurred hereunder.

4.14. Subsidiaries. As of the date hereof, (a) Schedule 4.14 sets forth the name and jurisdiction of incorporation of each Subsidiary and, as to each such Subsidiary, the percentage of each class of Capital Stock owned by any Loan Party and (b) except as set forth on Schedule 4.14, there are no

outstanding subscriptions, options, warrants, calls, rights or other agreements or commitments (other than stock options or similar equity awards granted to current or former employees or directors and directors' qualifying shares) of any nature relating to any Capital Stock of the Borrower or any Subsidiary.

4.15. [Reserved].

4.16. Environmental Matters. Except as, in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

(a) the facilities and properties owned, leased or operated by any Group Member (the "Properties") do not contain, and to the knowledge of the Borrower, have not previously contained, any Materials of Environmental Concern in amounts or concentrations or under circumstances that constitute or constituted a violation of, or could give rise to liability under, any Environmental Law;

(b) no Group Member has received or is aware of any notice of violation, alleged violation, non-compliance, liability or potential liability regarding environmental matters or compliance with Environmental Laws with regard to any of the Properties or the business operated by any Group Member (the "Business"), nor does the Borrower have knowledge or reason to believe that any such notice will be received or is being threatened;

(c) Materials of Environmental Concern have not been transported or disposed of from the Properties during the last five years or, to the knowledge of the Borrower, any prior time in violation of, or in a manner or to a location that could give rise to liability under, any Environmental Law, nor have any Materials of Environmental Concern been generated, treated, stored or disposed of at, on or under any of the Properties during the last five years or, to the knowledge of the Borrower, any prior time in violation of, or in a manner that could give rise to liability under, any applicable Environmental Law;

(d) no judicial proceeding or governmental or administrative action is pending or, to the knowledge of the Borrower, threatened, under any Environmental Law to which any Group Member is or will be named as a party with respect to the Properties or the Business, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements outstanding under any Environmental Law with respect to the Properties or the Business;

(e) there has been no release or threat of release of Materials of Environmental Concern at or from the Properties, or arising from or related to the operations of any Group Member in connection with the Properties or otherwise in connection with the Business, during the last five years or, to the knowledge of the Borrower, any prior time in violation of or in amounts or in a manner that could give rise to liability under Environmental Laws;

(f) the Properties and all operations at the Properties are in compliance, and have in the last five years and, to the knowledge of the Borrower, at all prior times been in compliance, with all applicable Environmental Laws, and there is no contamination at, under or about the Properties or violation of any Environmental Law with respect to the Properties or the Business; and

(g) no Group Member has assumed any liability by contract or, to the knowledge of the Borrower, operation of law, of any other Person under Environmental Laws.

4.17. Accuracy of Information, etc. No factual statement or information contained in this Agreement, any other Loan Document or any other document, certificate or statement furnished by or on behalf of any Loan Party to the Administrative Agent, the Lenders or the Bankruptcy Court, or any of them, for use in connection with the transactions contemplated by this Agreement or the other Loan Documents other than any projections or pro forma information, when taken as a whole, contained as of the date such statement, information, document or certificate was so furnished, any untrue statement of a material fact or omitted to state a material fact necessary to make the statements contained herein or therein not materially misleading in light of the circumstances when made. The projections and pro forma information contained in the materials referenced above are based upon good faith estimates and assumptions believed by management of the Borrower to be reasonable at the time made, it being recognized by the Lenders that such projections as they relate to future events are subject to significant uncertainties, many of which are beyond the control of the Borrower and not to be viewed as fact and that actual results during the period or periods covered by such projections may differ from the projected results set forth therein by a material amount.

4.18. Financial Statements. (a) The unaudited pro forma consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at October 3, 2009 (including the notes thereto) (the "Pro Forma Balance Sheet"), copies of which will be furnished to the Administrative Agent on or prior to the Closing Date, will have been prepared giving effect (as if such events had occurred on such date) to (i) the occurrence of the Effective Date, (ii) the First Lien Term Loans made on the Closing Date and the use of the proceeds thereof, (iii) the Loans issued on the Closing Date and (iv) the payment of fees and expenses in connection with the foregoing. The Pro Forma Balance Sheet will have been prepared based on the best information available to the Borrower as of the date of delivery thereof, and will present fairly on a pro forma basis the estimated financial position of the Borrower and its consolidated Subsidiaries as at October 3, 2009, assuming that the events specified in the preceding sentence had actually occurred at such date.

(b) [Reserved.]

(c) The (i) audited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as of December 31, 2008 and the related statements of income and cash flow for the fiscal year ending on such date and (ii) unaudited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as of June 30, 2009 and the related statements of income and cash flow for the fiscal quarter ending on such date, each as heretofore furnished to the Administrative Agent and the Lenders and certified by a Responsible Officer of the Borrower, are complete and correct in all material respects and fairly present the financial condition of the Borrower and its Subsidiaries on such date. All such financial statements, including the related schedules and notes thereto, have been prepared in conformity with GAAP applied on a consistent basis, and all liabilities, direct and contingent, of the Borrower on a consolidated basis with its Subsidiaries on such date required to be disclosed pursuant to GAAP are disclosed in such financial statements, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

4.19. Insurance. All policies of insurance of any kind or nature owned by or issued to each Loan Party, including policies of life, fire, theft, product liability, public liability, property damage, other casualty, employee fidelity, workers' compensation, employee health and welfare, property and liability insurance, are (a) in full force and effect except to the extent commercially reasonably determined by the Borrower not to be necessary pursuant to clause (b) of this Section 4.19 or which is not

material to the overall coverage and (b) are of a nature and provide such coverage as in the reasonable opinion of the Borrower, is sufficient and is customarily carried by companies of the size and character of the Loan Parties.

4.20. Security Documents. (a) The Guarantee and Collateral Agreement is effective to create in favor of the Collateral Agent, for its benefit, for the benefit of the Administrative Agent and for the benefit of the Lenders, a legal, valid and enforceable security interest in the Collateral described therein and proceeds thereof. In the case of the Pledged Stock described in the Guarantee and Collateral Agreement, when stock certificates representing such Pledged Stock are delivered to the First Lien Agent, as bailee, (together with a properly completed and signed stock power or endorsement), and in the case of the other Collateral described in the Guarantee and Collateral Agreement, when financing statements and other filings specified on Schedule 4.20(a) in appropriate form are filed in the offices specified on Schedule 4.20(a) together with payment of any filing or recordation fees, or, with respect to after-acquired property, when the requirements set forth in Section 6.9 have been complied with, the Collateral Agent shall have a fully perfected Lien on, and security interest in, all right, title and interest of the Loan Parties in such Collateral and the proceeds thereof (except for registration of and application for Intellectual Property filed outside the United States) to the extent such Lien can be perfected by the filing of financing statements under the applicable UCC, as security for the Obligations (as defined in the Guarantee and Collateral Agreement), in each case prior and superior in right to any other Person (except, in the case of Collateral other than Pledged Stock, Liens permitted by Section 7.3, and in the case of the Collateral constituting Pledged Stock, inchoate Liens arising by operation of law and, in any case, the Liens created under the First Lien Loan Documents), in each case, to the extent required by the Guarantee and Collateral Agreement.

(b) Each of the Mortgages is effective to create in favor of the Collateral Agent, for its benefit, for the benefit of the Administrative Agent and for the benefit of the Lenders, a legal, valid and enforceable Lien on the Mortgaged Property described therein, and when the Mortgages are filed in the offices specified on Schedule 4.20(b), each such Mortgage shall constitute a Lien on, and security interest in, all right, title and interest of the Loan Parties in the subject Mortgaged Property, as security for the Obligations (as defined in the relevant Mortgage), in each case prior and superior in right to any other Person (except Liens permitted by Section 7.3). Part 1 of Schedule 1.1B lists, as of the date hereof, each parcel of owned real property located in the United States and held by the Borrower or any of the Guarantors that has a fair market value estimated in good faith by the Borrower, in excess of \$5,000,000 (each, a "Mortgaged Property"). Part 2 of Schedule 1.1B lists, as of the date hereof, (A) each parcel of owned real property located in the United States and held by the Borrower or any of the Guarantors that has a fair market value estimated in good faith by the Borrower in excess of \$1,000,000 which is not listed on Part 1 of Schedule 1.1B, and (B) each material parcel of real property located in the United States and which is leased (as lessee) or subleased (as sublessee) by the Borrower or any of the Guarantors.

4.21. Solvency. After giving effect to the occurrence of the Effective Date and the incurrence of all Indebtedness and Obligations being incurred in connection herewith and therewith, the Borrower is Solvent.

4.22. Regulation H. Except as disclosed in Schedule 4.22, no Mortgage encumbers improved real property that is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, as amended.

## SECTION 5. CONDITIONS PRECEDENT

The agreement of each Lender to accept the issuance of the Loans to it on the Closing Date is subject to the satisfaction, prior to or concurrently with issuance of the Loans on the Closing Date, of the following conditions precedent:

(a) Credit Agreement. The Administrative Agent shall have received (i) this Agreement, executed and delivered by the Borrower, (ii) the Guarantee and Collateral Agreement, executed and delivered by the Borrower and each Guarantor, and (iii) the Intercreditor Agreement, executed and delivered by the Administrative Agent, the Collateral Agent, the First Lien Agent, the Borrower and each Guarantor.

(b) Closing Certificate; Certified Certificate of Incorporation; Good Standing Certificates. The Administrative Agent shall have received (i) a certificate of a Responsible Officer of each Loan Party, dated the Closing Date, in form and substance reasonably satisfactory to the Administrative Agent, as to the incumbency and signature of their respective officers executing each Loan Document to which it is a party, together with satisfactory evidence of the incumbency of such Responsible Officer, (ii) a copy of the resolutions, in form and substance reasonably satisfactory to the Administrative Agent, of the Board of Directors (or the executive committee or other governing authority thereof) of each Loan Party authorizing the execution, delivery and performance of each Loan Document to be entered into on the Closing Date to which it is a party, (iii) a certificate of the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, attaching the certificate of incorporation of each Loan Party that is a corporation certified by the relevant authority of the jurisdiction of organization of such Loan Party and (iv) a good standing certificate for each Loan Party from its jurisdiction of organization.

(c) Representations and Warranties. Each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct in all material respects (provided that if any representation or warranty is by its terms qualified by materiality, such representation shall be true and correct in all respects) on and as of such date as if made on and as of such date, except to the extent that any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall be true and correct on and as of such earlier date.

(d) Fees. The Lenders and the Administrative Agent shall have received all fees required to be paid, and all expenses for which invoices have been presented (including the reasonable fees and expenses of legal counsel), on or before the Closing Date.

(e) Legal Opinion of Counsel to the Borrower. The Administrative Agent shall have received (i) an opinion, in form and substance reasonably satisfactory to the Administrative Agent, of counsel to the Borrower and its Subsidiaries and (ii) the legal opinion of local counsel in jurisdictions in which the Mortgages have been filed as may be reasonably requested by the Administrative Agent.

(f) [Reserved].

(g) [Reserved].

(h) Confirmation Order. The Bankruptcy Court shall have entered an order confirming the Plan of Reorganization, which order (the "Confirmation Order") (i) shall be in form and substance reasonably satisfactory to the Administrative Agent, (ii) shall authorize the Facility and (iii) unless the Administrative Agent otherwise agrees, shall be in full force and effect and shall not have been reversed or modified and shall not be stayed or subject to a motion to stay or subject to appeal or petition for review, rehearing or certiorari. The Canadian Court shall have entered an order in the CCAA Cases recognizing and implementing the Confirmation Order with respect to the Canadian Debtors, which order (i) shall be consistent with the Confirmation Order except to the extent otherwise reasonably satisfactory to the Administrative Agent and (ii) unless the Administrative Agent otherwise agrees, shall be in full force and effect and shall not have been reversed or modified and shall not be stayed or subject to a motion to stay or subject to appeal or petition for review, rehearing or certiorari. The Effective Date shall have occurred (and all conditions precedent thereto as set forth therein shall have been satisfied (or shall be concurrently satisfied) or waived by the Administrative Agent).

(i) Repayment of DIP Facility. The DIP Facility shall have been repaid in full in cash and all commitments relating thereto shall have been terminated, and all liens and security interests related thereto shall have been terminated, released or continued, as applicable.

(j) Projections. The Borrower shall have delivered projections through 2012 prepared in good faith on the basis of the assumptions stated therein.

(k) First Lien Term Loans. (i) The First Lien Credit Agreement shall be substantially in the form executed on October 23, 2009 and otherwise reasonably satisfactory to the Administrative Agent, and (ii) the Administrative Agent shall have received reasonably satisfactory evidence that the conditions to the effectiveness of the First Lien Loan Documents shall have been satisfied or waived in accordance with their terms.

(l) Pro Forma Balance Sheet; Financial Statements. The Lenders shall have received (i) the Pro Forma Balance Sheet, (ii) audited consolidated financial statements of the Borrower and its Subsidiaries for the most recently ended fiscal year and (iii) unaudited interim consolidated financial statements of the Borrower and its Subsidiaries for each fiscal quarter ended after the date of the latest applicable financial statements delivered pursuant to clause (i) of this paragraph as to which such financial statements are available.

(m) No Default. No Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the extensions of credit requested to be made on such date.

(n) [Reserved].

(o) Ratings. The Borrower shall have used commercially reasonable efforts to obtain a rating for the Facility from both S&P and Moody's.

(p) Insurance. The Administrative Agent shall have received insurance certificates satisfying the requirements of the First Lien Loan Documents and satisfactory to the First Lien Agent.



(q) Pledged Stock; Stock Powers; Pledged Notes. The First Lien Agent, as bailee for the Secured Parties, shall have received (i) the certificates representing the shares of Capital Stock pledged pursuant to the Security Documents, together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof and (ii) each promissory note (if any) pledged to the Collateral Agent pursuant to the Security Documents endorsed (without recourse) in blank (or accompanied by an executed transfer form in blank) by the pledgor thereof, in each case of the foregoing, to the extent delivered as a condition to the “Closing Date” under the First Lien Credit Agreement and not previously delivered to the DIP Agent under the DIP Credit Agreement.

(r) Mortgages, etc. (i) The Administrative Agent shall have received a Mortgage with respect to each Mortgaged Property, executed and delivered by a duly authorized officer of each party thereto.

(ii) To the extent delivered to the First Lien Agent, the Administrative Agent shall have received, and the title insurance company issuing the policy referred to in clause (iii) below (the “Title Insurance Company”) shall have received, maps or plats of an as-built survey of the sites of the Mortgaged Properties certified to the Administrative Agent and the Title Insurance Company in a manner reasonably satisfactory to the First Lien Agent, dated a date reasonably satisfactory to the First Lien Agent and the Title Insurance Company by an independent professional licensed land surveyor reasonably satisfactory to the First Lien Agent.

(iii) To the extent delivered to the First Lien Agent, the Administrative Agent shall have received in respect of each Mortgaged Property with a fair market value estimated in good faith by the Borrower in excess of \$5,000,000 a binding pro forma mortgagee’s title insurance policy (or policies) or marked-up unconditional commitment to issue such insurance, in each case in form and substance reasonably satisfactory to the First Lien Agent. Notwithstanding the foregoing, to avoid duplication of title insurance premiums, the requirements of this Section 5(r)(ii) shall be deemed satisfied if the Title Insurance Company either (x) issues a single binding pro forma or marked-up unconditional commitment to issue a mortgagee’s title insurance policy (or policies) insuring both the Mortgage in favor of the First Lien Agent and the Mortgage in favor of the Administrative Agent in the aggregate amount of the fair market value of the subject Mortgaged Property, or (y) issues a binding pro forma or marked-up unconditional commitment to issue a mortgagee’s title insurance policy (or policies) insuring the Mortgage in favor of the Administrative Agent in the same amount as the binding pro forma or marked-up unconditional commitment to issue a mortgagee’s title insurance policy (or policies) insuring the Mortgage in favor of the First Lien Agent and such binding pro forma or marked-up unconditional commitment to issue a mortgagee’s title insurance policy (or policies) contains a so called “pro-tanto” endorsement. To the extent delivered to the First Lien Agent, the Administrative Agent shall have received evidence reasonably satisfactory to the First Lien Agent that all premiums in respect of each such policy, all charges for mortgage recording tax, and all related expenses, if any, have been paid.

(iv) To the extent delivered to the First Lien Agent, the Administrative Agent shall have received in respect of each Mortgaged Property with a fair market value estimated in good faith by the Borrower in excess of \$5,000,000 (A) a policy of flood insurance that (1) covers any parcel of improved real property that is encumbered by any

Mortgage and located in a special flood hazard area, (2) is written in an amount not less than the outstanding principal amount of the indebtedness secured by such Mortgage that is reasonably allocable to such real property, the fair market value of such real property as estimated in good faith by the Borrower or the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, as amended, whichever is less, and (3) has a term ending not later than the maturity of the Indebtedness secured by such Mortgage and (B) confirmation that the Borrower has received the notice required pursuant to Section 208(e)(3) of Regulation H of the Board with respect to any parcel of improved real property that is encumbered by any Mortgage and located in a special flood hazard area.

(v) The Administrative Agent shall have received a copy of all recorded documents referred to, or listed as exceptions to title in, the title policy or policies referred to in clause (iii)) above which were delivered to the First Lien Agent in connection with the First Lien Credit Agreement.

(s) Lien Searches. The Administrative Agent shall have received the results of a recent lien search in each of the jurisdictions where any Loan Party is organized, and such search shall reveal no liens on any of the assets of the Loan Parties except for liens permitted by Section 7.3 or discharged on or prior to the Closing Date pursuant to documentation reasonably satisfactory to the Administrative Agent.

(t) Filings, Registrations and Recordings. Each document (including any Uniform Commercial Code financing statement) required by the Security Documents or under law or reasonably requested by the Administrative Agent to be filed, registered or recorded in order to create in favor of the Collateral Agent, for its benefit, for the benefit of the Administrative Agent and for the ratable benefit of the Lenders, a perfected Lien (or in the case of the Mortgages, a valid Lien) on the Collateral described therein, prior and superior in right to any other Person (other than with respect to Liens expressly permitted by Section 7.3), shall be in proper form to the satisfaction of the Collateral Agent for filing, registration or recordation.

For the purpose of determining compliance with the conditions specified in this Section 5, each Lender that has accepted the distributions under the Plan of Reorganization shall be deemed to have accepted, and to be satisfied with, each document or other matter required under this Section 5 unless the Administrative Agent shall have received written notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

## SECTION 6. AFFIRMATIVE COVENANTS

Each Loan Party hereby jointly and severally agrees that so long as any Loan or other amount is owing to any Lender or the Administrative Agent hereunder, each Loan Party shall and shall cause each of its Subsidiaries to:

6.1. Financial Statements. Furnish to the Administrative Agent to be provided to each Lender:

(a) as soon as available, but in any event not later than 120 days after the end of each fiscal year of the Borrower, a copy of the audited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such year and the related audited consolidated statements of income and of cash flows for such year, setting forth

in each case, in comparative form the figures for the previous year, reported on without a qualification arising out of the scope of the audit or other material qualification or exception (other than a “going concern” exception or similar exception or qualification for fiscal year 2009), by independent certified public accountants of nationally recognized standing; and

(b) as soon as available, but in any event not later than 60 days after the end of each of the first three quarterly periods of each fiscal year of the Borrower, commencing with the fiscal quarter ended on or about October 3, 2009, the unaudited consolidated and consolidating (on the same basis as the Borrower prepared consolidating financial statements prior to the Closing Date) balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such quarter and the related unaudited consolidated and consolidating (on the same basis as the Borrower prepared consolidating financial statements prior to the Closing Date) statements of income and of cash flows for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case, in comparative form the figures for the previous year, certified by a Responsible Officer, on behalf of the Borrower, as being fairly stated in all material respects.

All such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied (except (i) as approved by such accountants or officer, as the case may be, and disclosed in reasonable detail therein and (ii) with respect to unaudited statements, the absence of footnote disclosure and subject to year-end audit adjustments) consistently throughout the periods reflected therein and with prior periods.

6.2. Certificates; Other Information. Furnish to the Administrative Agent which shall make such item available to each Lender (or, in the case of clause (f), to the relevant Lender):

(a) [Reserved];

(b) concurrently with the delivery of any financial statements pursuant to Section 6.1, (i) a certificate of the Borrower stating that the Responsible Officer executing such certificate on behalf of the Borrower has no knowledge of any Default or Event of Default except as specified in such certificate, (ii) a Compliance Certificate containing all information and calculations necessary for determining compliance by each Loan Party with the provisions of this Agreement referred to therein, including calculations in reasonable detail with respect to compliance with Section 7.1, and (iii) in the case of quarterly or annual financial statements, to the extent not previously disclosed to the Administrative Agent, (1) a description of any change in the jurisdiction of organization of any Loan Party, (2) a description of any Domestic Subsidiary acquired or created, including name and jurisdiction of organization, and (3) a description of any Person that has become a Loan Party, in each case since the date of the most recent report delivered pursuant to this clause (iii) (or, in the case of the first such report so delivered, since the Closing Date);

(c) as soon as available, and in any event no later than 45 days after the end of each fiscal year of the Borrower, a detailed consolidated budget for the following fiscal year (including a projected consolidated balance sheet of the Borrower and its Subsidiaries as of the end of the following fiscal year, the related consolidated statements of projected cash flow and projected income and a description of the underlying assumptions applicable thereto), and, as soon as available, significant revisions, if any, of

such budget and projections with respect to such fiscal year (collectively, the “Projections”), which Projections shall in each case be accompanied by a certificate of the Borrower executed by a Responsible Officer, on behalf of the Borrower, stating that such Projections are based on reasonable estimates, information and assumptions and that such Responsible Officer executing such certificate, on behalf of the Borrower, has no reason to believe that such Projections are incorrect or misleading in any material respect, and that whether or not any such Projections are in fact achieved are subject to significant uncertainties and contingencies, many of which are not within the control of the Borrower, and that no assurance can be given that such Projections will be realized, and actual results may vary from the projected results and such variations may be material;

(d) concurrently with the delivery of any financial statements pursuant to Section 6.1(a) or (b), a narrative discussion and analysis of the financial condition and results of operations of the Borrower and its Subsidiaries for such fiscal quarter and for the period from the beginning of the then current fiscal year to the end of such fiscal quarter;

(e) within five days after the same are filed, copies of all financial statements and reports that the Borrower may make to, or file with, the SEC;

(f) to the Administrative Agent on behalf of each Required Lender promptly following receipt thereof, copies of any documents described in Sections 101(k) or 101(l) of ERISA that, following reasonable request of the Administrative Agent (which right to request shall be exercised no more than once during a 12-month period), any Loan Party or any ERISA Affiliate shall have promptly requested from the administrator or sponsor of a Multiemployer Plan with respect to such Multiemployer Plan; and

(g) promptly, subject to applicable confidentiality agreements of the Group Members, such reasonably available additional financial and other information as any Lender through the Administrative Agent may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.1, Section 6.2 or Section 6.7 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date received by the Administrative Agent. Each Lender shall be deemed to have received such documents on the date on which such documents are posted on the Borrower’s behalf on IntraLinks/IntraAgency or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial or governmental third-party website or whether sponsored by the Administrative Agent); provided, that the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents and, at the request of the Administrative Agent, provide by electronic mail electronic versions (i.e., soft copies) of such documents.

6.3. Payment of Obligations. Pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its material obligations in respect of taxes, assessments and governmental charges or levies of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with respect thereto have been provided on the books of the Borrower and its Subsidiaries.

6.4. Maintenance of Existence; Compliance. (a)(i) Preserve, renew and keep in full force and effect its organizational existence and (ii) take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business, except, in each case, as otherwise permitted by Section 7.4 and except, in the case of clause (ii) above, to the extent that

failure to do so could not reasonably be expected to have a Material Adverse Effect; and (b) comply in all material respects with all Requirements of Law.

6.5. Maintenance of Property; Insurance. (a) Keep all property useful and necessary in its business in good working order and condition, ordinary wear and tear excepted except as could not reasonably be expected to have a Material Adverse Effect and (b) maintain with financially sound and reputable insurance companies insurance on all its property in at least such amounts and against at least such risks (but including in any event public liability, product liability and business interruption) as are usually insured against in the same general area by companies engaged in the same or a similar business.

6.6. Inspection of Property; Books and Records; Discussions. (a) Keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities and (b) permit representatives of the Agents or any Lender (subject to reasonable confidentiality agreements) to visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time upon reasonable notice and as often as may reasonably be desired and to discuss the business, operations, properties and financial and other condition of the Group Members with officers and managerial employees of the Group Members and with their independent certified public accountants, provided that an officer of the Borrower shall be provided reasonable opportunity to participate in any such discussion with the accountants; provided further that such inspections shall be coordinated through the Administrative Agent so that in the absence of an Event of Default, not more than one such inspection shall occur in any calendar year. The Agents and the Lenders agree to use reasonable efforts to coordinate and manage the exercise of their rights under this Section 6.6 so as to minimize the disruption to the business of the Borrower and its Subsidiaries resulting therefrom.

6.7. Notices. Promptly give notice to the Administrative Agent and each Lender of:

- (a) the occurrence of any Default or Event of Default;
- (b) any litigation or proceeding affecting any Loan Party (i) in which the amount involved is \$10,000,000 or more and not covered by insurance, (ii) in which injunctive or similar relief is sought or (iii) which relates to any Loan Document;
- (c) the occurrence of any ERISA Event that, alone or together with any other ERISA Event(s) that have occurred, could reasonably be expected to result in liability of any Loan Party or any of its ERISA Affiliates in an aggregate amount exceeding \$10,000,000; and
- (d) any development or event that has had or could reasonably be expected to have a Material Adverse Effect.

Each notice pursuant to this Section 6.7 shall be accompanied by a statement of a Responsible Officer setting forth details of the occurrence referred to therein and stating what action the relevant Loan Party proposes to take with respect thereto.

6.8. Environmental Laws. Except as, in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

- (a) comply with, and take all commercially reasonable steps to ensure compliance by all tenants and subtenants, if any, with, all applicable Environmental Laws, and obtain and comply with and maintain, and take all commercially reasonable

steps to ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws.

(b) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws and promptly comply with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws.

6.9. Additional Collateral, etc. (a) With respect to any property acquired after the Closing Date by any Loan Parties (other than (x) any property described in paragraph (b) below and (y) any property constituting Excluded Property) as to which the Collateral Agent, for the benefit of the Secured Parties, does not have a perfected Lien, promptly (i) execute and deliver to the Administrative Agent such amendments to the Security Documents or such other documents as the Administrative Agent deems necessary or advisable to grant to the Collateral Agent, for the benefit of the Secured Parties, a security interest in such property and (ii) take all actions necessary or advisable to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected first priority (or, prior to the First Priority Obligations Payment Date, such priority as agreed in the Intercreditor Agreement) security interest under the laws of the United States in such property, including the filing of Uniform Commercial Code financing statements in such jurisdictions as may be required by the Security Documents or by law or as may be requested by the Administrative Agent. Notwithstanding the foregoing, prior to the First Lien Obligation Payment Date, this provision shall not apply with respect to any property which has not been included in the "Collateral" under the First Lien Loan Documents.

(b) (i) As soon as possible (and in no event later than 45 days after the delivery of any financial statements under subsection 6.1(a) or (b), for any fiscal period, in the case of Subsidiaries referred to in the following clause (A) which period may be extended by the Administrative Agent from time to time in its discretion), cause (A) all of the Capital Stock (other than Excluded Property) owned directly or indirectly by the Borrower of each of the Borrower's direct or indirect Domestic Subsidiaries (other than any Excluded Subsidiary or Immaterial Subsidiary) to be pledged to the Collateral Agent, pursuant to an amendment to the Security Documents reasonably requested by the Administrative Agent, (B) if requested by the Administrative Agent, cause all of the Capital Stock (other than Excluded Property) owned directly or indirectly by the Borrower of any of the Borrower's direct or indirect Domestic Subsidiaries (other than any Excluded Subsidiary and whether or not such Domestic Subsidiary is an Immaterial Subsidiary) to be pledged to the Collateral Agent pursuant to an amendment to the Security Documents reasonably requested by the Administrative Agent, (C) 65% of the voting Capital Stock and all non-voting Capital Stock (other than Excluded Property) of each of the Borrower's or any of its Domestic Subsidiaries' direct Foreign Subsidiaries which are not Immaterial Subsidiaries (or such lesser amount as may be owned by the Borrower and its Domestic Subsidiaries), to be pledged to the Collateral Agent pursuant to the Security Documents, for the ratable benefit of the Secured Parties, pursuant to an amendment to the Security Documents reasonably requested by the Administrative Agent and (D) the Administrative Agent to receive legal opinions of counsel to the Borrower acceptable to the Administrative Agent covering such matters in respect of such pledges as the Administrative Agent shall reasonably request. Notwithstanding the foregoing, prior to the First Lien Obligation Payment Date, this provision shall not apply with respect to any property which has not been included in the "Collateral" under the First Lien Loan Documents.

(ii) Notwithstanding the foregoing, cause the Capital Stock of any Special Purpose Subsidiary or Subsidiary of the Borrower which acts as a purchaser of receivables for a receivables securitization program of the Borrower and its Domestic Subsidiaries to be pledged as Collateral pursuant to the Security Documents. Notwithstanding the foregoing, prior to the First

Lien Obligation Payment Date, (i) this provision shall not apply with respect to any property which has not been included in the "Collateral" under the First Lien Loan Documents and (ii) any delivery of the certificates representing the shares of Capital Stock pledged under this provision shall be made to the First Lien Agent, as bailee for the Secured Parties, pursuant to the Intercreditor Agreement.

(c) (i) Prior to the First Priority Obligations Payment Date, as soon as possible, cause each of the Borrower's direct or indirect Domestic Subsidiaries which is a "Guarantor" under the First Lien Loan Documents to become a Guarantor by executing and delivering a joinder or assumption agreement to the Guarantee and Collateral Agreement in a form reasonably requested by the Administrative Agent if such Subsidiary is not then a Guarantor and opinions of counsel to the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, covering such matters in respect of the Guarantee and Collateral Agreement as the Administrative Agent shall reasonably request to be delivered to the Administrative Agent; and

(ii) After the First Priority Obligations Payment Date, as soon as possible, cause (z) each of the Borrower's direct or indirect Domestic Subsidiaries (other than (A) an Excluded Subsidiary, (B) an Immaterial Subsidiary (provided that all Immaterial Subsidiaries excluded under this clause (B) and clause (b) of the definition of "Guarantor" shall not at any time contribute in the aggregate more than 5% of Consolidated Assets or more than 5% of Consolidated Revenues), (C) a joint venture in which not more than 85% of the aggregate Capital Stock of such joint venture is held by the Loan Parties in the aggregate or (D) a direct holding company of one or more joint ventures under clause (C) hereof, provided that such holding company does not engage in any business or own any assets other than owning the Capital Stock of such joint ventures) to become a Guarantor by executing and delivering a joinder or assumption agreement to the Guarantee and Collateral Agreement in a form reasonably requested by the Administrative Agent if such Subsidiary is not then a Guarantor and (y) to the extent not previously delivered, opinions of counsel to the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, covering such matters in respect of the Guarantee and Collateral Agreement as the Administrative Agent shall reasonably request to be delivered to the Administrative Agent.

(d) (i) Prior to the First Priority Obligations Payment Date, with respect to any fee interest in any real property which has been mortgaged under the First Lien Loan Documents for which a Mortgage hereunder has not been delivered, as soon as reasonably possible (i) execute and deliver a Mortgage, in favor of the Collateral Agent, for its benefit, for the benefit of the Administrative Agent and for the benefit of the Lenders, covering such real property, creating a Lien on such real property prior and superior in right to all other Liens on such real property (except Liens permitted by Section 7.3 and the Liens under the First Lien Loan Documents), (ii) if provided to the First Lien Agent, provide the Collateral Agent, for its benefit, for the benefit of the Administrative Agent and for the benefit of the Lenders with (x) a binding pro forma mortgagee's title insurance policy or marked-up unconditional commitment to issue such insurance covering such real property as well as a current map or plat of an as-built survey thereof, together with a surveyor's certificate and (y) any consents or estoppels delivered to the First Lien Agent in connection with such mortgage, (iii) if delivered to the First Lien Agent, deliver to the Agents legal opinions relating to the matters described above, which opinions shall be in form and substance substantially similar to those to the First Lien Agent. Notwithstanding the foregoing, to avoid duplication of title insurance premiums, the requirements of this Section 6.9(d)(i) shall be deemed satisfied if the Title Insurance Company either (A) issues a single binding pro forma

or marked-up unconditional commitment to issue a mortgagee's title insurance policy (or policies) insuring both the Mortgage in favor of the First Lien Agent and the Mortgage in favor of the Administrative Agent in the aggregate amount of the fair market value of the subject Mortgaged Property, or (B) issues a binding pro forma or marked-up unconditional commitment to issue a mortgagee's title insurance policy (or policies) insuring the Mortgage in favor of the Administrative Agent in the same amount as the binding pro forma or marked-up unconditional commitment to issue a mortgagee's title insurance policy (or policies) insuring the Mortgage in favor of the First Lien Agent and such binding pro forma or marked-up unconditional commitment to issue a mortgagee's title insurance policy (or policies) contains a so called "pro-tanto" endorsement.

(ii) After the First Priority Obligations Payment Date, with respect to any fee interest in any real property having a fair market value (together with improvements thereof) in the good faith estimation of the Borrower of at least \$5,000,000 or otherwise not constituting Excluded Property acquired after such date by any Loan Party (other than any such real property subject to a Lien expressly permitted by Section 7.3(g)), as soon as reasonably possible and in any event within 60 days after such acquisition (i) execute and deliver a Mortgage, in favor of the Collateral Agent, for its benefit, for the benefit of the Administrative Agent and for the benefit of the Lenders, covering such real property, creating a Lien on such real property prior and superior in right to all other Liens on such real property (except Liens permitted by Section 7.3), (ii) if reasonably requested by the Administrative Agent, provide the Collateral Agent, for its benefit, for the benefit of the Administrative Agent and for the benefit of the Lenders with (x) a binding pro forma mortgagee's title insurance policy or marked-up unconditional commitment to issue such insurance covering such real property in an amount equal to the purchase price of such real property (or such lesser amount as shall be reasonably specified by the Administrative Agent) as well as a current map or plat of an as-built survey thereof, together with a surveyor's certificate and (y) any consents or estoppels reasonably deemed necessary by the Administrative Agent in connection with such Mortgage, each of the foregoing in form and substance reasonably satisfactory to the Administrative Agent and (iii) if requested by the Administrative Agent, deliver to the Agents legal opinions relating to the matters described above, which opinions shall be in form and substance, and from counsel, reasonably satisfactory to the Administrative Agent.

#### 6.10. Post-Closing Matters.

(a) (i) Prior to the First Priority Obligations Payment Date, maintain at all times substantially all of the cash and Cash Equivalents of the Loan Parties (other than cash and Cash Equivalents which are pledged to third parties to secure obligations of the Loan Parties) at an account or accounts with the First Lien Agent or any other financial institution that has entered into a control agreement in form and substance reasonably satisfactory to the First Lien Agent and the Administrative Agent (it being hereby acknowledged by the Administrative Agent that the control agreements in existence on the Closing Date in the form disclosed to the Administrative Agent are satisfactory); provided, that (i) the Loan Parties may maintain accounts with financial institutions other than the First Lien Agent and not subject to control agreements consisting of (A) payroll accounts, which accounts shall at no time contain more cash than is necessary to meet the periodic payroll obligations of the Borrower and its Subsidiaries, (B) accounts with balances up to \$10,000,000 in the aggregate, (C) trust accounts, so long as such trust accounts only contain funds of third parties, (D) accounts, if any, maintained in connection with employee benefit plans, so long as such accounts contain only funds required to be maintained by such employee benefit plans and (E) prior to the First Priority Obligations Payment Date, accounts not otherwise allowable under this proviso which the lenders under the First Lien Credit Agreement have consented to be maintained with financial institutions other than the First Lien Agent and not subject to control agreements.

(ii) After the First Priority Obligations Payment Date, maintain at all times substantially all of the cash and Cash Equivalents of the Loan Parties (other than cash and Cash Equivalents which are pledged to third parties to secure obligations of the Loan Parties) at an account or accounts with the Administrative Agent or any other financial institution that has entered into a control agreement in form and substance reasonably satisfactory to the Administrative Agent; provided, that (i) the Loan Parties may maintain accounts with financial institutions other than the Administrative Agent and not subject to



control agreements consisting of (A) payroll accounts, which accounts shall at no time contain more cash than is necessary to meet the periodic payroll obligations of the Borrower and its Subsidiaries, (B) accounts with balances up to \$10,000,000 in the aggregate, (C) trust accounts, so long as such trust accounts only contain funds of third parties and (D) accounts, if any, maintained in connection with employee benefit plans, so long as such accounts contain only funds required to be maintained by such employee benefit plans.

(b) Cause the post-closing matters identified on Schedule 6.10 to be completed on or before the date set forth on Schedule 6.10 for the relevant post-closing matter (which date may be extended, if the respective post-closing matter pertains to the Collateral, by the First Lien Agent, and otherwise by the First Lien Agent and the Administrative Agent, in each case from time to time in its discretion).

#### SECTION 7. NEGATIVE COVENANTS

Each Loan Party hereby jointly and severally agrees that so long as any Loan or other amount is owing to any Lender or the Administrative Agent hereunder, they shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

##### 7.1. Financial Covenants.

(a) Consolidated Leverage Ratio. Permit, on the last day of any fiscal quarter beginning with the first fiscal quarter end date following the Closing Date, the Consolidated Leverage Ratio for the four consecutive fiscal quarters of the Borrower ending with such fiscal quarter end date to exceed the amount set forth opposite such fiscal quarter below:

Fiscal Quarter	Consolidated Leverage Ratio
Q4 2009	10.00
Q1 2010	8.50
Q2 2010	6.75
Q3 2010	5.25
Q4 2010	3.75
Q1 2011	3.00
Q2 2011	2.75
Q3 2011	2.50
Q4 2011 and each fiscal quarter thereafter	2.25

(b) Interest Coverage. Permit, on the last day of any fiscal quarter beginning with the first fiscal quarter end date following the Closing Date, the Interest Coverage Ratio for the four consecutive fiscal quarters of the Borrower ending with such fiscal quarter end date to be less than the amount set forth opposite such fiscal quarter below:

Fiscal Quarter	Interest Coverage Ratio
Q4 2009	1.00
Q1 2010	1.00
Q2 2010	1.00
Q3 2010	1.25
Q4 2010	1.25
Q1 2011 and each fiscal quarter thereafter	1.50

(c) Capital Expenditures. Permit the aggregate amount of Capital Expenditures made by the Loan Parties during any fiscal year set forth below to exceed the amount set forth opposite such fiscal year:

Fiscal Year	Maximum Capital Expenditure Amount (\$)
2010	200,000,000
2011	215,000,000
2012	250,000,000

; provided, that (a) up to 100% of any such amount referred to above, if not expended in the fiscal year for which it is permitted, may be carried over for expenditure in the next succeeding fiscal year and (b) Capital Expenditures made pursuant to this Section during any fiscal year shall be deemed made, first, in respect of amounts permitted for such fiscal year as provided above and, second, in respect of amounts carried over from the prior fiscal year pursuant to clause (a) above.

7.2. Indebtedness. Create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except:

(a) Indebtedness of any Loan Party pursuant to any Loan Document;

(b) intercompany Indebtedness incurred pursuant to any Investment permitted by Section 7.7(f) so long as any such Indebtedness owing by a Loan Party to any Person other than a Loan Party shall, in each case, be evidenced by an Intercompany Subordinated Note (other than, and solely to the extent that, such Intercompany Subordinated Note would be prohibited by any law or regulation of a jurisdiction where any such Person that is a Foreign Subsidiary is located or organized);

(c) unsecured Guarantee Obligations incurred in the ordinary course of business or with respect to Indebtedness permitted pursuant to this Agreement by (i) the Borrower or any of its Subsidiaries of obligations of the Borrower or any Guarantor or (ii) any Subsidiary that is not Loan Party of any obligations of a Subsidiary that is not a Loan Party;

(d) Indebtedness outstanding on the Closing Date (after giving effect to the occurrence of the Effective Date) and listed on Schedule 7.2(d);

(e) Indebtedness (including, without limitation, Capital Lease Obligations) secured by Liens permitted by Section 7.3(g) in an aggregate principal amount not to exceed \$75,000,000 at any one time outstanding;

(f) additional Indebtedness of the Borrower or any of its Subsidiaries in an aggregate principal amount not to exceed (x) with respect to the Loan Parties, \$100,000,000 and (y) with respect to Subsidiaries that are not Loan Parties, \$150,000,000, in each case, at any one time outstanding; provided that the aggregate principal amount of Indebtedness under clauses (x) and (y) shall not exceed \$200,000,000 at any one time outstanding;

(g) Indebtedness of the Borrower or any of its Subsidiaries in respect of workers' compensation claims, self-insurance obligations, performance, bid and surety bonds and completion guaranties, in each case in the ordinary course of business;

(h) Indebtedness of the Borrower or any of its Subsidiaries arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn by the Borrower or such Subsidiary in the ordinary course of business against insufficient funds, so long as such Indebtedness is repaid within five Business Days;

(i) letters of credit issued for the account of any Group Member (including First Lien Specified Letters of Credit and Specified Letters of Credit), so long as the sum of (i) the aggregate undrawn face amount thereof, (ii) any unreimbursed obligations in respect thereof and (iii) the aggregate amount of pledges and deposits made pursuant to Section 7.3(t) below does not exceed the LC Basket Limit at any time;

(j) obligations of Chinese Subsidiaries in respect of Chinese Acceptance Notes in the ordinary course of business;

(k) Indebtedness of a joint venture (including a joint venture which is treated as a Subsidiary as a result of FASB Interpretation No. 46 issued by the Financial Accounting Standards Board) as long as such Indebtedness is non-recourse to the Borrower or any other Subsidiary of the Borrower in an aggregate principal amount not to exceed \$150,000,000 at any time;

(l) Indebtedness incurred by any Group Member other than a Loan Party pursuant to working capital lines of credit or any overdraft line or other cash management system in an aggregate outstanding principal amount for all such Group Members at the close of business on any day not to exceed \$150,000,000;

(m) (i) Indebtedness of the Borrower under the First Lien Credit Agreement (including pursuant to any First Lien Incremental Facility) in an aggregate principal amount not to exceed the First Lien Cap Amount and other First Lien Obligations (including, without limitation First Lien Specified Letters of Credit, First Lien Specified Swap Agreements and First Lien Specified Cash Management Agreements) and (ii) Guarantee Obligations of any Guarantor in respect of such Indebtedness;

(n) Indebtedness under tax-favored or government-sponsored financing transactions; provided that (i) the terms of such transactions and the Group Members party thereto have been approved by the Administrative Agent; provided that such approval shall be deemed given if the if the terms of such transactions have been approved by the First Lien Agent, (ii) such Indebtedness is not senior in right of payment to the Obligations, (iii) any Lien on Collateral arising pursuant to such transactions is subordinated to the Liens on the Collateral securing the Obligations and (iv) the aggregate principal amount of such Indebtedness shall not exceed \$100,000,000 at any time;

(o) Indebtedness incurred by any Group Member in order to finance Permitted Acquisitions;

(p) Seller Debt and Earn-outs incurred in connection with Permitted Acquisitions; provided, that such Seller Debt or Earn-outs shall be subordinated and/or restricted in a manner reasonably satisfactory to the Administrative Agent at the time they are contemplated to be incurred;

(q) Indebtedness of a Subsidiary of the Borrower acquired pursuant to a Permitted Acquisition (or Indebtedness assumed at the time of a Permitted Acquisition of an asset securing such Indebtedness); provided that (i) such Indebtedness was not incurred in connection with, or in anticipation or contemplation of, such Permitted Acquisition, and (ii) such Indebtedness does not constitute debt for borrowed money, it being understood and agreed that Capitalized Lease Obligations and purchase money Indebtedness shall not constitute debt for borrowed money for purposes of this subclause (ii);

(r) contingent obligations with respect to customary indemnification obligations in favor of sellers in connection with Acquisitions permitted under Section 7.7 and purchasers in connection with Dispositions permitted under Section 7.5;

(s) provided that no Event of Default shall have occurred and be continuing or would occur as a consequence thereof, Indebtedness which serves to refund, replace, extend repurchase, redeem or refinance any Indebtedness permitted under paragraphs (d), (e), (f), (o), (p) or (q) above, or any Indebtedness issued to so refund, replace, extend, repurchase or refinance such Indebtedness, including, in each case, additional Indebtedness incurred to pay premiums (including tender premiums), defeasance costs and fees and expenses in connection therewith (collectively, the "Permitted Refinancing Indebtedness") at or prior to its respective maturity; provided, however, that:

(i) the weighted average life to maturity of such Permitted Refinancing Indebtedness shall not be shorter than the weighted average life to maturity of such refinanced Indebtedness at the time of such refunding or refinancing;

(ii) to the extent such Permitted Refinancing Indebtedness refinances Indebtedness subordinated or pari passu to the Obligations, such Permitted Refinancing Indebtedness is subordinated or pari passu to the Obligations at least to the same extent as the Indebtedness being refunded or refinanced;

(iii) such Permitted Refinancing Indebtedness shall not be in a principal amount in excess of the principal amount of, premium, if any, accrued interest on, and related fees and expenses of, the Indebtedness being refunded, replaced, extended, repurchased, redeemed or refinanced (including any premium, expenses, costs and fees incurred in connection with such refund, replacement or refinancing);

(iv) the obligors in respect of such Permitted Refinancing Indebtedness (including in their capacities as primary obligor and guarantor) are the same as for the Indebtedness being refinanced; and

(v) any Liens securing such Permitted Refinancing Indebtedness are not extended to any property which does not secure the Indebtedness being refinanced; and

(t) unsecured Indebtedness and unsecured Guarantee Obligations of any Loan Party in respect of such unsecured Indebtedness so long as the Net Cash Proceeds thereof are applied to prepay the First Lien Loans and cash collateralize any letters of credit outstanding under the First Lien Credit Agreement and any outstanding First Lien Specified Letters of Credit, in each case to the extent required by and in accordance with the First Lien Credit Agreement and the documentation for the First Lien Specified Letters of Credit, and after such payments have been made in full, to repay the Loans in accordance with Section 2.9(a).

7.3. Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, whether now owned or hereafter acquired, except:

(a) Liens for taxes not yet due or that are being contested in good faith by appropriate proceedings, provided that adequate reserves with respect thereto (if required by GAAP) are maintained on the books of the Borrower or its Subsidiaries, as the case may be, in conformity with GAAP (or, in the case of Foreign Subsidiaries, generally accepted accounting principles in effect from time to time in their respective jurisdiction of organization);

(b) landlord's carriers', warehousemen's, mechanics', materialmen's, repairmen's, supplier, construction or other like Liens in the ordinary course of business that are not overdue for a period of more than 45 days or that are being bonded or contested in good faith by appropriate proceedings;

(c) (i) pledges or deposits made in connection with workers' compensation, unemployment insurance and other social security legislation, and (ii) Liens (A) of a collecting bank arising in the ordinary course of business under Section 4-210 of the Uniform Commercial Code in effect in the relevant jurisdiction covering only the items being collected upon or (B) in favor of a banking institution or financial intermediary,

encumbering amounts credited to deposit or securities accounts (including the right of set-off) arising in the ordinary course of business in connection with the maintenance of such accounts;

(d) deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds, utility payments and other obligations of a like nature incurred in the ordinary course of business;

(e) zoning restrictions, survey exceptions and such matters as an accurate survey would disclose, mortgage rights, easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business that, in the aggregate, are not substantial in amount and that do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(f) Liens in existence on the Closing Date (after giving effect to the occurrence of the Effective Date) and listed on Schedule 7.3(f) and extensions, renewals and replacements of any such Liens so long as the principal amount of Indebtedness or other obligations secured thereby is not increased and so long as such Liens are not extended to any other property of the Borrower or any of its Subsidiaries;

(g) Liens securing Indebtedness of the Borrower or any other Subsidiary incurred pursuant to Section 7.2(e) to finance the acquisition of fixed or capital assets; provided that (i) such Liens shall be created within 90 days of the acquisition of such fixed or capital assets, (ii) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and proceeds thereof and (iii) the amount of Indebtedness secured thereby is not increased and extensions, renewals and replacements of any such Liens so long as the principal amount of Indebtedness or other obligations secured thereby is not increased and so long as such Liens are not extended to any other property of the Borrower or any of its Subsidiaries;

(h) Liens created pursuant to the Loan Documents;

(i) any interest or title of a lessor under any lease entered into by the Borrower or any other Subsidiary in the ordinary course of its business and covering only the assets so leased;

(j) Liens with respect of leases, licenses, sublicenses or subleases granted to others not interfering in any material respect with the businesses of the Borrower or any of its Subsidiaries;

(k) Liens with respect to operating leases not prohibited under this Agreement and entered into in the ordinary course of business;

(l) Liens not otherwise permitted by this Section so long as neither (i) the aggregate outstanding principal amount of the obligations secured thereby nor (ii) the aggregate fair market value (determined as of the date such Lien is incurred) of the assets subject thereto exceeds (as to the Borrower and all Subsidiaries) \$75,000,000 at any one time; provided that not more than \$50,000,000 of such basket amount shall be available for Liens securing Indebtedness of the Borrower and its Subsidiaries;

(m) Liens on the assets of a Foreign Subsidiary and its Subsidiaries securing obligations of such Persons that are not prohibited by Section 7.2 so long as the aggregate outstanding principal amount of the obligations for borrowed money secured thereby does not exceed (as to all Foreign Subsidiaries) \$75,000,000 at any one time;

(n) receipt of progress payments and advances from customers in the ordinary course of business to the extent same creates a Lien on the related inventory and proceeds thereof;

(o) Liens on the assets of joint ventures and their Subsidiaries securing obligations of such Persons that are not prohibited by Section 7.2 so long as such Liens do not encumber any assets or property of the Borrower or its other Subsidiaries;

(p) attachment, judgment or other similar Liens securing judgments or decrees not constituting an Event of Default under Section 8.1(h) or securing appeal or other surety bonds related to such judgments or decrees;

(q) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business;

(r) statutory Liens and rights of offset arising in the ordinary course of business of the Borrower and its Subsidiaries;

(s) Liens on assets of Foreign Subsidiaries securing Indebtedness of a Foreign Subsidiary permitted by Sections 7.2(f) and 7.2(k) and securing other obligations under the agreements governing or relating to such Indebtedness, so long as such Liens do not encumber the Capital Stock of the Borrower or any of its Subsidiaries;

(t) pledges or deposits made to support any obligations of the Group Members (including cash collateral to secure obligations under letters of credit permitted pursuant to Section 7.2(i)) so long as (without duplication) the sum of (i) the aggregate undrawn face amount of letters of credit permitted pursuant to Section 7.2(i) above, (ii) any unreimbursed obligations in respect of letters of credit permitted pursuant to Section 7.2(i) above and (iii) the aggregate amount of such pledges and deposits does not exceed the limit set forth in Section 7.2(i);

(u) Liens arising in connection with financing transactions permitted by Section 7.2(n), provided that such liens do not at any time encumber any property unless approved by the Administrative Agent provided that such approval shall be deemed given if the encumbrance has been approved by the First Lien Agent, and such Liens otherwise comply with Section 7.2(n);

(v) Liens securing the First Lien Obligations;

(w) Liens on property or assets acquired pursuant to a Permitted Acquisition, or on property or assets of a Subsidiary of the Borrower in existence at the time such Subsidiary is acquired pursuant to a Permitted Acquisition; provided that (i) any Indebtedness that is secured by such Liens is permitted to exist under Section 7.2(q), and (ii) such Liens are not incurred in connection with, or in contemplation or anticipation of, such Permitted Acquisition and do not attach to any other asset of the Borrower or any of

its Subsidiaries and extensions, renewals and replacements of any such Liens so long as the principal amount of Indebtedness or other obligations secured thereby is not increased and so long as such Liens are not extended to any other property of the Borrower or any of its Subsidiaries;

(x) statutory Liens and Liens granted by any orders in any proceeding in connection with the CCAA Cases, in each case on any assets of any Canadian Subsidiary of the Borrower;

(y) Liens on receivables and customary related assets subject to a Receivable Financing Transaction; and

(z) the exchange or transfer within China of Chinese Acceptance Notes by Chinese Subsidiaries of the Borrower in the ordinary course of business.

7.4. Fundamental Changes. Enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its property or business, except that:

(a) any Subsidiary of the Borrower may be merged, consolidated with or into or transferred to the Borrower (provided that the Borrower shall be the continuing or surviving corporation) or with, into or to any Guarantor (provided that the Guarantor shall be the continuing or surviving corporation or simultaneously therewith, the continuing corporation shall become a Guarantor);

(b) any Subsidiary of the Borrower that is not a Loan Party may be merged, consolidated, amalgamated, liquidated, wound-up, dissolved or all or substantially all of its property or business Disposed of with, into or to a Subsidiary that is not a Loan Party;

(c) any Subsidiary of the Borrower may Dispose of any or all of its assets to the Borrower or any Guarantor (upon voluntary liquidation or otherwise);

(d) any Disposition otherwise permitted pursuant to Section 7.5 may be completed; and

(e) any Permitted Acquisition otherwise permitted pursuant to Section 7.7 may be completed.

7.5. Disposition of Property. Dispose of any of its property, whether now owned or hereafter acquired, or, in the case of any Subsidiary, issue or sell any shares of such Subsidiary's Capital Stock to any Person, except:

(a) the Disposition of obsolete or worn out property or property no longer useful in the business of the Borrower and its Subsidiaries, in each case in the ordinary course of business;

(b) the Disposition of inventory or Cash Equivalents in the ordinary course of business;

(c) Dispositions permitted by Section 7.4(c), Restricted Payments permitted by Section 7.6 and Investments permitted by Section 7.7;



- (d) the Disposition or issuance of any Subsidiary's Capital Stock to the Borrower or any Guarantor;
- (e) the licensing and cross-licensing arrangements of technology or other intellectual property in the ordinary course of business;
- (f) the Disposition of any property or assets (i) to any Loan Party and (ii) by any Subsidiary that is not a Loan Party to any other Subsidiary that is not a Loan Party;
- (g) transfers of property as a result of any Recovery Event;
- (h) leases, occupancy agreements and subleases of property in the ordinary course of business;
- (i) the Disposition by the Borrower and certain of its Subsidiaries of account receivables of General Motors Corporation, Chrysler LLC and their affiliates and customary related property to special purpose vehicles established by General Motors Corporation and Chrysler LLC pursuant to the United States Department of the Treasury's Auto Supplier Support Programs;
- (j) the Disposition of receivables and customary related assets (i) in connection with a Receivables Financing Transaction or (ii) pursuant to factoring programs on customary market terms for such transactions and with respect to receivables of, and generated by, Group Members that are not Loan Parties;
- (k) the Disposition for fair market value of certain assets in Sweden related to the transfer of certain programs to a competitor as previously disclosed to the Administrative Agent;
- (l) the exchange or transfer within China of Chinese Acceptance Notes by Chinese Subsidiaries of the Borrower; and
- (m) the Disposition of other property (other than receivables and customary related assets) having a fair market value not to exceed 5% of Consolidated Total Tangible Assets in the aggregate during any fiscal year of the Borrower; provided that the Net Cash Proceeds thereof are applied to prepay the First Lien Loans and cash collateralize any letters of credit outstanding under the First Lien Credit Agreement and any outstanding First Lien Specified Letters of Credit, in each case to the extent required by the First Lien Credit Agreement and the documentation for the First Lien Specified Letters of Credit, and after such payments have been made in full, to repay the Loans in accordance with Section 2.9(b).

7.6. Restricted Payments. Declare or pay any dividend (other than dividends payable solely in common stock of the Person making such dividend) on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Capital Stock of the Borrower or any Subsidiary of the Borrower, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of the Borrower or any Subsidiary of the Borrower (collectively, "Restricted Payments"), except that (a) any Subsidiary may make Restricted Payments to any Loan Party, (b) any Subsidiary may make Restricted Payments to the Group Member that is its parent company so long as, in the case of any Restricted Payment made by a Loan Party, such

parent company is also a Loan Party, (c) any Subsidiary may make Restricted Payments with respect to the Capital Stock of such Subsidiary, provided that each Group Member shareholder of such Subsidiary receives at least its ratable share thereof, (d) in accordance with the excess cash paydown provisions contemplated by the Plan of Reorganization, the Borrower may make payments with respect to the Series A Preferred Stock in an aggregate amount not to exceed \$50,000,000 and (e) the Borrower may pay cash in lieu of fractional shares in connection with any conversion of Series A Preferred Stock or warrants in accordance with its terms, provided that the aggregate amount of cash payments under this clause (e) shall not exceed \$100,000 in any fiscal quarter of the Borrower. Notwithstanding the foregoing, the cashless exercise of stock options granted pursuant to any employee benefit plan shall not be construed as a Restricted Payment.

7.7. Investments. Make any Investment except:

- (a) extensions of trade credit in the ordinary course of business;
- (b) Investments in Cash Equivalents;
- (c) Guarantee Obligations permitted by Section 7.2;
- (d) loans and advances to employees or directors of any Group Member in the ordinary course of business (including for travel, entertainment and relocation expenses);
- (e) Investments in the business of the Borrower and its Subsidiaries made by the Borrower or any of its Subsidiaries with the proceeds of any Reinvestment Deferred Amount;
- (f) intercompany Investments by (i) any Group Member in the Borrower or any Person that, prior to such investment, is a Guarantor, (ii) by any Subsidiary that is not a Loan Party in any other Subsidiary that is not a Loan Party, (iii) by any Loan Party in a Foreign Subsidiary to fund in the ordinary course of business foreign operations and (iv) by any Loan Party in any Subsidiary that is not a Loan Party, provided that the aggregate amount of Investments under clause (iv) in Subsidiaries that are organized under the laws of a Specified Jurisdiction shall not exceed \$250,000,000 at any one time outstanding in the aggregate plus, without duplication, all cash returns of principal or capital, cash dividends and other cash returns received by any Loan Party after the date hereof from any Subsidiary that is organized under the laws of a Specified Jurisdiction;
- (g) Investments consisting of Indebtedness permitted by Section 7.2;
- (h) prepaid expenses and lease, utility, workers, compensation, performance and other similar deposits made in the ordinary course of business;
- (i) Investments (including debt obligations) received in the ordinary course of business by the Borrower or any Subsidiary in connection with the bankruptcy or reorganization of suppliers and customers and in settlement or delinquent obligations of, and other disputes with, customers and suppliers arising out of the ordinary course of business;
- (j) Investments in existence on the Closing Date;

(k) Investments in Greenfield Holdings, LLC and Integrated Manufacturing and Assembly L.L.C. to the extent that such Investments are made in the ordinary course of a Loan Party's business, for cash management purposes and not exceeding \$50,000,000 at any one time outstanding plus, without duplication, all cash returns of principal or capital, cash dividends and other cash returns received by any Loan Party after the date hereof from Greenfield Holdings, LLC or Integrated Manufacturing and Assembly L.L.C.;

(l) the Disposition or contribution by the Borrower and certain of its domestic Subsidiaries of certain metals and electronics assets to its existing Subsidiaries consistent with the restructuring plan including in the financial projections; and

(m) Swap Agreements permitted by Section 7.9;

(n) Investments in Special Purpose Subsidiaries arising or made under Receivable Financing Transactions;

(o) Permitted Acquisitions; and

(p) in addition to Investments otherwise expressly permitted by this Section, Investments by the Borrower or any of its Subsidiaries in an aggregate amount not to exceed \$200,000,000 at any one time outstanding.

7.8. Transactions with Affiliates. Enter into any transaction, including any purchase, sale, lease or exchange of property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate (other than transactions among Group Members) unless such transaction (a) is otherwise permitted under this Agreement, (b) is in the ordinary course of business of the relevant Group's Member, upon fair and reasonable terms no less favorable to the relevant Group Member than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate; or (c) involves any Lender or Agent (or their Affiliates) in its capacity as Lender or Agent under this Agreement.

7.9. Swap Agreements. Enter into any Swap Agreement except (a) Swap Agreements entered into to hedge or mitigate risks to which any Group Member has actual exposure (other than those in respect of Capital Stock of any Person) and (b) Swap Agreements entered into in order to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or otherwise) with respect to any interest-bearing liability or investments of any Group Member, provided that in each case such agreements are not entered into for speculative purposes.

7.10. Changes in Fiscal Periods. Permit the fiscal year of the Borrower to end on a day other than December 31.

7.11. Negative Pledge Clauses. Enter into or permit to exist or become effective any agreement that prohibits or limits (other than a dollar limit, provided that such dollar limit is sufficient in amount to allow at all times the Liens to secure the obligations under the Loan Documents in full) the ability of any Loan Party to create, incur, assume or suffer to exist any Lien upon any of its property or revenues, whether now owned or hereafter acquired, to secure its obligations under the Loan Documents to which it is a party other than (a) this Agreement and the other Loan Documents, (b) any agreements governing any purchase money Liens or Capital Lease Obligations otherwise permitted hereby or any other secured obligation (other than Indebtedness for borrowed money) permitted by Section 7.3(c), (d), (t), (w) or (y) (in which case, any prohibition or limitation shall only be effective against (x) in the case of

purchase money Liens or Capital Lease Obligations, the assets financed thereby and proceeds thereof and (y) in the case of other secured obligations, the specific assets subject to the Lien securing such obligation), (c) the First Lien Loan Documents, any agreement governing any Indebtedness existing as of the Closing Date and any agreement governing any Permitted Refinancing Indebtedness of such Indebtedness existing as of the Closing Date (provided that the prohibition or limitation contained therein is no less favorable to the Lenders than that which exists in the agreement governing such Indebtedness as of the Closing Date), (d) customary provisions in joint venture agreements and similar agreements that restrict the transfer of assets of, or equity interests in, joint ventures, (e) customary provisions in any agreements governing any Receivable Financing Transaction (in which case, any prohibition or limitation shall only be effective against the assets conveyed thereunder), (f) any agreement which, prior to the First Priority Obligations Payment Date governs First Lien Specified Letters of Credit or any First Lien Specified Swap Agreement containing provisions not more restrictive than the provisions of the First Lien Credit Agreement at the time such agreements were entered into, (g) any agreement governing Specified Letters of Credit or any Specified Swap Agreement containing provisions not more restrictive than the provisions of this Agreement and (h) licenses or sublicenses by the Borrower and its Subsidiaries of intellectual property in the ordinary course of business (in which case, any prohibition or limitation shall only be effective against the intellectual property subject thereto).

7.12. Clauses Restricting Subsidiary Distributions. Enter into or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Subsidiary of the Borrower to (a) make Restricted Payments in respect of any Capital Stock of such Subsidiary held by, or pay any Indebtedness owed to, the Borrower or any other Loan Party, (b) make loans or advances to, or other Investments in, the Borrower or any other Loan Party or (c) transfer any of its assets to the Borrower or any other Loan Party, except for such encumbrances or restrictions existing under or by reason of (i) any restrictions existing under the Loan Documents, the First Lien Loan Documents, any agreement governing any Indebtedness existing as of the Closing Date and any agreement governing any Permitted Refinancing Indebtedness of such Indebtedness existing as of the Closing Date (provided that the prohibition or limitation contained therein is no less favorable to the Lenders than that which exists in the agreement governing such Indebtedness as of the Closing Date), (ii) customary provisions in joint venture agreements and similar agreements that restrict the transfer of equity interests in joint ventures (in which case such restrictions shall relate only to assets of, or equity interests in, such joint venture or any holding company which may hold the Capital Stock of such joint venture), (iii) any restrictions regarding licenses or sublicenses by the Borrower and its Subsidiaries of intellectual property in the ordinary course of business (in which case such restriction shall relate only to such intellectual property); (iv) customary restrictions and conditions contained in agreements relating to the sale of all or a substantial part of the capital stock or assets of any Subsidiary pending such sale, provided such restrictions and conditions apply only to the Subsidiary to be sold and such sale is permitted hereunder, (v) with respect to restrictions described in clause (a) of this Section 7.12, restrictions contained in agreements governing Indebtedness permitted by Section 7.2(c) hereof; and (vi) with respect to restrictions described in clause (c) of this Section 7.12, restrictions contained in agreements governing Indebtedness permitted by Section 7.2(e) (as long as such restrictions apply to the property financed thereby) and (k) hereof (as long as such restrictions apply only to the assets of the applicable joint venture).

7.13. Lines of Business. Enter into any business, either directly or through any Subsidiary, except for those businesses in which the Borrower and its Subsidiaries are engaged on the date of this Agreement or that are reasonably related thereto.

7.14. [Reserved].

7.15. Optional Payments in respect of Certain Debt Instruments. Make or offer to make any payment, prepayment, repurchase or redemption of or otherwise defease or segregate funds with

respect to any subordinated Indebtedness other than (i) scheduled payments of principal and interest and (ii) refinancings thereof to the extent permitted by Section 7.2.

7.16. Sale and Leasebacks. Enter into any arrangement with any Person providing for the leasing by any Loan Party of real or personal property that has been or is to be sold or transferred by such Loan Party to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or rental obligations of such Loan Party unless the Net Cash Proceeds received by such Loan Party have been used to make a prepayment of the Loans to the extent required by Section 2.9(b) above.

## SECTION 8. EVENTS OF DEFAULT

8.1. Events of Default. If any of the following events shall occur and be continuing:

(a) the Borrower shall fail to pay any principal of any Loan when due in accordance with the terms hereof; or the Borrower shall fail to pay any interest on any Loan, or any other amount payable hereunder or under any other Loan Document, within three Business Days after any such interest or other amount becomes due in accordance with the terms hereof; or

(b) any representation or warranty made or deemed made by any Loan Party herein or in any other Loan Document or that is contained in any certificate, document or financial or other statement furnished by it at any time under or in connection with this Agreement or any such other Loan Document shall prove to have been inaccurate in any material respect on or as of the date made or deemed made; or

(c) any Loan Party shall default in the observance or performance of any agreement contained in clause (i) of Section 6.4(a) (with respect to the Borrower only), Section 6.7(a) or Section 7 of this Agreement or Section 5.5 of the Guarantee and Collateral Agreement; or

(d) any Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document (other than as provided in paragraphs (a) through (c) of this Section), and such default shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent or the Required Lenders to the Borrower; or

(e) any Group Member (other than an Immaterial Subsidiary) shall (i) default in making any payment of any principal of any Indebtedness (including any Guarantee Obligation, but excluding the Loans) on the scheduled or original due date with respect thereto; or (ii) default in making any payment of any interest on any such Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created; or (iii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or beneficiary of such Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or (in the case of any such Indebtedness constituting a Guarantee Obligation) to become payable; provided that a default, event or condition under the First Lien Credit Agreement shall

cause an Event of Default under this clause (iii) only if such default, event or condition results in Indebtedness under the First Lien Credit Agreement becoming due prior to its stated maturity; and provided further, that a default, event or condition described in clause (i), (ii) or (iii) of this paragraph (e) shall not at any time constitute an Event of Default unless, at such time, one or more defaults, events or conditions of the type described in clauses (i), (ii) and (iii) of this paragraph (e) shall have occurred and be continuing with respect to Indebtedness the outstanding principal amount (or the termination value, as applicable) of which exceeds in the aggregate \$35,000,000; or

(f) (i) the Borrower or any of its Subsidiaries (other than 3% Subsidiaries) shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets; or (ii) there shall be commenced against the Borrower or any of its Subsidiaries (other than 3% Subsidiaries) any case, proceeding or other action of a nature referred to in clause (i) above that (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed or undischarged for a period of 60 days; or (iii) there shall be commenced against the Borrower or any of its Subsidiaries (other than 3% Subsidiaries) any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets that results in the entry of an order for any such relief that shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) the Board of Directors of the Borrower shall authorize any action set forth in clause (i) above; or (v) the Borrower or any of its Subsidiaries (other than 3% Subsidiaries) shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or (vi) the Borrower or any of its Subsidiaries (other than 3% Subsidiaries) shall make a general assignment for the benefit of its creditors; provided that all 3% Subsidiaries that are subject to any of the proceedings or actions described in clauses (i) through (vi) of this paragraph (f) shall not at any time contribute in the aggregate more than 5% of Consolidated Assets or more than 5% of Consolidated Revenues; or

(g) (i) an ERISA Event shall have occurred; (ii) a trustee shall be appointed by a United States district court to administer any Single Employer Plan, (iii) the PBGC shall institute proceedings to terminate any Single Employer Plan(s); (iv) any Loan Party or any of their respective ERISA Affiliates shall have been notified by the sponsor of a Multiemployer Plan that it has incurred or will be assessed Withdrawal Liability to such Multiemployer Plan and such entity does not have reasonable grounds for contesting such Withdrawal Liability or is not contesting such Withdrawal Liability in a timely and appropriate manner; or (v) any other event or condition shall occur or exist with respect to a Plan; and in each case in clauses (i) through (v) above, such event or condition, together with all other such events or conditions, if any, could reasonably be expected to have a Material Adverse Effect; or

(h) one or more judgments or decrees shall be entered against any Group Member involving in the aggregate a liability (excluding any amounts paid or covered by insurance as to which the relevant insurance company has not denied coverage) of

\$35,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 60 days from the entry thereof; or

(i) any of the Loan Documents shall cease, for any reason, to be in full force and effect, or any Loan Party or any Affiliate of any Loan Party shall so assert, or any Liens created by any Loan Documents shall cease to be enforceable and of the same effect and priority purported to be created thereby other than by reason of the release thereof in accordance with the terms of the Loan Documents; or

(j) a Change of Control shall have occurred;

then, and in any such event, (A) if such event is an Event of Default specified in clause (i) or (ii) of paragraph (f) above with respect to the Borrower, automatically the Loans (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents (including, without limitation, all amounts to be paid pursuant to Section 2.6) shall immediately become due and payable, and (B) if such event is any other Event of Default, with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower, declare the Loans (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents to be due and payable forthwith, whereupon the same shall immediately become due and payable. Except as expressly provided above in this Section, presentment, demand, protest and all other notices of any kind are hereby expressly waived by the Borrower.

## SECTION 9. THE AGENTS

9.1. Appointment. Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent and the Collateral Agent as the collateral agent of such Lender under this Agreement and the other Loan Documents, and each such Lender irrevocably authorizes each of the Administrative Agent and the Collateral Agent, in its capacity as such, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent and Collateral Agent, as applicable, by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent and the Collateral Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agent or the Collateral Agent, as applicable.

9.2. Delegation of Duties. Each of the Administrative Agent and the Collateral Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Neither Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care. The exculpatory provisions of this Agreement and of the other Loan Documents shall apply to any such agent or attorney-in-fact and to their Related Parties (as defined below).

9.3. Exculpatory Provisions. Neither any Agent nor any of its officers, directors, employees, agents, advisors, attorneys-in-fact, controlling persons or affiliates (collectively, the "Related Parties") shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Loan Document (except to the extent that any of the

foregoing are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Loan Party or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Agents under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of any Loan Party a party thereto to perform its obligations hereunder or thereunder. The Agents shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of any Loan Party.

9.4. Reliance by Agents. The Agents and their Related Parties shall be entitled to rely, and shall be fully protected in relying, upon any instrument, writing, resolution, notice, consent, certificate, affidavit, letter, teletype, facsimile or email message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Borrower), independent accountants and other experts selected by the Agents. The Agents and their Related Parties may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Agents and their Related Parties shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified by this Agreement) as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Agents and their Related Parties shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified by this Agreement), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans.

9.5. Notice of Default. No Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless such Agent has received notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that an Agent receives such a notice, such Agent shall give notice thereof to the Lenders. The Agents shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified by this Agreement); provided that unless and until the Agents shall have received such directions, the Agents may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as they shall deem advisable in the best interests of the Lenders.

9.6. Non-Reliance on Agents and Other Lenders. Each Lender expressly acknowledges that neither the Agents nor any of their Related Parties have made any representations or warranties to it and that no act by the any Agent hereafter taken, including any review of the affairs of a Loan Party or any affiliate of a Loan Party, shall be deemed to constitute any representation or warranty by any Agent to any Lender. Each Lender represents to the Agents that it has, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates and made its own decision



to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Agents hereunder, the Agents shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Loan Party or any affiliate of a Loan Party that may come into the possession of the Agents or any of its officers, directors, employees, agents, advisors, attorneys-in-fact or affiliates.

9.7. Indemnification. The Lenders agree to indemnify each Agent and its Related Parties (each, an “Agent Indemnitee”) (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Outstanding Percentages in effect on the date on which indemnification is sought under this Section (or, if indemnification is sought after the date upon which the Loans shall have been paid in full, ratably in accordance with such Outstanding Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind (including reasonable attorneys fees and expenses) whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent Indemnitee in any way relating to or arising out of, the Loans, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent Indemnitee under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent Indemnitee’s gross negligence or willful misconduct. The agreements in this Section shall survive the payment of the Loans and all other amounts payable hereunder.

9.8. Agent in Its Individual Capacity. Each Agent and its affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Loan Party as though such Agent were not an Agent. With respect to its Loans made or renewed by it, each Agent shall have the same rights and powers under this Agreement and the other Loan Documents as any Lender and may exercise the same as though it were not an Agent, and the terms “Lender” and “Lenders” shall include each Agent in its individual capacity.

9.9. Successor Administrative Agent. The Administrative Agent may resign as Administrative Agent upon 10 days’ notice to the Lenders and the Borrower. If the Administrative Agent shall resign as Administrative Agent under this Agreement and the other Loan Documents, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term “Administrative Agent” shall mean such successor agent effective upon such appointment and approval, and the former Administrative Agent’s rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Loans. If no successor agent has accepted appointment as Administrative Agent by the date that is 10 days following a retiring Administrative Agent’s notice of resignation, the retiring Administrative Agent’s resignation shall nevertheless thereupon become effective and the resigning Administrative Agent’s rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such resigning

Administrative Agent or any of the parties to this Agreement or any holders of the Loans, and the Lenders shall assume and perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. After any retiring Administrative Agent's resignation as Administrative Agent, the provisions of this Section 9 and of Section 10.5 shall continue to inure to its benefit. The Administrative Agent may in its discretion resign as Collateral Agent at any time it resigns as Administrative Agent.

9.10. Execution of Loan Documents. Pursuant to the Plan of Reorganization, the Agents, on behalf of the Lenders, are empowered and authorized to execute and deliver to the Loan Parties the other Loan Documents and all related agreements, certificates, documents, or instruments as shall be necessary or appropriate to effect the purposes of the Loan Documents. Each Lender agrees that any action taken by the Agents or the Required Lenders (or any other instructing group of Lenders specified by this Agreement) in accordance with the terms of this Agreement or the other Loan Documents, and the exercise by the Agents or the Required Lenders (or any other instructing group of Lenders specified by this Agreement) of their respective powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Lenders.

9.11. Collateral Agent. (a) The provisions of Section 9 that apply to the Administrative Agent shall apply, mutatis mutandis, to the Collateral Agent and to any successor Collateral Agent, as applicable; provided that, notwithstanding anything herein to the contrary, the Collateral Agent shall have the right to appoint a successor to itself as Collateral Agent and without the consent of any Lender.

(b) The Collateral Agent is authorized on behalf of all the Lenders, without the necessity of any notice to or further consent from the Lenders, from time to time to take any action with respect to any Collateral or the Loan Documents which may be necessary to perfect and maintain a perfected security interest in and Liens upon the Collateral granted pursuant to the Loan Documents. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder or under any of the other Loan Documents, the Collateral Agent shall not have any duty as to any Collateral, as to ascertaining or taking action with respect to calls, conversions, exchanges, maturities, trades or other matters relative to any Collateral, whether or not the Collateral Agent is deemed to have knowledge of such matters, or as to taking of any necessary steps to preserve rights against any parties or any other rights pertaining to any Collateral (including the filing of UCC Financing and Continuation Statements). The Collateral Agent shall be deemed to have exercised appropriate and due care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which other collateral agents accord similar property.

(c) Each of the Administrative Agent and the Collateral Agent, in its capacity as an agent under the Intercreditor Agreement, shall be entitled to all right, privileges, protections, immunities, benefits and indemnities provided to the Administrative Agent under this Section 9.

#### SECTION 10. MISCELLANEOUS

10.1. Amendments and Waivers. (a) Neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 10.1. The Required Lenders and each Loan Party party to the relevant Loan Document may, or, with the written consent of the Required Lenders, the Administrative Agent and each Loan Party party to the relevant Loan Document may, from time to time, (a) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights of the Lenders or of the Loan Parties hereunder or thereunder or (b) waive, on such

terms and conditions as the Required Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall (i) forgive the principal amount or extend the final scheduled date of maturity of any Loan, extend the scheduled date of any principal amortization payment in respect of any Loan, reduce the stated rate of any interest or fee payable hereunder (except (x) in connection with the waiver of applicability of any post-default increase in interest rates (which waiver shall be effective with the consent of the Required Lenders), (y) in connection with the waiver or extension of any mandatory prepayment hereunder, and (z) that any amendment or modification of defined terms used in the financial covenants in this Agreement shall not constitute a reduction in the rate of interest or fees for purposes of this clause (i)) or extend the scheduled date of any payment thereof, in each case without the written consent of each Lender directly affected thereby; (ii) eliminate or reduce the voting rights of any Lender under this Section 10.1 without the written consent of such Lender; (iii) reduce any percentage specified in the definition of Required Lenders or consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents, in each case without the written consent of all Lenders; (iv) amend, modify or waive any provision of Section 9 or any other provision of any Loan Document that affects the Administrative Agent without the written consent of the Administrative Agent; or (v) release all or substantially all of the Collateral securing the Obligations or release all or substantially all of the Guarantors from their obligations under the Guarantee and Collateral Agreement, in each case without the consent of each Lender. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Loan Parties, the Lenders, the Administrative Agent and all future holders of the Loans. In the case of any waiver, the Loan Parties, the Lenders and the Administrative Agent shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

(b) Notwithstanding the foregoing, the Administrative Agent may amend or supplement the Intercreditor Agreement and the Security Documents without the consent of any Lender or the Required Lenders (but with the consent of the Borrower to the extent required under the Intercreditor Agreement and the Security Documents) to cure any ambiguity, defect or inconsistency in the Intercreditor Agreement or the Security Documents.

(c) The Borrower shall be permitted to replace any Lender that requests any payment under Section 2.16 or 2.17(a) or that does not consent to any proposed amendment, supplement, modification, consent or waiver of any provision of this Agreement or any other Loan Document that requires the consent of each of the Lenders or each of the Lenders affected thereby (so long as the consent of the Required Lenders has been obtained), with a replacement financial institution; provided that (i) such replacement does not conflict with any Requirement of Law, (ii) the replacement financial institution shall purchase, at par, all Loans and other amounts owing to such replaced Lender on or prior to the date of replacement, (iii) the Borrower shall be liable to such replaced Lender under Section 2.18 if any Eurodollar Loan owing to such replaced Lender shall be purchased other than on the last day of the Interest Period relating thereto, (iv) the replacement financial institution shall be reasonably satisfactory to the Administrative Agent, (v) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 10.6 (provided that the Borrower shall be obligated to pay the processing and recordation fee referred to therein) and (vi) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender.



Administrative Agent  
or Collateral Agent:

JPMorgan Chase Bank, N.A.

Attention: Douglas Jenks  
Telecopy: (212) 622-4557  
Telephone: (212) 622-4521  
Email: douglas.jenks@chase.com

With copies to:

JPMorgan Chase Bank, N.A.  
Richard Duker  
Telecopy: (212) 270-5100  
Telephone: (212) 270-3057  
Email: richard.duker@jpmorgan.com

JPMorgan Chase Bank, N.A.  
Attention: Goh Siew Tan  
Telecopy: (212) 622-4556  
Telephone: (212) 622-4575  
Email: gohsiew.tan@jpmorgan.com

1111 Fannin Street, Floor 10  
Houston, TX 77002  
Attention: Alice Telles  
Telecopy: (713) 750-2938  
Telephone: (713) 750-7941  
Email: alice.h.telles@jpmchase.com

provided that any notice, request or demand to or upon the Agents or the Lenders shall not be effective until received.

Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

10.3. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent, the Collateral Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

10.4. Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans and other extensions of credit hereunder.

10.5. Payment of Expenses and Taxes. The Borrower agrees (a) to pay or reimburse each Agent for all its reasonable, out-of-pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement, the other Loan Documents and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby, including the reasonable fees and disbursements of counsel and any financial advisor or third party consultants or appraisers to and each Agent and filing and recording fees and expenses, with statements with respect to the foregoing to be submitted to the Borrower prior to the Closing Date (in the case of amounts to be paid on the Closing Date) and from time to time thereafter on such other periodic basis as each Agent shall deem appropriate, (b) to pay or reimburse each Lender and each Agent for all its reasonable out-of-pocket costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, including in connection with any work-out, restructuring, forbearance or other amendment providing relief to the Borrower, the other Loan Documents and any such other documents related thereto, including the reasonable fees and disbursements of counsel and any financial advisor or third party consultants or appraisers to each Agent and the reasonable fees and disbursements of counsel to the several Lenders; provided that, in the case of clauses (a) and (b), the Borrower shall not be obligated to so reimburse for more than one law firm (and, in addition to such law firm, any local counsel engaged in each relevant jurisdiction by such law firm) as counsel for the Lenders and the Agents, (c) to pay, indemnify, and hold each Lender and each Agent harmless from, any and all recording and filing fees, if any, that may be payable or determined to be payable in connection with the execution and delivery of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the other Loan Documents and any such other documents related thereto, and (d) to pay, indemnify, and hold each Lender and each Agent and their respective officers, directors, employees, affiliates, agents, advisors, trustees and controlling persons (each, an "Indemnitee") harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever arising out of any litigation, investigation or proceeding with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Loan Documents and any such other documents and instruments referred to therein, including any of the foregoing relating to the use of proceeds of the Loans or the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of any Group Member or any of the Properties and the reasonable fees and expenses of legal counsel in connection with claims, actions or proceedings by any Indemnitee against any Loan Party under any Loan Document (all the foregoing in this clause (d), collectively, the "Indemnified Liabilities"), provided, that the Borrower shall have no obligation hereunder to any Indemnitee with respect to Indemnified Liabilities to the extent such Indemnified Liabilities are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee. Without limiting the foregoing, and to the extent permitted by applicable law, the Borrower agrees not to assert and to cause its Subsidiaries not to assert, and hereby waives and agrees to cause its Subsidiaries to waive, all rights for contribution or any other rights of recovery with respect to all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, under or related to Environmental Laws, that any of them might have by statute or otherwise against any Indemnitee. All amounts due under this Section 10.5 shall be payable not later than 10 days after a reasonably detailed written demand therefor. Statements payable by the Borrower pursuant to this Section 10.5 shall be submitted to Shari Burgess (Telecopy No. (248) 447-1593; Telephone No. 248-447-1580; and Email: sburgess@lear.com), at the address of the Borrower set forth in Section 10.2, or to such other Person or address as may be hereafter designated by the Borrower in a written notice to the Administrative Agent. The agreements in this Section 10.5 shall survive repayment of the Loans and all other amounts payable hereunder.

10.6. Successors and Assigns; Participations and Assignments. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void), (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section and (iii) no Lender may assign or otherwise transfer its rights or obligations hereunder to any Loan Party or any of its Affiliates.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below and subject to paragraph (a)(iii) above, any Lender may assign to one or more Eligible Assignees (each, an “Assignee”) all or a portion of its rights and obligations under this Agreement (including all or a portion of the Loans at the time owing to it) with the prior written consent of the Administrative Agent and the Borrower, provided that no consent of the Administrative Agent or the Borrower shall be required for an assignment of all or any portion of a Loan to a Lender, an affiliate of a Lender or an Approved Fund and no consent of the Borrower shall be required if an Event of Default has occurred and is continuing; and

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender’s Loans, the amount of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$1,000,000 unless the Administrative Agent otherwise consents;

(B) (1) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500 and (2) the assigning Lender shall have paid in full any amounts owing by it to the Administrative Agent; and

(C) the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire in which the Assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and its Affiliates and their related parties or their respective securities) will be made available and who may receive such information in accordance with the assignee’s compliance procedures and applicable laws, including Federal and state securities laws.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) below, from and after the effective date specified in each Assignment and Assumption the Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender’s rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.16, 2.17, 2.18 and 10.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with and to the extent permitted by paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Loan Amounts of, and principal amount of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the “Register”). The entries in the Register shall be conclusive, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an Assignee, the Assignee’s completed administrative questionnaire (unless the Assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (a “Participant”) in all or a portion of such Lender’s rights and obligations under this Agreement (including all or a portion of the Loans owing to it); provided that (A) such Lender’s obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement. Any agreement pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that (1) requires the consent of each Lender directly affected thereby pursuant to the proviso to the second sentence of Section 10.1 and (2) directly affects such Participant. Subject to paragraph (c)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.16, 2.17 and 2.18 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.7(b) as though it were a Lender, provided such Participant shall be subject to Section 10.7(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.16, 2.17 or 2.18 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower’s prior written consent. Any Participant that is a Non-U.S. Lender shall not be entitled to the benefits of Section 2.17 unless such Participant complies with Section 2.17(d).

(iii) In the event that any Lender sells a participation in a Loan, such Lender shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of all participants in the Loans held by it and the principal amount (and stated interest thereon) of the portion of the Loan which is the subject of the participation (the “Participation Register”). A Loan may be participated in whole or in part only by registration of



such participation on the Participation Register. Any transfer of such participation may be effected only by the Registration of such transfer on the Participation Register. The entries in the Participation Register shall be conclusive absent manifest error and such Lender shall treat such participants whose name is recorded in the Participation Register as the owner of such participation for all purposes of this Agreement, notwithstanding any notice to the contrary. The Participation Register shall be available for inspection by the Administrative Agent at any reasonable time upon reasonable prior notice.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or Assignee for such Lender as a party hereto.

(e) The Borrower, upon receipt of written notice from the relevant Lender, agrees to issue Notes to any Lender requiring Notes to facilitate transactions of the type described in paragraph (d) above.

(f) Notwithstanding the foregoing, any Conduit Lender may assign any or all of the Loans it may have received hereunder to its designating Lender without the consent of the Borrower or the Administrative Agent and without regard to the limitations set forth in Section 10.6(b) (but with regard to the requirements set forth in Section 10.6(b)(iv)). Each of the Borrower, each Lender and the Administrative Agent hereby confirms that it will not institute against a Conduit Lender or join any other Person in instituting against a Conduit Lender any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding under any state bankruptcy or similar law, for one year and one day after the payment in full of the latest maturing commercial paper note issued by such Conduit Lender; provided, however, that each Lender designating any Conduit Lender hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage or expense arising out of its inability to institute such a proceeding against such Conduit Lender during such period of forbearance.

10.7. Adjustments; Set-off. (a) Except to the extent that this Agreement, any other Loan Document or a court order expressly provides for payments to be allocated to a particular Lender or Lenders (including assignments made pursuant to Section 10.6), if any Lender (a "Benefited Lender") shall, at any time after the Loans and other amounts payable hereunder shall immediately become due and payable pursuant to Section 8, receive any payment of all or part of the Obligations owing to it, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of the Obligations owing to such other Lender, such Benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of the Obligations owing to each such other Lender, or shall provide such other Lenders with the benefits of any such collateral, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) In addition to any rights and remedies of the Lenders provided by law, but subject to the Intercreditor Agreement, each Lender shall have the right, without prior notice to the Borrower or the Guarantors, any such notice being expressly waived by the Borrower and the Guarantors to the extent permitted by applicable law, upon any Obligations becoming due and payable by the Borrower or the Guarantors hereunder (whether at the stated maturity, by acceleration or otherwise), to

set off and appropriate and apply against such Obligations any and all deposits (general or special, time or demand, provisional or final but not any trust or fiduciary account), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrower or the Guarantors, as the case may be. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such setoff and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.8. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument; provided that, pursuant to the Plan of Reorganization, the Lenders are automatically made parties to this Agreement without executing this Agreement. Delivery of an executed signature page of this Agreement by email or facsimile transmission shall be effective as delivery of a manually executed counterpart hereof. A set of the copies of this Agreement signed by the Borrower and the Agents shall be lodged with the Borrower and the Administrative Agent.

10.9. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.10. Integration. The Plan of Reorganization, this Agreement and the other Loan Documents represent the entire agreement of the Loan Parties, the Administrative Agent, the Collateral Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent, the Collateral Agent, or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

10.11. GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

10.12. Submission To Jurisdiction; Waivers. Each Loan Party hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of (i) any State or Federal court of competent jurisdiction sitting in New York County, New York; and (ii) appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Loan Party at its address set forth in Section 10.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

10.13. Acknowledgements. Each Loan Party hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;

(b) none of the Administrative Agent, the Collateral Agent nor any Lender has any fiduciary relationship with or duty to any Loan Party arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between Administrative Agent, the Collateral Agent and Lenders, on one hand, and the Loan Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Loan Parties and the Lenders.

10.14. Releases of Guarantees and Liens. (a) Notwithstanding anything to the contrary contained herein or in any other Loan Document, each of the Administrative Agent and the Collateral Agent is hereby irrevocably authorized by each Lender (without requirement of notice to or consent of any Lender except as expressly required by Section 10.1) to take any action requested by the Borrower having the effect of releasing, or subordinating any Lien on, any Collateral or guarantee obligations (i) to the extent necessary to permit consummation of any transaction not prohibited by any Loan Document or that has been consented to in accordance with Section 10.1 or (ii) under the circumstances described in paragraph (b) below.

(b) At such time as the Loans and the other obligations under the Loan Documents (other than obligations under or in respect of Specified Letters of Credit and Specified Swap Agreements and any contingent indemnification obligations) shall have been paid in full, the Collateral shall be released from the Liens created by the Loan Documents, and all obligations related thereto (other than those expressly stated to survive such termination) of the Administrative Agent, the Collateral Agent and each Loan Party shall terminate, all without delivery of any instrument or performance of any act by any Person.

10.15. Confidentiality. Each of the Administrative Agent and each Lender agrees to keep confidential all non-public information provided to it by any Loan Party, the Administrative Agent or any Lender pursuant to or in connection with this Agreement that is designated by the provider thereof as confidential; provided that nothing herein shall prevent the Administrative Agent or any Lender from

disclosing any such information (a) to the Administrative Agent, any other Lender or any affiliate thereof, (b) subject to an agreement to comply with the provisions of this Section, to any actual or prospective Transferee or any direct or indirect counterparty to any Swap Agreement (or any professional advisors to such counterparty), (c) to its employees, officers, directors, agents, attorneys, accountants and other professional advisors or those of any of its affiliates, provided that such Persons have been advised of the confidentiality provisions hereof and are subject thereto, (d) upon the request or demand of any Governmental Authority, (e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, (f) if requested or required to do so in connection with any litigation or similar proceeding, (g) that has been publicly disclosed, (h) to the National Association of Insurance Commissioners or any similar organization or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender, or (i) in connection with the exercise of any remedy hereunder or under any other Loan Document.

Each Lender acknowledges that information furnished to it pursuant to this Agreement or the other Loan Documents may include material non-public information concerning the Borrower and its Affiliates and their related parties or their respective securities, and confirms that it has developed compliance procedures regarding the use of material non-public information and that it will handle such material non-public information in accordance with those procedures and applicable law, including Federal and state securities laws.

All information, including requests for waivers and amendments, furnished by the Borrower or the Administrative Agent pursuant to, or in the course of administering, this Agreement or the other Loan Documents will be syndicate-level information, which may contain material non-public information about the Borrower and its Affiliates and their related parties or their respective securities. Accordingly, each Lender represents to the Borrower and the Administrative Agent that it has identified in its administrative questionnaire a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law, including Federal and state securities laws.

10.16. WAIVERS OF JURY TRIAL. THE BORROWER, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

10.17. USA Patriot Act. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act.

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IN WITNESS WHEREOF, the Borrower and the Agents have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

LEAR CORPORATION

By: /s/ Matthew J. Simoncini

Name: Matthew J. Simoncini

Title: Senior Vice President and  
Chief Financial Officer

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JPMORGAN CHASE BANK, N.A.,  
as Administrative Agent and Collateral Agent

By: /s/ Richard W. Duker

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Name: Richard W. Duker

Title: Managing Director

### **Annex III**

#### **Conditions Precedent to Permitted Acquisitions**

- (1) The Administrative Agent shall receive not less than ten Business Days' prior written notice of such Acquisition, which notice shall include a reasonably detailed description of the proposed terms of such Acquisition and identify the anticipated closing date thereof;
- (2) concurrently with such Acquisition, the Borrower shall comply, and shall cause the Target to the extent applicable to comply, with the provisions of Section 6.9 of the Credit Agreement;
- (3) after giving effect to such Acquisition and the incurrence of any Indebtedness in connection therewith, (a) no Default or Event of Default shall exist, and (b) the Borrower shall be in compliance on a pro forma basis with the covenants set forth in Section 7.1 recomputed for the most recently ended fiscal quarter of the Borrower for which information is available regarding the business being acquired;
- (4) all material consents necessary for such Acquisition have been acquired and such Acquisition shall have been approved by the applicable Target's board of directors or similar governing body;
- (5) the applicable Target shall be engaged in substantially the same type of business as the Borrower and its Subsidiaries or a reasonable extension thereof;
- (6) the aggregate consideration (including all (i) cash and other property (other than common stock of the Borrower), (ii) Earn-Outs, (iii) Seller Debt and (iv) any other Indebtedness that is assumed or acquired by the Borrower of any of its Subsidiaries in connection with the Acquisition) paid in connection with all Acquisitions shall not exceed \$400,000,000.

**LEAR CORPORATION  
2009 LONG-TERM STOCK INCENTIVE PLAN**

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**LEAR CORPORATION**  
**2009 LONG-TERM STOCK INCENTIVE PLAN**

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**LEAR CORPORATION**  
**2009 LONG-TERM STOCK INCENTIVE PLAN**

Article 1. Establishment, Objectives and Duration

**1.1 Establishment of the Plan.** Lear Corporation, a Delaware corporation, hereby establishes its long-term stock incentive compensation plan, to be known as the "2009 Lear Corporation Long-Term Stock Incentive Plan" as set forth in this document. Capitalized terms used but not otherwise defined herein will have the meanings given to them in Article 2. The Plan permits the grant of Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Units, Restricted Stock Units, Performance Shares, Performance Units and other cash and equity incentive awards.

The Plan is effective as of November 9, 2009, and will remain in effect as provided in Section 1.3 hereof.

**1.2 Objectives of the Plan.** The objectives of the Plan are to optimize the profitability and growth of the Company through long-term incentives that are consistent with the Company's objectives and that link the interests of Participants to those of the Company's shareholders; to provide Participants with an incentive for excellence in individual performance; to promote teamwork among Participants; and to give the Company a significant advantage in attracting and retaining officers, key employees and directors.

The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract and retain the services of Participants who make significant contributions to the Company's success, and to allow Participants to share in the success of the Company.

**1.3 Duration of the Plan.** The Plan will commence on the Effective Date, as defined in Article 2, and will remain in effect, subject to the right of the Committee to amend or terminate the Plan at any time pursuant to Article 15, until all Shares subject to it pursuant to Article 4 have been issued or transferred according to the Plan's provisions. In no event may an Award be granted under the Plan on or after the ten year anniversary of the Effective Date.

Article 2. Definitions

Whenever used in the Plan, the following terms have the meanings set forth below, and when the meaning is intended, the initial letter of the word is capitalized:

**“Affiliates”** means any corporation (or partnership, limited liability company, joint venture, or other enterprise) of which the Company owns or controls, directly or indirectly, at least fifty percent of the outstanding shares of stock normally entitled to vote for the election of directors (or comparable equity participation and voting power). Notwithstanding the foregoing, for purposes of determining whether an employee has terminated employment with the Company and all Affiliates, **“Affiliates”** means any corporation (or partnership, limited liability company, joint venture, or other enterprise) of which the Company owns or controls, directly or indirectly, at least ten percent of the outstanding shares of stock normally entitled to vote for the election of directors (or comparable equity participation and voting power). The minimum percentage of ownership or control in the previous sentence shall be raised from ten percent to twenty percent for purposes of determining timing of payment of an Award, or amount payable with respect to an Award, that is “deferred compensation” for purposes of Code Section 409A, if payment of such Award or amount would be accelerated or otherwise triggered by the employee’s termination of employment.

**“Award”** means, individually or collectively, a grant under this Plan to a Participant of Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Units, Restricted Stock Units, Performance Shares, Performance Units or other types of equity-based or cash-based incentives hereafter approved by the Committee.

**“Award Agreement”** means an agreement entered into by the Company and a Participant setting forth the terms and provisions applicable to an Award or Awards granted to the Participant.

**“Beneficial Owner”** or **“Beneficial Ownership”** has the meaning ascribed to that term in Rule 13d-3 of the General Rules and Regulations under the Exchange Act.

**“Board”** or **“Board of Directors”** means the Board of Directors of the Company.

**“Cause”** has the meaning set forth in any unexpired employment or severance agreement between the Participant and the Company or an Affiliate. If there is no such agreement, **“Cause”** means:

- (a) the willful and continued failure of the Participant substantially to perform his or her duties with or for the Company or an Affiliate;
- (b) the Participant’s engaging in conduct that is significantly injurious to the Company or an Affiliate, monetarily or otherwise;

- (c) the Participant's commission of a crime that is significantly injurious to the Company or an Affiliate, monetarily, reputationally or otherwise;
- (d) the Participant's abuse of illegal drugs or other controlled substances; or
- (e) the Participant's habitual intoxication.

Unless otherwise defined in the Participant's employment or severance agreement, an act or omission is "willful" for the purpose of determining whether a termination of employment was made for "cause" if it was knowingly done, or knowingly omitted to be done, by the Participant not in good faith and without reasonable belief that the act or omission was in the best interest of the Company or an Affiliate. For purposes of this Plan, if a Participant is convicted of a crime or pleads *nolo contendere* to a criminal charge, he or she will conclusively be deemed to have committed the crime. The Committee has the discretion, in other circumstances, to determine in good faith, from all the facts and circumstances reasonably available to it, whether a Participant who is under investigation for, or has been charged with, a crime will be deemed to have committed it for purposes of this Plan.

**"Change in Control"** of the Company will be deemed to have occurred (as of a particular day, as specified by the Board) as of the first day any one or more of the following paragraphs is satisfied.

- (a) Any Person (other than the Company or a trustee or other fiduciary holding securities under an employee benefit plan of the Company, or a corporation owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company) becomes the Beneficial Owner, directly or indirectly, of securities of the Company, representing more than twenty percent of the combined voting power of the Company's then outstanding securities.
- (b) During any period of twenty-six consecutive months beginning on or after the Effective Date, individuals who at the beginning of the period constituted the Board cease for any reason (other than death, Disability or voluntary Retirement) to constitute a majority of the Board. For this purpose, any new Director whose election by the Board, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds of the Directors then still in office, and who either were Directors at the beginning of the period or whose election or nomination for election was so approved, will be deemed to have been a Director at the beginning of any twenty-six month period under consideration.

- (c) Consummation of: (i) an agreement for the sale or disposition of all or substantially all the Company's assets; or (ii) a merger, consolidation or reorganization of the Company with or involving any other corporation, other than a merger, consolidation or reorganization that results in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least fifty percent of the combined voting power of the voting securities of the Company (or such surviving entity) outstanding immediately after such merger, consolidation, or reorganization.
- (d) The shareholders of the Company approve a plan of complete liquidation or dissolution of the Company.

Notwithstanding the foregoing, if an Award, or amount payable with respect to an Award, is "deferred compensation" for purposes of Code Section 409A, and if a payment of such Award or amount would be accelerated or otherwise triggered upon a "Change in Control," then the foregoing definition is modified, to the extent necessary to avoid the imposition of an excise tax under Code Section 409A, to mean a "change in control event" as such term is defined for purposes of Code Section 409A. For purposes of clarity, if an Award would, for example, vest and be paid on a "Change in Control" as defined herein but payment of such Award would violate the provisions of Code Section 409A, then the Award shall vest but will be paid only in compliance with its terms and Code Section 409A (*i.e.*, upon a permissible payment event).

**"Code"** means the Internal Revenue Code of 1986, as amended from time to time.

**"Committee"** means, as specified in Article 3, the Compensation Committee of the Board or such other committee as may be appointed by the Board to administer the Plan.

**"Company"** means Lear Corporation, a Delaware corporation, and any successor thereto as provided in Article 17.

**"Director"** means any individual who is a member of the Board of Directors.

**"Disability"** means (a) long-term disability as defined under the long-term disability plan of the Company or an Affiliate that covers that individual, or (b) if the individual is not covered by such a long-term disability plan, disability as defined for purposes of eligibility for a disability award under the Social Security Act. Notwithstanding the foregoing, for purposes of determining the period of time after termination of employment during which a Participant may exercise an ISO, "Disability" will have the meaning set forth in Section 22(e)(3) of the Code,

which is, generally, that the Participant is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of at least twelve months.

Notwithstanding the foregoing, if an Award, or amount payable with respect to an Award, is “deferred compensation” for purposes of Code Section 409A, and if a payment of such Award or amount would be accelerated or otherwise triggered upon a “Disability,” then the foregoing definition is modified, to the extent necessary to avoid the imposition of an excise tax under Code Section 409A, to refer to a Participant who is “disabled,” as such term is defined for purposes of Code Section 409A. For purposes of clarity, if an Award would, for example, vest and be paid on a “Disability” as defined herein but payment of such Award would violate the provisions of Code Section 409A, then the Award shall vest but will be paid only in compliance with its terms and Code Section 409A (*i.e.*, upon a permissible payment event).

“**Effective Date**” means November 9, 2009.

“**Eligible Employee**” or “**Employee**” means any employee of the Company or any of its Affiliates. Directors who are not employed by the Company or its Affiliates will also be considered Eligible Employees and Employees under this Plan.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended from time to time, or any successor act thereto.

“**Exercise Price**” means the price at which a Share may be purchased by a Participant pursuant to an Option.

“**Fair Market Value**” means:

- (a) the closing trading price of the Shares on the New York Stock Exchange or, if the Shares are not traded on the New York Stock Exchange, on the NASDAQ Stock Market or any other exchange on which they are traded; or
- (b) if the Shares are not traded on any exchange, the mean between the closing bid and asked prices of the Shares in the over-the-counter market; or
- (c) if those bid and asked prices are not available, then the fair market value as reported by any nationally recognized quotation service selected by the Committee or as determined in good faith by the Committee.

Notwithstanding the foregoing, for purposes of Awards intended to be exempt from Code Section 409A, the Fair Market Value shall be no less than the “fair market value,” as such term is defined for purposes of Code Section 409A.

“**Freestanding SAR**” means an SAR that is granted independently of any Options, as described in Article 7.

“**Incentive Stock Option**” or “**ISO**” means an option to purchase Shares granted under Article 6 that is designated as an Incentive Stock Option and that is intended to meet the requirements of Code Section 422.

“**Nonqualified Stock Option**” or “**NQSO**” means an option to purchase Shares granted under Article 6 that is not intended to meet the requirements of Code Section 422.

“**Option**” means an Incentive Stock Option or a Nonqualified Stock Option, as described in Article 6.

“**Participant**” means an Eligible Employee who has been selected by the Committee to participate in the Plan pursuant to Section 5.2 and who has outstanding an Award granted under the Plan. The term “Participant” will also include Directors who are not employees of the Company or an Affiliate for purposes of Awards under the Plan.

“**Performance-Based Exception**” means the performance-based exception from the tax deductibility limitations of Code Section 162(m) and any regulations promulgated thereunder.

“**Performance Period**” means the time period during which performance objectives must be met in order for a Participant to earn Performance Units or Performance Shares granted under Article 9.

“**Performance Share**” means an award with an initial value equal to the Fair Market Value on the date of grant which is based on the Participant’s attainment of performance objectives, as described in Article 9.

“**Performance Unit**” means an award with an initial value established by the Committee at the time of grant which is based on the Participant’s attainment of performance objectives, as described in Article 9.

“**Person**” has the meaning ascribed to that term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

**“Plan”** means the Lear Corporation 2009 Long-Term Stock Incentive Plan, as set forth in this document.

**“Restriction Period”** means the period during which the transfer of Shares of Restricted Stock is limited in some way (based on the passage of time, the achievement of performance objectives, or the occurrence of other events as determined by the Committee, at its discretion) or the Restricted Stock is not vested.

**“Restricted Stock”** means a contingent grant of stock awarded to a Participant pursuant to Article 8.

**“Restricted Stock Unit”** means a Restricted Unit granted to a Participant, as described in Article 8, that is payable in Shares.

**“Restricted Unit”** means a notional account established pursuant to an Award granted to a Participant, as described in Article 8, that is (a) credited with amounts equal to Shares or some other unit of measurement specified in the Award Agreement, (b) subject to restrictions and (c) payable in cash or Shares.

**“Retirement”** means termination of employment on or after (a) reaching the age established by the Company as the normal retirement age in any unexpired employment or severance agreement between the Participant and the Company or an Affiliate, or, in the absence of such an agreement, the normal retirement age under the tax-qualified defined benefit retirement plan or, if none, the tax-qualified defined contribution retirement plan, sponsored by the Company or an Affiliate in which the Participant participates, or (b) reaching age fifty-five with ten years of service with the Company or an Affiliate.

**“Shares”** means the shares of common stock, \$0.01 par value, of the Company, including their associated preferred share purchase rights, if applicable.

**“Stock Appreciation Right”** or **“SAR”** means an Award, granted alone or in connection with a related Option, designated as an SAR pursuant to the terms of Article 7.

**“Tandem SAR”** means an SAR that is granted in connection with a related Option pursuant to Article 7, the exercise of which requires forfeiture of the right to purchase a Share under the related Option (and when a Share is purchased under the Option, the Tandem SAR will similarly be canceled).



### Article 3. Administration

**3.1 The Committee.** The Plan will be administered by the Compensation Committee of the Board, or by any other Committee appointed by the Board, which Committee (unless otherwise determined by the Board) will satisfy the “nonemployee director” requirements of Rule 16b-3 under the Exchange Act and the regulations of Rule 16b-3 under the Exchange Act and the “outside director” provisions of Code Section 162(m), or any successor regulations or provisions, so long as the Company is subject to the registration requirements of the Exchange Act. The members of the Committee will be appointed from time to time by, and serve at the discretion of, the Board of Directors. The Committee will act by a majority of its members at the time in office and eligible to vote on any particular matter, and Committee action may be taken either by a vote at a meeting or in writing without a meeting.

**3.2 Authority of the Committee.** Except as limited by law and subject to the provisions of this Plan, the Committee will have full power to: select Eligible Employees to participate in the Plan; determine the sizes and types of Awards; determine the terms and conditions of Awards in a manner consistent with the Plan; construe and interpret the Plan and any agreement or instrument entered into under the Plan; establish, amend or waive rules and regulations for the Plan’s administration; and (subject to the provisions of Article 15) amend the terms and conditions of any outstanding Award to the extent they are within the discretion of the Committee as provided in the Plan. Further, the Committee will make all other determinations that may be necessary or advisable to administer the Plan. As permitted by law and consistent with Section 3.1, the Committee may delegate some or all of its authority under the Plan.

**3.3 Decisions Binding.** All determinations and decisions made by the Committee pursuant to the provisions of the Plan will be final, conclusive and binding on all persons, including, without limitation, the Company, its Board of Directors, its shareholders, all Affiliates, employees, Participants and their estates and beneficiaries.

### Article 4. Shares Subject to the Plan and Maximum Awards

**4.1 Number of Shares Available for Grants.** Subject to adjustment as provided in Sections 4.2 and 4.3, the number of Shares that may be issued or transferred to Participants under the Plan is 5,907,874. Subject to adjustment as provided in Section 4.3, the maximum number of Shares and Share equivalent units that may be granted during any calendar year to any one Participant under Options, Freestanding SARs, Restricted Stock, Restricted Units, Restricted Stock Units, Performance Shares or any other Award is 500,000, which limit will apply regardless of whether the compensation is paid in Shares or in cash. The maximum number of

Shares that may be issued by Options intended to be ISOs is 2,500,000. The maximum aggregate dollar amount that may be paid to any one Participant during any calendar year under Performance Units or any cash incentive Award granted under Section 9.9 is \$7,500,000.

The Shares with respect to which Awards may be made will include authorized but unissued Shares, and Shares that are currently held or subsequently acquired by the Company as treasury Shares, including Shares purchased in the open market or in private transactions.

**4.2 Lapsed Awards.** If any Award granted under this Plan is canceled, terminates, expires or lapses for any reason, any Shares subject to the Award will again be available for the grant of an Award under the Plan. In addition, if a Share subject to an Award is not delivered because the award is settled in cash or because the Share is used to satisfy a tax withholding obligation or used to pay the Exercise Price of an Option, then that Share will thereafter be deemed to be available for grant. The number of Shares subject to a SAR in excess of the number of Shares that are delivered to the Participant upon exercise of the SAR will not be treated as having been issued under the Plan and will be available for grant under the Plan.

**4.3 Adjustments in Authorized Shares.**

- (a) If the Shares, as currently constituted, are changed into or exchanged for a different number or kind of shares of stock or other securities of the Company or of another corporation (whether because of merger, consolidation, recapitalization, reclassification, split, reverse split, combination of shares, or other similar change in the corporate structure of the Company affecting the Shares) or if the number of Shares is increased through the payment of a stock dividend, then the Committee will substitute for or add to each Share previously appropriated, later subject to, or which may become subject to, an Award, the number and kind of shares of stock or other securities into which each outstanding Share was changed for which each such Share was exchanged, or to which each such Share is entitled, as the case may be. Outstanding Awards will also be appropriately adjusted as to price and other terms, to the extent necessary to reflect the events described above.
- (b) Fractional Shares resulting from any adjustment in Awards pursuant to this section may be settled in cash or otherwise as the Committee determines. The Company will give notice of any adjustment to each Participant who holds an Award that has been adjusted and the adjustment (whether or not that notice is given) will be effective and binding for all Plan purposes.

## Article 5. Eligibility and Participation

**5.1 Eligibility.** All Eligible Employees, including Eligible Employees who are members of the Board, are eligible to participate in this Plan.

**5.2 Actual Participation.** Subject to the provisions of the Plan, the Committee will, from time to time, select those Eligible Employees to whom Awards will be granted, and will determine the nature and amount of each Award.

## Article 6. Stock Options

**6.1 Grant of Options.** Subject to the terms and provisions of the Plan, Options may be granted to Eligible Employees in the number, and upon the terms, and at any time and from time to time, as determined by the Committee.

**6.2 Award Agreement.** Each Option grant will be evidenced by an Award Agreement that specifies the Exercise Price, the duration of the Option, the number of Shares to which the Option pertains, the manner, time and rate of exercise or vesting of the Option, and such other provisions as the Committee determines. The Award Agreement will also specify whether the Option is intended to be an ISO or an NQSO.

**6.3 Exercise Price.** The Exercise Price for each share subject to an Option will be at least one hundred percent of the Fair Market Value on the date the Option is granted.

**6.4 Duration of Options.** Each Option will expire at the time determined by the Committee at the time of grant, but no later than the tenth anniversary of the date of its grant.

**6.5 No Dividend Equivalents.** Subject to Section 4.3, the Committee may not grant payments in connection with Options that are equivalent to dividends declared and paid on the Shares underlying the Options.

**6.6 Exercise of Options.** Options will be exercisable at such times and be subject to such restrictions and conditions as the Committee in each instance approves, which need not be the same for each Award or for each Participant.

**6.7 Payment.** The holder of an Option may exercise the Option only by delivering a written notice of exercise to the Company setting forth the number of Shares as to which the Option is to be exercised, together with full payment at the Exercise Price for the Shares and any withholding tax relating to the exercise of the Option.

The Exercise Price and any related withholding taxes will be payable to the Company in full either: (a) in cash, or its equivalent, in United States dollars; (b) by tendering Shares owned by the Participant and duly endorsed for transfer to the Company, Shares issuable to the Participant upon exercise of the Option, or any combination of cash, certified or cashier's check and Shares described in this clause (b); or (c) by any other means the Committee determines to be consistent with the Plan's purposes and applicable law. Cashless exercise must meet the requirements of the Federal Reserve Board's Regulation T and any applicable securities law restrictions. For this purpose, "cashless" exercise will mean that the Participant notifies the Company it will exercise, and the Company is instructed to deliver the Share issuable on exercise to a broker, who sells the Shares and holds back the exercise price (and, often, the federal and state withholdings). No more than the minimum required withholding may be satisfied by the tender of Shares.

**6.8 Restrictions on Share Transferability.** The Committee may impose such restrictions on any Shares acquired through exercise of an Option as it deems necessary or advisable, including, without limitation, restrictions under applicable federal securities laws, under the requirements of any stock exchange or market upon which the Shares are then listed or traded, and under any blue sky or state securities laws applicable to the Shares.

**6.9 Termination of Employment.** Each Option Award Agreement will set forth the extent to which the Participant has the right to exercise the Option after his or her termination of employment with the Company and all Affiliates. These terms will be determined by the Committee in its sole discretion, need not be uniform among all Options, and may reflect, among other things, distinctions based on the reasons for termination of employment.

**6.10 Nontransferability of Options.** Except as otherwise provided in a Participant's Award Agreement, no Option granted under the Plan may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, or pursuant to a domestic relations order (as defined in Code Section 414(p)). Further, except as otherwise provided in a Participant's Award Agreement, all Options will be exercisable during the Participant's lifetime only by the Participant or his or her guardian or legal representative. The Committee may, in its discretion, require a Participant's guardian or legal representative to supply it with the evidence the Committee deems necessary to establish the authority of the guardian or legal representative to act on behalf of the Participant.

## Article 7. Stock Appreciation Rights

**7.1 Grant of SARs.** Subject to the terms and conditions of the Plan, SARs may be granted to Participants at any time and from time to time, as determined by the Committee. The Committee may grant Freestanding SARs, Tandem SARs or any combination of the two.

Within the limits of Article 4, the Committee will have sole discretion to determine the number of SARs granted to each Participant and, consistent with the provisions of the Plan, to determine the terms and conditions pertaining to SARs.

The grant price of a SAR will equal the Fair Market Value on the date of grant of the SAR.

**7.2 Exercise of Tandem SARs.** Tandem SARs may be exercised for all or part of the Shares subject to the related Option, upon the surrender of the right to exercise the equivalent portion of the related Option. A Tandem SAR may be exercised only with respect to the Shares for which its related Option is then exercisable.

**7.3 Exercise of Freestanding SARs.** Freestanding SARs may be exercised upon whatever terms and conditions the Committee, in its sole discretion, imposes.

**7.4 Award Agreement.** Each SAR grant will be evidenced by an Award Agreement that specifies the grant price, the term of the SAR and such other provisions as the Committee determines.

**7.5 Term of SARs.** The term of an SAR will be determined by the Committee, in its sole discretion, but may not exceed ten years.

**7.6 Payment of SAR Amount.** Upon exercise of an SAR, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

- (a) the excess (or some portion of the excess as determined at the time of the grant by the Committee) if any, of the Fair Market Value on the date of exercise of the SAR over the grant price specified in the Award Agreement; by
- (b) the number of Shares as to which the SAR is exercised.

The payment upon SAR exercise may be made in cash, in Shares of equivalent Fair Market Value or in some combination of the two, as specified in the Award Agreement.

**7.7 Termination of Employment.** Each SAR Award Agreement will set forth the extent to which the Participant has the right to exercise the SAR after his or her termination of employment with the Company and all Affiliates. These terms will be determined by the Committee in its sole discretion, need not be uniform among all SARs issued under the Plan, and may reflect, among other things, distinctions based on the reasons for termination of employment.

**7.8 Nontransferability of SARs.** Except as otherwise provided in a Participant's Award Agreement, no SAR may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, or pursuant to a domestic relations order (as defined in Code Section 414(p)). Further, except as otherwise provided in a Participant's Award Agreement, all SARs will be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative. The Committee may, in its discretion, require a Participant's guardian or legal representative to supply it with evidence the Committee deems necessary to establish the authority of the guardian or legal representative to act on behalf of the Participant.

**7.9 No Dividend Equivalents.** Subject to Section 4.3, the Committee may not grant payments in connection with SARs that are equivalent to dividends declared and paid on the Shares underlying the SARs.

#### Article 8. Restricted Stock, Restricted Stock Units and Restricted Units

**8.1 Grant of Restricted Stock, Restricted Stock Units or Restricted Units.** Subject to the terms and provisions of the Plan, the Committee may, at any time and from time to time, grant Restricted Stock, Restricted Stock Units or Restricted Units to Participants in such amounts as it determines.

**8.2 Award Agreement.** Each grant of Restricted Stock, Restricted Units or Restricted Stock Units will be evidenced by an Award Agreement that specifies the Restriction Periods, the number of Shares or Share equivalent units granted, and such other provisions as the Committee determines.

**8.3 Nontransferability.** Restricted Stock, Restricted Units and Restricted Stock Units granted herein may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, or pursuant to a domestic relations order (as defined in Code Section 414(p)), until the end of the applicable

Restriction Period as specified in the Award Agreement, or upon earlier satisfaction of any other conditions specified by the Committee in its sole discretion and set forth in the Award Agreement. All rights with respect to Restricted Stock, Restricted Units and Restricted Stock Units will be available during the Participant's lifetime only to the Participant or the Participant's guardian or legal representative. The Committee may, in its discretion, require a Participant's guardian or legal representative to supply it with evidence the Committee deems necessary to establish the authority of the guardian or legal representative to act on behalf of the Participant.

**8.4 Other Restrictions.** Subject to Article 11, the Committee may impose such other conditions or restrictions on any Restricted Stock, Restricted Units or Restricted Stock Units as it deems advisable including, without limitation, restrictions based upon the achievement of specific performance objectives (Company-wide, business unit, individual, or any combination of them), time-based restrictions on vesting following the attainment of the performance objectives, and restrictions under applicable federal or state securities laws. The Committee may provide that restrictions established under this Section 8.4 as to any given Award will lapse all at once or in installments.

The Company will retain the certificates representing Shares of Restricted Stock in its possession until all conditions and restrictions applicable to the Shares have been satisfied.

**8.5 Payment of Awards.** Except as otherwise provided in this Article 8, Shares covered by each Restricted Stock grant will become freely transferable by the Participant after the last day of the applicable Restriction Period, and Share equivalent units covered by a Restricted Unit or Restricted Stock Unit will be paid out in cash or Shares to the Participant following the last day of the applicable Restriction Period, or on a later date provided in the Award Agreement.

**8.6 Voting Rights.** During the Restriction Period, Participants holding Shares of Restricted Stock may exercise full voting rights with respect to those Shares.

**8.7 Dividends and Other Distributions.** During the Restriction Period, Participants awarded Shares of Restricted Stock, Restricted Units or Restricted Stock Units hereunder will be credited with regular cash dividends or dividend equivalents paid on those Shares or with respect to those Share equivalent units. Dividends may be paid currently, accrued as contingent cash obligations, or converted into additional Shares of Restricted Stock, upon such terms as the Committee establishes.

The Committee may apply any restrictions it deems advisable to the crediting and payment of dividends and other distributions. Without limiting the generality of the preceding

sentence, if the grant or vesting of Restricted Stock is designed to qualify for the Performance- Based Exception, the Committee may apply any restrictions it deems appropriate to the payment of dividends declared with respect to the Restricted Stock, so that the dividends and the Restricted Stock continue to be eligible for the Performance-Based Exception.

**8.8 Termination of Employment.** Each Award Agreement will set forth the extent to which the Participant has the right to retain unvested Restricted Stock, Restricted Stock Units or Restricted Units after his or her termination of employment with the Company or an Affiliate. These terms will be determined by the Committee in its sole discretion, need not be uniform among all Awards of Restricted Stock, and may reflect, among other things, distinctions based on the reasons for termination of employment.

#### Article 9. Performance Units, Performance Shares and Other Awards

**9.1 Grant of Performance Units or Performance Shares.** Subject to the terms of the Plan, Performance Units or Performance Shares may be granted to Participants in such amounts and upon such terms, and at any time and from time to time, as the Committee determines.

**9.2 Value of Performance Units and Performance Shares.** Each Performance Unit will have an initial value established by the Committee at the time of grant. Each Performance Share will have an initial value equal to the Fair Market Value on the date of grant. The Committee will set performance objectives in its discretion which, depending on the extent to which they are met, will determine the number or value (or both) of Performance Units or Performance Shares that will be paid out to the Participant. For purposes of this Article 9, the time period during which the performance objectives must be met will be called a "Performance Period" and will be set by the Committee in its discretion.

**9.3 Earning of Performance Units and Performance Shares.** Subject to the terms of this Plan, after the applicable Performance Period has ended, the holder of Performance Units or Performance Shares will be entitled to receive payout on the number and value of Performance Units or Performance Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding performance objectives have been achieved.

**9.4 Award Agreement.** Each grant of Performance Units or Performance Shares will be evidenced by an Award Agreement specifying the material terms and conditions of the Award



(including the form of payment of earned Performance Units or Performance Shares), and such other provisions as the Committee determines.

**9.5 Form and Timing of Payment of Performance Units and Performance Shares.** Except as provided in Article 12, payment of earned Performance Units and Performance Shares will be made as soon as practicable after the close of the applicable Performance Period, in a manner determined by the Committee in its sole discretion. The Committee will pay earned Performance Units and Performance Shares in the form of cash, in Shares, or in a combination of cash and Shares, as specified in the Award Agreement. Performance Shares may be paid subject to any restrictions deemed appropriate by the Committee.

**9.6 Termination of Employment Due to Death or Disability.** Unless determined otherwise by the Committee and set forth in the Participant's Award Agreement, if a Participant's employment is terminated by reason of death or Disability during a Performance Period, the Participant will receive a prorated payout of the Performance Units or Performance Shares, as specified by the Committee in its discretion in the Award Agreement. Payment of earned Performance Units and Performance Shares will be made at a time specified by the Committee in its sole discretion and set forth in the Participant's Award Agreement.

**9.7 Termination of Employment for Other Reasons.** If a Participant's employment terminates during a Performance Period for any reason other than death or Disability, the Participant will forfeit all Performance Units and Performance Shares to the Company, unless the Participant's Award Agreement provides otherwise.

**9.8 Nontransferability.** Except as otherwise provided in a Participant's Award Agreement, Performance Units and Performance Shares may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, or pursuant to a domestic relations order (as defined in Code Section 414(p)). Further, except as otherwise provided in a Participant's Award Agreement, a Participant's rights under the Plan will be exercisable during the Participant's lifetime only by the Participant or Participant's guardian or legal representative. The Committee may, in its discretion, require a Participant's guardian or legal representative to supply it with evidence the Committee deems necessary to establish the authority of the guardian or legal representative to act on behalf of the Participant.

**9.9 Other Awards.** In addition to the Awards described in Articles 6 through 8 and Sections 9.1 through 9.8 above, and subject to the terms of the Plan, the Committee may grant

other incentives payable in cash or Shares under the Plan as it determines to be in the best interests of the Company and subject to such other terms and conditions as it deems appropriate.

#### Article 10. Performance Measures

Unless and until the Committee proposes and the Company's shareholders approve a change in the general performance measures set forth in this Article 10, the performance measure(s) to be used for purposes of Awards designed to qualify for the Performance-Based Exception will be chosen from among the following alternatives:

- (a) net earnings;
- (b) operating earnings or income;
- (c) earnings growth;
- (d) net sales growth;
- (e) net income (absolute or competitive growth rates comparative);
- (f) net income applicable to common stock;
- (g) cash flow, including operating cash flow, free cash flow, discounted cash flow return on investment, and cash flow in excess of cost of capital;
- (h) earnings per share of common stock;
- (i) return on shareholders equity (absolute or peer-group comparative);
- (j) stock price (absolute or peer-group comparative);
- (k) absolute and/or relative return on common shareholders equity;
- (l) absolute and/or relative return on capital;
- (m) absolute and/or relative return on assets;
- (n) economic value added (income in excess of cost of capital);
- (o) customer satisfaction;

- (p) quality metrics;
- (q) expense reduction; and
- (r) ratio of operating expenses to operating revenues.

The Committee may specify any reasonable definition of the performance measures it uses. Such definitions may provide for reasonable adjustments and may include or exclude items, including but not limited to: investment gains and losses; extraordinary, unusual or non-recurring items; gains or losses on the sale of assets; effects of changes in accounting principles or the application thereof; asset impairment charges; effects of currency fluctuations; acquisitions, divestitures, or financing activities; recapitalizations, including stock splits and dividends; expenses for restructuring or productivity initiatives; discontinued operations; and other non-operating items.

The Committee will have the discretion to adjust targets set for preestablished performance objectives; however, Awards designed to qualify for the Performance-Based Exception may not be adjusted upward, except to the extent permitted under Code Section 162(m), to reflect accounting changes or other events.

If Code Section 162(m) or other applicable tax or securities laws change to allow the Committee discretion to change the types of performance measures without obtaining shareholder approval, the Committee will have sole discretion to make such changes without obtaining shareholder approval. In addition, if the Committee determines it is advisable to grant Awards that will not qualify for the Performance-Based Exception, the Committee may grant Awards that do not so qualify.

#### Article 11. Beneficiary Designation

Each Participant may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid in case the Participant should die before receiving any or all of his or her Plan benefits. Each beneficiary designation will revoke all prior designations by the same Participant, must be in a form prescribed by the Committee, and must be made during the Participant's lifetime. If the Participant's designated beneficiary predeceases the Participant or no beneficiary has been designated, benefits remaining unpaid at the Participant's death will be paid to the Participant's estate or other entity described in the Participant's Award Agreement.

## Article 12. Deferrals

The Committee may, consistent with the requirements of Code Section 409A, permit a Participant to defer receipt of cash or Shares that would otherwise be due to him or her by virtue of an Option or SAR exercise, the lapse or waiver of restrictions on Restricted Stock, Restricted Stock Units, Restricted Units or other Awards, or the satisfaction of any requirements or objectives with respect to Performance Units, Performance Shares or other Awards. If any such deferral election is permitted, the Committee will, in its sole discretion, establish rules and procedures for such deferrals consistent with the requirements of Code Section 409A.

## Article 13. Rights of Employees

**13.1 Employment.** Nothing in the Plan will interfere with or limit in any way the right of the Company or any affiliate of the Company (as defined in federal securities laws) to terminate any Participant's employment at any time, or confer upon any Participant any right to continue in the employ of the Company or any Affiliate.

**13.2 Participation.** No Eligible Employee will have the right to receive an Award under this Plan, or, having received any Award, to receive a future Award.

## Article 14. Change in Control

**14.1 Treatment of Outstanding Awards.** Upon the occurrence of a Change in Control, unless otherwise specifically prohibited under applicable laws, or by the rules and regulations of any governing governmental agencies or national securities exchanges:

- (a) any and all outstanding Options and SARs will become immediately exercisable (and will be deemed to be exercisable immediately prior to the Change in Control), and will remain exercisable throughout their entire term (the "Vested Options and SARs"); provided, however, that, with respect to Vested Options and SARs that are not exercised in connection with the Change in Control, such Vested Options and SARs will be subject to the provisions of Section 14.1(e) below, as applicable;
- (b) any Restriction Periods or other restrictions imposed on Restricted Stock, Restricted Stock Units and Restricted Units will lapse, except that the degree of vesting associated with those awards that is conditioned on the achievement of

performance conditions will be determined as set forth in Section 14.1(c) or Section 14.1(d), as applicable;

- (c) except as otherwise provided in the Award Agreement, the vesting of all Performance Units and Performance Shares will be accelerated as of the effective date of the Change in Control, and Participants will be paid in cash, within thirty days after the effective date of the Change in Control, a pro rata amount based on an assumed achievement of all relevant performance objectives at target levels, and upon the length of time within the Performance Period that elapsed prior to the effective date of the Change in Control;
- (d) notwithstanding the foregoing, if the Committee determines that actual performance to the effective date of the Change in Control exceeds target levels, the prorated payouts made pursuant to Sections 14.1(b) and (c) will be made at levels commensurate with the actual performance (determined by extrapolating the actual performance to the end of the Performance Period) based on the length of time within the Performance Period that elapsed prior to the Change in Control; and
- (e) (i) if the Company is a party to an agreement that is reasonably likely to result in a Change in Control, such agreement may provide for: (A) the continuation of the Vested Options and SARs by the Company, if the Company is the surviving corporation; (B) the assumption of the Vested Options and SARs by the surviving corporation or its parent or subsidiary; (C) the substitution by the surviving corporation or its parent or subsidiary of equivalent awards for the Vested Options and SARs; or (D) settlement of the Vested Options and SARs for the Change in Control Price (less, to the extent applicable, the per share exercise or grant price), or, if the per share exercise or grant price equals or exceeds the Change in Control Price, such Vested Options and SARs shall terminate and be canceled.  
  
(ii) to the extent that Restricted Stock, Restricted Units and Restricted Stock Units settle in Shares in accordance with their terms upon a Change in Control, such Shares shall be entitled to receive as a result of the Change in Control transaction the same consideration as the Shares held by shareholders of the Company as a result of the Change in Control transaction.

For purposes of this Section 14.1(e), Change in Control Price shall mean the Fair Market Value of a Share upon a Change in Control. To the extent that the

consideration paid in any such Change in Control transaction consists all or in part of securities or other non-cash consideration, the value of such securities or other non-cash consideration shall be determined in good faith by the Committee.

**14.2 Termination, Amendment and Modifications of Change in Control Provisions.** Notwithstanding any other provision of this Plan or any provision in an Award Agreement, this Article 14 may not be terminated, amended or modified on or after the effective date of a Change in Control in a way that would adversely affect any Award in any material way theretofore granted to a Participant, unless the Participant gives his or her prior written consent to the termination, amendment or modification.

#### Article 15. Amendment, Modification and Termination

**15.1 Amendment, Modification and Termination.** Subject to Section 14.2, the Committee or Board may at any time and from time to time, alter, amend, modify or terminate the Plan in whole or in part. The Committee or Board will not, however, increase the number of Shares that may be issued or transferred to Participants under the Plan, as described in the first sentence of Section 4.1 (and subject to adjustment as provided in Sections 4.2 and 4.3).

Subject to the terms and conditions of the Plan, the Committee may modify, extend or renew outstanding Awards under the Plan, or accept the surrender of outstanding Awards (to the extent not already exercised) and grant new Awards in substitution of them (to the extent not already exercised). Except as provided in Sections 4.3 and 15.2, the Committee will not, however, modify any outstanding Option or SAR so as to specify a lower Exercise Price or grant price (and will not cancel an Option or SAR and substitute for it an Option or SAR with a lower Exercise price or grant price), without the approval of the Company's shareholders. In addition, except as provided in Sections 4.3 and 15.2, the Committee may not cancel an outstanding Option or SAR whose Exercise Price or grant price is equal to or greater than the current Fair Market Value of a Share and substitute for it another Award without the prior approval of the Company's shareholders. Notwithstanding the foregoing, no alteration, modification or termination of an Award will, without the prior written consent of the Participant, adversely alter or impair any rights or obligations under any Award already granted under the Plan.

**15.2 Adjustment of Awards Upon the Occurrence of Certain Unusual or Nonrecurring Events.** The Committee may, using reasonable care, make adjustments in the terms and conditions of, and the criteria included in, Awards in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan (i) in recognition of unusual or nonrecurring events (including, without limitation, the events

described in Section 4.3) affecting the Company or its financial statements, (ii) in recognition of changes in applicable laws, regulations, or accounting principles, or (iii) whenever the Committee determines that such adjustments are necessary, equitable and/or appropriate. In the case of an Award designed to qualify for the Performance-Based Exception, the Committee will take care not to make an adjustment that would disqualify the Award.

**15.3 Awards Previously Granted.** No termination, amendment or modification of the Plan will adversely affect in any material way any Award already granted, without the written consent of the Participant who holds the Award.

**15.4 Compliance with Code Section 162(m) and Code Section 409A.** Awards will comply with the requirements of Code Section 162(m), unless the Committee determines that such compliance is not desired with respect to an Award available for grant under the Plan. In addition, if changes are made to Code Section 162(m) to permit greater flexibility as to any Award available under the Plan, the Committee may, subject to this Article 15, make any adjustments it deems appropriate. The Plan and Awards, and all amounts payable with respect to Awards, are intended to comply with, or be exempt from, Code Section 409A and the interpretative guidance thereunder and shall be construed, interpreted and administered accordingly. If an unintentional operational failure occurs with respect to Code Section 409A, any affected Participant or beneficiary shall fully cooperate with the Company to correct the failure to the extent possible in accordance with any correction procedure established by the U.S. Department of the Treasury. If a Participant is a “specified employee” (as such term is defined for purposes of Code Section 409A) at the time of his or her termination of employment, no amount that is subject to Code Section 409A and that becomes payable by reason of such termination of employment shall be paid to the Participant before the earlier of (i) the expiration of the six-month period measured from the date of the Participant’s termination of employment, and (ii) the date of the Participant’s death. A termination of employment shall be deemed to occur only if it is a “separation from service” within the meaning of Code Section 409A, and references in the Plan and any Award Agreement to “termination,” “termination of employment,” or like terms shall mean a “separation from service.” A separation from service shall be deemed to occur if it is anticipated that the level of services the Participant will perform after a certain date (whether as an employee or as an independent contractor) will permanently decrease to no more than twenty percent (20%) of the average level of services provided by the Participant in the immediately preceding thirty-six (36) months.

## Article 16. Withholding

**16.1 Tax Withholding.** The Company will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising under this Plan. No Award Agreement will permit reload options to be granted in connection with any Shares used to pay a tax withholding obligation.

**16.2 Share Withholding.** With respect to withholding required upon the exercise of Options or SARs, upon the lapse of restrictions on Restricted Stock, or upon any other taxable event arising as a result of Awards granted hereunder, the Company may satisfy the minimum withholding requirement for supplemental wages, in whole or in part, by withholding Shares having a Fair Market Value (determined on the date the Participant recognizes taxable income on the Award) equal to the minimum withholding tax required to be collected on the transaction. The Participant may elect, subject to the approval of the Committee, to deliver the necessary funds to satisfy the withholding obligation to the Company, in which case there will be no reduction in the Shares otherwise distributable to the Participant.

## Article 17. Indemnification

Each person who is or has been a member of the Committee or the Board will be indemnified and held harmless by the Company from and against any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or as a result of any claim, action, suit or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken, or failure to act, under the Plan. Each such person will also be indemnified and held harmless by the Company from and against any and all amounts paid by him or her in a settlement approved by the Company, or paid by him or her in satisfaction of any judgment, of or in a claim, action, suit or proceeding against him or her and described in the previous sentence, so long as he or she gives the Company an opportunity, at its own expense, to handle and defend the claim, action, suit or proceeding before he or she undertakes to handle and defend it. The foregoing right of indemnification will not be exclusive of any other rights of indemnification to which a person who is or has been a member of the Committee or the Board may be entitled under the Company's Certificate of Incorporation or By-Laws, as a matter of law, or otherwise, or any power that the Company may have to indemnify him or her or hold him or her harmless.



## Article 18. Successors

All obligations of the Company under the Plan or any Award Agreement will be binding on any successor to the Company, whether the existence of the successor results from a direct or indirect purchase of all or substantially all of the business or assets of the Company or both, or a merger, consolidation, or otherwise.

## Article 19. Legal Construction

**19.1 Number.** Except where otherwise indicated by the context, any plural term used in this Plan includes the singular and a singular term includes the plural.

**19.2 Severability.** If any provision of the Plan is held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Plan, and the Plan will be construed and enforced as if the illegal or invalid provision had not been included.

**19.3 Requirements of Law.** The granting of Awards and the issuance of Share or cash payouts under the Plan will be subject to all applicable laws, rules, and regulations, and to any approvals by governmental agencies or national securities exchanges as may be required.

**19.4 Securities Law Compliance.** As to any individual who is, on the relevant date, an officer, director or ten percent beneficial owner of any class of the Company's equity securities that is registered pursuant to Section 12 of the Exchange Act, all as defined under Section 16 of the Exchange Act, transactions under this Plan are intended to comply with all applicable conditions of Rule 16b-3 under the Exchange Act, or any successor rule. To the extent any provision of the Plan or action by the Committee fails to so comply, it will be deemed null and void, to the extent permitted by law and deemed advisable by the Committee.

**19.5 Awards to Foreign Nationals and Employees Outside the United States.** To the extent the Committee deems it necessary, appropriate or desirable to comply with foreign law or practice and to further the purposes of this Plan, the Committee may, without amending the Plan, (i) establish rules applicable to Awards granted to Participants who are foreign nationals, are employed outside the United States, or both, including rules that differ from those set forth in this Plan, and (ii) grant Awards to such Participants in accordance with those rules.

**19.6 Unfunded Status of the Plan.** The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments or deliveries of Shares not yet made to a Participant by the Company, the Participant's rights are no greater than

those of a general creditor of the Company. The Committee may authorize the establishment of trusts or other arrangements to meet the obligations created under the Plan, so long as the arrangement does not cause the Plan to lose its legal status as an unfunded plan.

**19.7 Governing Law.** To the extent not preempted by federal law, the Plan and all agreements hereunder will be construed in accordance with and governed by the laws of the State of Michigan without giving effect to principles of conflicts of law.

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LEAR CORPORATION  
2009 LONG-TERM STOCK INCENTIVE PLAN  
2009 RESTRICTED STOCK UNIT TERMS AND CONDITIONS

1. Definitions. Any term capitalized herein but not defined will have the meaning set forth in the Plan.

2. Grant and Vesting of Restricted Stock Units.

(a) As of the Grant Date specified in the letter that accompanies this document, the Employee will be credited with the number of Restricted Stock Units set forth in the letter that accompanies this document. Each Restricted Stock Unit is a notional amount that represents one unvested share of Common Stock, \$0.01 par value, of the Company (the “Common Stock”). Each Restricted Stock Unit constitutes the right, subject to the terms and conditions of the Plan and this document, to distribution of a Share if and when the Restricted Stock Unit vests. If the Employee’s employment with the Company and all of its Affiliates terminates before the date that all of the Restricted Stock Units vest, his or her right to receive the Shares underlying unvested Restricted Stock Units will be only as provided in Section 4.

(b) One-third of the Restricted Stock Units will vest on each of the first three anniversaries of the Grant Date. Notwithstanding anything contained herein to the contrary, the right of an Employee to receive Shares underlying a Restricted Stock Unit will be forfeited if the Committee determines, in its sole discretion, that (i) the Employee has entered into a business or employment relationship that is detrimentally competitive with the Company or substantially injurious to the Company’s financial interests; or (ii) the Employee has been discharged from employment with the Company or an Affiliate for Cause.

3. Rights as a Stockholder.

(a) Unless and until a Restricted Stock Unit has vested and the Share underlying it has been distributed to the Employee, the Employee will not be entitled to vote in respect of that RSU or that Share.

(b) If the Company declares a cash dividend on its shares, then, on the payment date of the dividend, the Employee will be credited with dividend equivalents equal to the amount of cash dividend per share multiplied by the number of Restricted Stock Units credited to the Employee through the record date. The dollar amount credited to an Employee under the preceding sentence will be credited to an account (“Account”) established for the Employee for bookkeeping purposes only on the books of the Company. The amounts credited to the Account will be credited as of the last day of each month with interest, compounded monthly, until the amount credited to the Account is paid to the Employee. The rate of interest

credited under the previous sentence will be the prime rate of interest as reported by the Midwest edition of the Wall Street Journal for the second business day of each quarter on an annual basis. The balance in the Account will be subject to the same terms regarding vesting and forfeiture as the Employee's Restricted Stock Units awarded under the accompanying letter and this document, and will be paid in cash in a single sum at the time that the Shares associated with the Employee's Restricted Stock Units are delivered (or forfeited at the time that the Employee's Restricted Stock Units are forfeited).

4. Termination of Employment. Subject to the forfeiture provisions of clause 2(b) above, an Employee's right to receive the Shares underlying his or her Restricted Stock Units after termination of his or her employment will be only as follows:

(a) End of Service. If the Employee experiences an End of Service Date, the Employee will be entitled to receive the Shares underlying any Restricted Stock Units that have then vested. In addition, the Employee will be entitled to receive immediately the Shares underlying the number of Restricted Stock Units, if any, that have not yet vested but would have vested under Section 2 if the Employee's End of Service Date had been 24 months following his actual End of Service Date. The Employee will forfeit the right to receive Shares underlying any Restricted Stock Units that have not yet vested or would not have vested in the next 24 months as described in the preceding sentence. The Employee's "End of Service Date" is the date of his or her retirement after attaining age 55 and completing ten years of service.

(b) Other Termination of Employment. If an Employee's employment with the Company shall be terminated for Disability or by the Company for any reason other than Cause, upon the Employee's death or, for an Employee who is a party to an employment or severance agreement with the Company, by the Employee for Good Reason (as defined in the Employee's employment or severance agreement), the Employee will be immediately entitled to receive the Shares underlying all of the Restricted Stock Units that have not yet vested under Section 2 above. If an Employee's employment with the Company terminates for any reason other than those provided in Section 4(a) or the first sentence of this Section 4(b), the Employee or his or her estate (in the event of his or her death after termination) will forfeit the right to receive Shares underlying any Restricted Stock Units that have not yet vested. For each Employee who is a party to an employment or severance agreement with the Company, for purposes of this Section 4, the term "Disability" shall mean "Incapacity" as defined in such Employee's employment or severance agreement, as applicable.

5. Timing and Form of Payment. Except as provided in this Section or in clause 2(b) or Section 4, once a Restricted Stock Unit vests, the Employee will be entitled to receive a Share in its place. Delivery of the Share will be made as soon as administratively feasible after its associated Restricted Stock Unit vests. Shares will be credited to an account established for the benefit of the Employee with the Company's administrative agent. The Employee will have full legal and beneficial ownership with respect to the Shares at that time.

6. Assignment and Transfers. The Employee may not assign, encumber or transfer any of his or her rights and interests under the Award described in this document, except, in the event of his or her death, by will or the laws of descent and distribution.

7. Withholding Tax. The Company and any Affiliate will have the right to retain Shares or cash that are distributable to the Employee hereunder to the extent necessary to satisfy any withholding taxes, whether federal or state, triggered by the distribution of Shares or cash pursuant to the Award reflected in this document.

8. Securities Law Requirements.

(a) The Restricted Stock Units are subject to the further requirement that, if at any time the Committee determines in its discretion that the listing or qualification of the Shares subject to the Restricted Stock Units under any securities exchange requirements or under any applicable law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the issuance of Shares under it, then Shares will not be issued under the Restricted Stock Units, unless the necessary listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Committee.

(b) No person who acquires Shares pursuant to the Award reflected in this document may, during any period of time that person is an affiliate of the Company (within the meaning of the rules and regulations of the Securities and Exchange Commission under the Securities Act of 1933 (the "1933 Act")) sell the Shares, unless the offer and sale is made pursuant to (i) an effective registration statement under the 1933 Act, which is current and includes the Shares to be sold, or (ii) an appropriate exemption from the registration requirements of the 1933 Act, such as that set forth in Rule 144 promulgated under the 1933 Act. With respect to individuals subject to Section 16 of the Exchange Act, transactions under this Award are intended to comply with all applicable conditions of Rule 16b-3, or its successors under the Exchange Act. To the extent any provision of the Award or action by the Committee fails to so comply, the Committee may determine, to the extent permitted by law, that the provision or action will be null and void.

9. No Limitation on Rights of the Company. Subject to Sections 4.3 and 15.2 of the Plan, the grant of the Award described in this document will not in any way affect the right or power of the Company to make adjustments, reclassification or changes in its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

10. Plan, Restricted Stock Units and Award Not a Contract of Employment. Neither the Plan, the Restricted Stock Units nor any other right or interest that is part of the Award reflected in this document is a contract of employment, and no terms of employment of the Employee will be affected in any way by the Plan, the Restricted Stock Units, the Award, this document or related instruments, except as specifically provided therein. Neither the establishment of the Plan nor the Award will be construed as conferring any legal rights upon the

Employee for a continuation of employment, nor will it interfere with the right of the Company or any Affiliate to discharge the Employee and to treat him or her without regard to the effect that treatment might have upon him or her as an Employee.

11. Employee to Have No Rights as a Stockholder. Except as provided in Section 3 above, the Employee will have no rights as a stockholder with respect to any Shares subject to the Restricted Stock Units prior to the date on which he or she is recorded as the holder of those Shares on the records of the Company.

12. Notice. Any notice or other communication required or permitted hereunder must be in writing and must be delivered personally, or sent by certified, registered or express mail, postage prepaid. Any such notice will be deemed given when so delivered personally or, if mailed, three days after the date of deposit in the United States mail, in the case of the Company to 21557 Telegraph Road, Southfield, Michigan, 48033, Attention: General Counsel and, in the case of the Employee, to the last known address of the Employee in the Company's records.

13. Governing Law. This document and the Award will be construed and enforced in accordance with, and governed by, the laws of the State of Michigan, determined without regard to its conflict of law rules.

14. Code Section 409A. Notwithstanding any other provision in this Restricted Stock Unit document, if an Employee is a "specified employee" (as such term is defined for purposes of Code Section 409A) at the time of his or her termination of employment, no amount that is subject to Code Section 409A and that becomes payable by reason of such termination of employment shall be paid to the Employee before the earlier of (i) the expiration of the six-month period measured from the date of the Employee's termination of employment, and (ii) the date of the Employee's death.

15. Plan Document Controls. The rights granted under this Restricted Stock Unit document are in all respects subject to the provisions of the Plan to the same extent and with the same effect as if they were set forth fully therein. If the terms of this document or the Award conflict with the terms of the Plan document, the Plan document will control.

LEAR CORPORATION  
2009 LONG-TERM STOCK INCENTIVE PLAN

STOCK-SETTLED STOCK APPRECIATION RIGHT TERMS AND CONDITIONS

1. Definitions. Any term capitalized herein but not defined will have the meaning set forth in the Plan.

2. Term, Vesting and Exercise of the SAR.

(a) If the Employee remains employed by the Company, the SAR will expire seven years from the Grant Date. If the Employee terminates employment with the Company before the seventh anniversary of the Grant Date, his or her right to exercise the SAR after termination of his or her employment will be only as provided in Section 3.

(b) The SAR will vest and become exercisable as to one-third of the Shares to which the SAR relates on each of the first three anniversaries of the Grant Date. If the Employee experiences an End of Service Date, the SAR will vest as to those Shares underlying the SAR, if any, that have not yet vested but would have vested hereunder if the Employee's End of Service Date had been 24 months following his actual End of Service Date. The Employee will forfeit that portion of the SAR which has not yet vested or would not have vested in the next 24 months as described in the preceding sentence. Notwithstanding anything contained herein to the contrary, the right of an Employee to exercise the SAR will be forfeited if the Committee determines, in its sole discretion, that (i) the Employee has entered into a business or employment relationship which is detrimentally competitive with the Company or substantially injurious to the Company's financial interests; or (ii) the Employee has been discharged from employment with the Company or an Affiliate for Cause.

(c) The SAR may be exercised by written notice to the Company indicating the number of Shares to which the SAR relates being exercised. When the SAR is vested and exercisable, it may be exercised in whole at any time or in part from time to time as to any or all full Shares under the SAR. Notwithstanding the foregoing, the SAR may not be exercised for fewer than 100 Shares at any one time or, if fewer, all the Shares that are then subject to the SAR.

(d) Any amount due to the Employee upon exercise of the SAR will be paid in Shares. The number of Shares delivered to Employee upon exercise of the SAR will be based on the amount, if any, by which the Fair Market Value of a Share on the date of exercise exceeds the grant price ("Grant Price") of the SAR. The Employee will not receive a distribution of Shares if the Fair Market Value on the date of exercise does not exceed the Grant Price. The Employee's distribution of Shares upon exercise of the SAR will be calculated by dividing

(x) the aggregate dollar difference between the Fair Market Value of a Share on the date of exercise and the Grant Price for all SARs so exercised by (y) the Fair Market Value of a Share on the date of exercise; provided, that the amount of Shares delivered to the Employee shall be subject to any minimum withholding as specified in clause 4 hereof.

3. Termination of Employment. Subject to the forfeiture provisions in clause 2(b) above, an Employee's right to exercise the SAR after termination of his or her employment will be only as follows:

(a) End of Service. If the Employee experiences an End of Service Date, the SAR will immediately vest, in accordance with Section 2(b) hereof, as to those Shares underlying the SAR, if any, that have not yet vested but would have vested hereunder if the Employee's End of Service Date had been 24 months following his actual End of Service Date, and the Employee will have the right for thirteen months following his or her End of Service Date (but not later than the date on which the SAR would otherwise expire), to exercise the SAR. If the Employee dies prior to the end of the thirteen-month period after the End of Service Date, his or her estate will have the right to exercise the SAR within thirteen months following the Employee's End of Service Date (but not later than the date on which the SAR would otherwise expire). The Employee's "End of Service Date" is the date of his or her retirement after attaining age 55 and completing ten years of service.

(b) Disability, Death, Not for Cause or Good Reason Termination. If an Employee's employment with the Company and all Affiliates shall be terminated for Disability or by the Company for any reason other than Cause, upon the Employee's death or, for an Employee who is a party to an employment or severance agreement with the Company, by the Employee for Good Reason (as defined in the Employee's employment or severance agreement), the SAR will immediately vest and become exercisable as to all Shares to which the SAR relates, and the Employee (or in the case of death, the Employee's estate) will have the right for a period of thirteen months following the date of the termination (but not later than the date on which the SAR would otherwise expire) to exercise the SAR. For each Employee who is a party to an employment or severance agreement with the Company, for purposes of this Section 3(b), the term "Disability" shall mean "Incapacity" as defined in such Employee's employment or severance agreement, as applicable.

(c) Other Termination. If an Employee's employment with the Company and all Affiliates terminates for any reason other than those provided in clauses 3(a) or (b), the Employee or his or her estate (in the event of his or her death after the Employee's termination): (i) may, within the 30-day period following the termination, exercise the SAR to the extent that it was vested and exercisable on the date his or her employment terminated; and (ii) will forfeit the SAR to the extent that it was not vested and exercisable on the date his or her employment terminated.

4. Medium and Time of Payment. Any withholding tax, up to the minimum withholding requirement for supplemental wages may be paid with Shares issuable to the



Employee upon exercise under this SAR. Shares used to satisfy any minimum required withholding tax will be valued at their Fair Market Value as of the date of exercise.

5. Transferability of SAR and Shares Acquired Upon Exercise of SAR. This SAR is transferable only by will or the laws of descent and distribution, or pursuant to a domestic relations order (as defined in Code Section 414(p)). The SAR will be exercisable during the Employee's lifetime only by the Employee or by his or her guardian or legal representative. The Committee may, in its discretion, require a guardian or legal representative to supply it with evidence the Committee deems necessary to establish the authority of the guardian or legal representative to exercise the SAR on behalf of the Employee. Except as limited by applicable securities laws and the provisions of Section 6 hereof, Shares acquired upon exercise of this SAR will be freely transferable.

6. Securities Law Requirements.

(a) If required by the Company, the notice of exercise of the SAR must be accompanied by the Employee's written representation: (i) that the stock being acquired is purchased for investment and not for resale or with a view to its distribution; (ii) acknowledging that the stock has not been registered under the Securities Act of 1933, as amended (the "1933 Act"); and (iii) agreeing that the stock may not be sold or transferred unless either there is an effective Registration Statement for it under the 1933 Act, or in the opinion of counsel for the Company, the sale or transfer will not violate the 1933 Act. This SAR will not be exercisable in whole or in part, nor will the Company be obligated to sell or issue any Shares subject to the SAR, if exercise and sale (or issuance) may, in the opinion of counsel for the Company, violate the 1933 Act (or other federal or state statutes having similar requirements), as it may be in effect at that time, or cause the Company to violate the terms of Section 4.1 of the Plan.

(b) The SAR is subject to the further requirement that, if at any time the Committee determines in its discretion that the registration, listing or qualification of the Shares subject to the SAR under any federal securities law, securities exchange requirements or under any other applicable law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the granting of the SAR or the issuance of Shares under it, the SAR may not be exercised in whole or in part, unless the necessary registration, listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Committee.

(c) No person who acquires Shares pursuant to this SAR may, during any period of time that person is an affiliate of the Company (within the meaning of the rules and regulations of the Securities and Exchange Commission under the 1933 Act) sell the Shares, unless the offer and sale is made pursuant to (i) an effective registration statement under the 1933 Act, which is current and includes the Shares to be sold, or (ii) an appropriate exemption from the registration requirements of the 1933 Act, such as that set forth in Rule 144 promulgated under the 1933 Act. With respect to individuals subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), transactions under this SAR are intended to

comply with all applicable conditions of Rule 16b-3, or its successors under the Exchange Act. To the extent any provision of the SAR or action by the Committee fails to so comply, the Committee may determine, to the extent permitted by law, that the provision or action will be null and void.

7. No Obligation to Exercise SAR. The granting of the SAR imposes no obligation upon the Employee (or upon a transferee of an Employee) to exercise the SAR.

8. No Limitation on Rights of the Company. Subject to Sections 4.3 and 15.2 of the Plan, the grant of the SAR will not in any way affect the right or power of the Company to make adjustments, reclassification or changes in its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

9. Plan and SAR Not a Contract of Employment. Neither the Plan nor this SAR is a contract of employment, and no terms of employment of the Employee will be affected in any way by the Plan, this SAR or related instruments except as specifically provided therein. Neither the establishment of the Plan nor this SAR will be construed as conferring any legal rights upon the Employee for a continuation of employment, nor will it interfere with the right of the Company or any Affiliate to discharge the Employee and to treat him or her without regard to the effect that treatment might have upon him or her as an Employee.

10. Employee to Have No Rights as a Stockholder. The Employee will have no rights as a stockholder with respect to any Shares subject to the SAR prior to the date on which he or she is recorded as the holder of those Shares on the records of the Company.

11. No Deferral Rights. Notwithstanding anything in Article 12 of the Plan to the contrary, there shall be no deferral of payment, delivery or receipt of any amounts hereunder.

12. Notice. Any notice or other communication required or permitted hereunder must be in writing and must be delivered personally, or sent by certified, registered or express mail, postage prepaid. Any such notice will be deemed given when so delivered personally or, if mailed, three days after the date of deposit in the United States mail, in the case of the Company to 21557 Telegraph Road, Southfield, Michigan, 48033, Attention: General Counsel and, in the case of the Employee, to the last known address of the Employee in the Company's records.

13. Governing Law. This document and the SAR will be construed and enforced in accordance with, and governed by, the laws of the State of Michigan, determined without regard to its conflict of law rules.

14. Plan Document Controls. The rights granted under this SAR document are in all respects subject to the provisions of the Plan to the same extent and with the same

effect as if they were set forth fully herein. If the terms of this document or the SAR conflict with the terms of the Plan document, the Plan document will control.

LEAR CORPORATION  
2009 LONG-TERM STOCK INCENTIVE PLAN

CASH-SETTLED STOCK APPRECIATION RIGHT TERMS AND CONDITIONS

1. Definitions. Any term capitalized herein but not defined will have the meaning set forth in the Plan.

2. Term, Vesting and Exercise of the SAR.

(a) If the Employee remains employed by the Company, the SAR will expire seven years from the Grant Date. If the Employee terminates employment with the Company before the seventh anniversary of the Grant Date, his or her right to exercise the SAR after termination of his or her employment will be only as provided in Section 3.

(b) The SAR will vest and become exercisable as to one-third of the Shares to which the SAR relates on each of the first three anniversaries of the Grant Date. If the Employee experiences an End of Service Date, the SAR will vest as to those Shares underlying the SAR, if any, that have not yet vested but would have vested hereunder if the Employee's End of Service Date had been 24 months following his actual End of Service Date. The Employee will forfeit that portion of the SAR which has not yet vested or would not have vested in the next 24 months as described in the preceding sentence. Notwithstanding anything contained herein to the contrary, the right of an Employee to exercise the SAR will be forfeited if the Committee determines, in its sole discretion, that (i) the Employee has entered into a business or employment relationship which is detrimentally competitive with the Company or substantially injurious to the Company's financial interests; or (ii) the Employee has been discharged from employment with the Company or an Affiliate for Cause.

(c) The SAR may be exercised by written notice to the Company indicating the number of Shares to which the SAR relates being exercised. When the SAR is vested and exercisable, it may be exercised in whole at any time or in part from time to time as to any or all full Shares under the SAR. Notwithstanding the foregoing, the SAR may not be exercised for fewer than 100 Shares at any one time or, if fewer, all the Shares that are then subject to the SAR.

(d) Any amount due to the Employee upon exercise of the SAR will be paid in cash. The amount delivered to Employee upon exercise of the SAR will be based on the amount, if any, by which the Fair Market Value of a Share on the date of exercise exceeds the grant price ("Grant Price") of the SAR. The Employee will not receive a distribution of cash if the Fair Market Value on the date of exercise does not exceed the Grant Price. The Employee's distribution of cash upon exercise of the SAR will be the aggregate dollar difference between the

Fair Market Value of a Share on the date of exercise and the Grant Price for all SARs so exercised; provided, that the amount delivered to Employee shall be subject to the minimum withholding tax for supplemental wages.

3. Termination of Employment. Subject to the forfeiture provisions in clause 2(b) above, an Employee's right to exercise the SAR after termination of his or her employment will be only as follows:

(a) End of Service. If the Employee experiences an End of Service Date, the SAR will immediately vest, in accordance with Section 2(b) hereof, as to those Shares underlying the SAR, if any, that have not yet vested but would have vested hereunder if the Employee's End of Service Date had been 24 months following his actual End of Service Date, and the Employee will have the right for thirteen months following his or her End of Service Date (but not later than the date on which the SAR would otherwise expire), to exercise the SAR. If the Employee dies prior to the end of the thirteen-month period after the End of Service Date, his or her estate will have the right to exercise the SAR within thirteen months following the Employee's End of Service Date (but not later than the date on which the SAR would otherwise expire). The Employee's "End of Service Date" is the date of his or her retirement after attaining age 55 and completing ten years of service.

(b) Disability, Death, Not for Cause or Good Reason Termination. If an Employee's employment with the Company and all Affiliates shall be terminated for Disability or by the Company for any reason other than Cause, upon the Employee's death or, for an Employee who is a party to an employment or severance agreement with the Company, by the Employee for Good Reason (as defined in the Employee's employment or severance agreement), the SAR will immediately vest and become exercisable as to all Shares to which the SAR relates, and the Employee (or in the case of death, the Employee's estate) will have the right for a period of thirteen months following the date of the termination (but not later than the date on which the SAR would otherwise expire) to exercise the SAR. For each Employee who is a party to an employment or severance agreement with the Company, for purposes of this Section 3(b), the term "Disability" shall mean "Incapacity" as defined in such Employee's employment or severance agreement, as applicable.

(c) Other Termination. If an Employee's employment with the Company and all Affiliates terminates for any reason other than those provided in clauses 3(a) or (b), the Employee or his or her estate (in the event of his or her death after the Employee's termination): (i) may, within the 30-day period following the termination, exercise the SAR to the extent that it was vested and exercisable on the date his or her employment terminated; and (ii) will forfeit the SAR to the extent that it was not vested and exercisable on the date his or her employment terminated.

4. Transferability of SAR. This SAR is transferable only by will or the laws of descent and distribution, or pursuant to a domestic relations order (as defined in Code Section 414(p)). The SAR will be exercisable during the Employee's lifetime only by the Employee or by his or her guardian or legal representative. The Committee may, in its discretion, require a guardian or legal representative to supply it with evidence the Committee deems necessary to establish the authority of the guardian or legal representative to exercise the SAR on behalf of the Employee.

5. Securities Law Requirements.

(a) This SAR will not be exercisable in whole or in part, if exercise may, in the opinion of counsel for the Company, violate the Securities Act of 1933, as amended (or other federal or state statutes having similar requirements), as it may be in effect at that time, or cause the Company to violate the terms of Section 4.1 of the Plan.

(b) The SAR is subject to the further requirement that, if at any time the Committee determines in its discretion that the registration, listing or qualification of the Shares subject to the SAR under any federal securities law, securities exchange requirements or under any other applicable law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the granting of the SAR, the SAR may not be exercised in whole or in part, unless the necessary registration, listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Committee.

(c) With respect to individuals subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), transactions under this SAR are intended to comply with all applicable conditions of Rule 16b-3, or its successors under the Exchange Act. To the extent any provision of the SAR or action by the Committee fails to so comply, the Committee may determine, to the extent permitted by law, that the provision or action will be null and void.

6. No Obligation to Exercise SAR. The granting of the SAR imposes no obligation upon the Employee (or upon a transferee of an Employee) to exercise the SAR.

7. No Limitation on Rights of the Company. Subject to Sections 4.3 and 15.2 of the Plan, the grant of the SAR will not in any way affect the right or power of the Company to make adjustments, reclassification or changes in its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

8. Plan and SAR Not a Contract of Employment. Neither the Plan nor this SAR is a contract of employment, and no terms of employment of the Employee will be affected in any way by the Plan, this SAR or related instruments except as specifically provided therein. Neither the establishment of the Plan nor this SAR will be construed as conferring any legal rights upon the Employee for a continuation of employment, nor will it interfere with the right of

the Company or any Affiliate to discharge the Employee and to treat him or her without regard to the effect that treatment might have upon him or her as an Employee.

9. Employee to Have No Rights as a Stockholder. The Employee will have no rights as a stockholder with respect to any Shares subject to the SAR prior to the date on which he or she is recorded as the holder of those Shares on the records of the Company.

10. No Deferral Rights. Notwithstanding anything in Article 12 of the Plan to the contrary, there shall be no deferral of payment, delivery or receipt of any amounts hereunder.

11. Notice. Any notice or other communication required or permitted hereunder must be in writing and must be delivered personally, or sent by certified, registered or express mail, postage prepaid. Any such notice will be deemed given when so delivered personally or, if mailed, three days after the date of deposit in the United States mail, in the case of the Company to 21557 Telegraph Road, Southfield, Michigan, 48033, Attention: General Counsel and, in the case of the Employee, to the last known address of the Employee in the Company's records.

12. Governing Law. This document and the SAR will be construed and enforced in accordance with, and governed by, the laws of the State of Michigan, determined without regard to its conflict of law rules.

13. Plan Document Controls. The rights granted under this SAR document are in all respects subject to the provisions of the Plan to the same extent and with the same effect as if they were set forth fully herein. If the terms of this document or the SAR conflict with the terms of the Plan document, the Plan document will control.

LEAR CORPORATION  
2009 LONG-TERM STOCK INCENTIVE PLAN

NONTRANSFERABLE NONQUALIFIED STOCK OPTION TERMS AND CONDITIONS

1. Definitions. Any term capitalized herein but not defined will have the meaning set forth in the Plan.

2. Term, Vesting and Exercise of the Stock Option.

(a) If the Employee remains employed by the Company, the Option will expire seven years from the Grant Date. If the Employee terminates employment with the Company before the seventh anniversary of the Grant Date, his or her right to exercise the Option after termination of his or her employment will be only as provided in Section 3.

(b) The Option will vest and become exercisable as to one-third of the Shares to which the Option relates on each of the first three anniversaries of the Grant Date. If the Employee experiences an End of Service Date, the Option will vest as to those Shares underlying the Option, if any, that have not yet vested but would have vested hereunder if the Employee's End of Service Date had been 24 months following his actual End of Service Date. The Employee will forfeit that portion of the Option which has not yet vested or would not have vested in the next 24 months as described in the preceding sentence. Notwithstanding anything contained herein to the contrary, the right of an Employee to exercise the Option will be forfeited if the Committee determines, in its sole discretion, that (i) the Employee has entered into a business or employment relationship which is detrimentally competitive with the Company or substantially injurious to the Company's financial interests; or (ii) the Employee has been discharged from employment with the Company or an Affiliate for Cause.

(c) The Option may be exercised by written notice to the Company indicating the number of Shares being purchased. The notice must be signed by the Employee and must be accompanied by full payment of the Exercise Price in accordance with Section 4. When the Option is vested and exercisable, it may be exercised in whole at any time or in part from time to time as to any or all full Shares under the Option. Notwithstanding the foregoing, the Option may not be exercised for fewer than 100 Shares at any one time or, if fewer, all the Shares that are then subject to the Option.

3. Termination of Employment. Subject to the forfeiture provisions in clause 2(b) above, an Employee's right to exercise the Option after termination of his or her employment will be only as follows:



(a) End of Service. If the Employee experiences an End of Service Date, the Option will immediately vest, in accordance with Section 2(b) hereof, as to those Shares underlying the Option, if any, that have not yet vested but would have vested hereunder if the Employee's End of Service Date had been 24 months following his actual End of Service Date, and the Employee will have the right for thirteen months following his or her End of Service Date (but not later than the date on which the Option would otherwise expire), to exercise the Option. If the Employee dies prior to the end of the thirteen-month period after the End of Service Date, his or her estate will have the right to exercise the Option within thirteen months following the Employee's End of Service Date (but not later than the date on which the Option would otherwise expire). The Employee's "End of Service Date" is the date of his or her retirement after attaining age 55 and completing ten years of service.

(b) Disability, Death, Not for Cause, or Good Reason Termination. If an Employee's employment with the Company and all Affiliates shall be terminated for Disability or by the Company for any reason other than Cause, upon the Employee's death or, for an Employee who is a party to an employment or severance agreement with the Company, by the Employee for Good Reason (as defined in the Employee's employment or severance agreement), the Option will immediately vest and become exercisable as to all Shares to which the Option relates, and the Employee (or in the case of death, the Employee's estate) will have the right for a period of thirteen months following the date of the termination (but not later than the date on which the Option would otherwise expire) to exercise the Option. For each Employee who is a party to an employment or severance agreement with the Company, for purposes of this Section 3(b), the term "Disability" shall mean "Incapacity" as defined in such Employee's employment or severance agreement, as applicable.

(c) Other Termination. If an Employee's employment with the Company and all Affiliates terminates for any reason other than those provided in clauses 3(a) or (b), the Employee or his or her estate (in the event of his or her death after the Employee's termination): (i) may, within the 30-day period following the termination, exercise the Option to the extent that it was vested and exercisable on the date his or her employment terminated; and (ii) will forfeit the Option to the extent that it was not vested and exercisable on the date his or her employment terminated.

#### 4. Medium and Time of Payment.

(a) The Exercise Price must be paid in United States dollars. The Exercise Price may be paid in cash, by certified check, by cashier's check, with Shares, or using any combination of those forms of payment, or by means of a cashless exercise or by any other means the Committee determines to be consistent with the Plan's purpose and applicable law, in accordance with the terms of Section 6.7 of the Plan. A certified or cashier's check used to pay all or part of the Exercise Price must be made payable to the order of the Company at the time of purchase.

(b) Any withholding tax, up to the minimum withholding requirement for supplemental wages may be paid with Shares issuable to the Employee upon exercise under this Option. Shares used to satisfy the Exercise Price and/or any minimum required withholding tax will be valued at their Fair Market Value as of the date of exercise.

5. Transferability of Option and Shares Acquired Upon Exercise of Option. This Option is transferable only by will or the laws of descent and distribution, or pursuant to a domestic relations order (as defined in Code Section 414(p)). The Option will be exercisable during the Employee's lifetime only by the Employee or by his or her guardian or legal representative. The Committee may, in its discretion, require a guardian or legal representative to supply it with evidence the Committee deems necessary to establish the authority of the guardian or legal representative to exercise the Option on behalf of the Employee. Except as limited by applicable securities laws and the provisions of Section 6 hereof, Shares acquired upon exercise of this Option will be freely transferable.

6. Securities Law Requirements.

(a) If required by the Company, the notice of exercise of the Option must be accompanied by the Employee's written representation: (i) that the stock being acquired is purchased for investment and not for resale or with a view to its distribution; (ii) acknowledging that the stock has not been registered under the Securities Act of 1933, as amended (the "1933 Act"); and (iii) agreeing that the stock may not be sold or transferred unless either there is an effective Registration Statement for it under the 1933 Act, or in the opinion of counsel for the Company, the sale or transfer will not violate the 1933 Act. This Option will not be exercisable in whole or in part, nor will the Company be obligated to sell or issue any Shares subject to the Option, if exercise and sale (or issuance) may, in the opinion of counsel for the Company, violate the 1933 Act (or other federal or state statutes having similar requirements), as it may be in effect at that time, or cause the Company to violate the terms of Section 4.1 of the Plan.

(b) The Option is subject to the further requirement that, if at any time the Committee determines in its discretion that the registration, listing or qualification of the Shares subject to the Option under any federal securities law, securities exchange requirements or under any other applicable law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the granting of the Option or the issuance of Shares under it, the Option may not be exercised in whole or in part, unless the necessary registration, listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Committee.

(c) No person who acquires Shares pursuant to this Option may, during any period of time that person is an affiliate of the Company (within the meaning of the rules and regulations of the Securities and Exchange Commission under the 1933 Act) sell the Shares, unless the offer and sale is made pursuant to (i) an effective registration statement under the 1933 Act, which is current and includes the Shares to be sold, or (ii) an appropriate exemption from the registration requirements of the 1933 Act, such as that set forth in Rule 144 promulgated

under the 1933 Act. With respect to individuals subject to Section 16 of the Exchange Act, transactions under this Option are intended to comply with all applicable conditions of Rule 16b-3, or its successors under the Exchange Act. To the extent any provision of the Option or action by the Committee fails to so comply, the Committee may determine, to the extent permitted by law, that the provision or action will be null and void.

7. No Obligation to Exercise Option. The granting of the Option imposes no obligation upon the Employee (or upon a transferee of an Employee) to exercise the Option.

8. No Limitation on Rights of the Company. Subject to Sections 4.3 and 15.2 of the Plan, the grant of the Option will not in any way affect the right or power of the Company to make adjustments, reclassification or changes in its capital or business structure, or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

9. Plan and Option Not a Contract of Employment. Neither the Plan nor this Option is a contract of employment, and no terms of employment of the Employee will be affected in any way by the Plan, this Option or related instruments except as specifically provided therein. Neither the establishment of the Plan nor this Option will be construed as conferring any legal rights upon the Employee for a continuation of employment, nor will it interfere with the right of the Company or any Affiliate to discharge the Employee and to treat him or her without regard to the effect that treatment might have upon him or her as an Employee.

10. Employee to Have No Rights as a Stockholder. The Employee will have no rights as a stockholder with respect to any Shares subject to the Option prior to the date on which he or she is recorded as the holder of those Shares on the records of the Company. The Employee will not have the rights of a stockholder until he or she has paid the Exercise Price in full.

11. No Deferral Rights. Notwithstanding anything in Article 12 of the Plan to the contrary, there shall be no deferral of payment, delivery or receipt of any amounts hereunder.

12. Notice. Any notice or other communication required or permitted hereunder must be in writing and must be delivered personally, or sent by certified, registered or express mail, postage prepaid. Any such notice will be deemed given when so delivered personally or, if mailed, three days after the date of deposit in the United States mail, in the case of the Company to 21557 Telegraph Road, Southfield, Michigan, 48033, Attention: General Counsel and, in the case of the Employee, to the last known address of the Employee in the Company's records.

13. Governing Law. This document and the Option will be construed and enforced in accordance with, and governed by, the laws of the State of Michigan, determined without regard to its conflict of law rules.

14. Plan Document Controls. The rights granted under this Option document are in all respects subject to the provisions of the Plan to the same extent and with the same effect as if they were set forth fully herein. If the terms of this document or the Option conflict with the terms of the Plan document, the Plan document will control.

**Lear Corporation Annual Incentive Plan**

**ARTICLE 1**

**Statement of Purpose**

Lear Corporation's compensation policies are intended to support the Company's overall objective of enhancing stockholder value. In furtherance of this philosophy, the Lear Corporation Annual Incentive Plan is designed to provide incentives for business performance, reward contributions towards goals consistent with the Company's business strategy and enable the Company to attract and retain highly qualified Corporate Officers, key management, and other salaried employees. It is intended that awards under the Plan may constitute qualified performance-based compensation under Section 162(m).

**ARTICLE 2**

**Definitions**

The terms used in this Plan include the feminine as well as the masculine gender and the plural as well as the singular, as the context in which they are used requires. The following terms, unless the context requires otherwise, are defined as follows:

- 2.1 **"Bonus"** means the incentive compensation payable in cash, as determined by the Committee under Section 4.4 of the Plan.
- 2.2 **"Board"** means the Lear Corporation Board of Directors.
- 2.3 **"Code"** means the Internal Revenue Code of 1986, as amended.
- 2.4 **"Committee"** means the Compensation Committee of the Board or any successor committee with responsibility for compensation, or any subcommittee, as long as the number of Committee members and their qualifications shall at all times be sufficient to meet the applicable requirements for "outside directors" under Section 162(m) and the independence requirements of the New York Stock Exchange or any other applicable exchange on which Lear Corporation common equity is at the time listed, in each case as in effect from time to time.
- 2.5 **"Company"** means Lear Corporation and, except for purposes of Section 4.7 or where the context indicates otherwise, any of its Subsidiaries that adopt this Plan or that have employees who are participants under this Plan.
- 2.6 **"Corporate Officer"** means any Company employee who is an "executive officer" as defined in Rule 3b-7 promulgated under the Exchange Act or who is employed in the Company's E1 level of band 7 (or any comparable or higher classification).
- 2.7 **"Disability"** means permanent and total disability as defined in the Company's Long Term Disability Plan or any successor plan (or if no such plan exists, as defined in Code Section 22(e)(3)).
- 2.8 **"Effective Date"** means November 9, 2009.
- 2.9 **"Exchange Act"** means the Securities Exchange Act of 1934, as amended.

- 2.10 **“Participant”** means a Corporate Officer, key management, or other salaried employee described in Article 3 of this Plan.
- 2.11 **“Performance Period”** means the period for which a Bonus may be made. Unless otherwise specified by the Committee, the Performance Period shall be a calendar year, beginning on January 1 of any year.
- 2.12 **“Plan”** means the Lear Corporation Annual Incentive Plan, as it may be amended from time to time.
- 2.13 **“Retirement”** means a Termination of Employment on or after (a) reaching the age established by the Company as the normal retirement age in any unexpired employment or severance agreement between the Participant and the Company, or, in the absence of such an agreement, the normal retirement age under the tax-qualified defined benefit retirement plan or, if none, the tax-qualified defined contribution retirement plan, sponsored by the Company in which the Participant participates, or (b) reaching age fifty-five with ten years of service with the Company.
- 2.14 **“SEC”** means the Securities and Exchange Commission.
- 2.15 **“Section 162(m)”** means Code Section 162(m) and regulations promulgated thereunder by the Secretary of the Treasury.
- 2.16 **“Section 409A”** means Code Section 409A and regulations promulgated thereunder by the Secretary of the Treasury.
- 2.17 **“Subsidiary”** means any corporation, partnership, limited liability company, association or other entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or more than 50% of the general partnership interests are, at the time any determination is being made, directly or indirectly owned by Lear Corporation.
- 2.18 **“Termination of Employment”** means (a) the termination of the Participant’s active employment relationship with the Company, unless otherwise expressly provided by the Committee, or (b) the occurrence of a transaction by which the Participant’s employing Company ceases to be a Subsidiary.

### **ARTICLE 3**

#### **Participation**

A Corporate Officer designated by the Committee or a key management or other salaried employee of the Company designated by the senior Human Resources executive or his or her designee, shall be a Participant in this Plan and shall continue to be a Participant until advised or determined otherwise.

### **ARTICLE 4**

#### **Incentive Bonuses**

- 4.1 **Objective Performance Goals.** The Committee shall establish written, objective performance goals for a Performance Period not later than 90 days after the beginning of the Performance Period (but not after more than 25% of the Performance Period has elapsed). The objective performance goals shall be stated as specific amounts of, or specific changes in, one or more of the financial measures described in Section 4.2. Objective performance

goals may also include operational goals such as: productivity, safety, other strategic objectives and individual performance goals. The objective performance goals need not be the same for different Performance Periods and for any Performance Period may be stated: (a) as goals for Lear Corporation, for one or more of its Subsidiaries, divisions, businesses or organizational units, or for any combination of the foregoing; (b) on an absolute basis or relative to the performance of other companies or of a specified index or indices, or be based on any combination of the foregoing; and (c) separately for one or more of the Participants, collectively for the entire group of Participants, or in any combination of the two.

- 4.2 **Financial Measures.** The Committee shall use any one or more of the following financial measures to establish objective performance goals under Section 4.1: net earnings; operating earnings or income; earnings growth; net sales growth; net income (absolute or competitive growth rates comparative); net income applicable to common stock; cash flow, including operating cash flow, free cash flow, discounted cash flow return on investment, and cash flow in excess of cost of capital; earnings per share of common stock; return on shareholders equity (absolute or peer-group comparative); stock price (absolute or peer-group comparative); absolute and/or relative return on common shareholders equity; absolute and/or relative return on capital; absolute and/or relative return on assets; economic value added (income in excess of cost of capital); customer satisfaction; quality metrics; expense reduction; and ratio of operating expenses to operating revenues. The Committee may specify any reasonable definition of the financial measures it uses. Such definitions may provide for reasonable adjustments and may include or exclude items, including but not limited to: investment gains and losses; extraordinary, unusual or non-recurring items; gains or losses on the sale of assets; effects of changes in accounting principles or the application thereof; asset impairment charges; effects of currency fluctuations; acquisitions, divestitures, or financing activities; recapitalizations, including stock splits and dividends; expenses for restructuring or productivity initiatives; discontinued operations; and other non-operating items.
- 4.3 **Performance Evaluation.** Within a reasonable time after the close of a Performance Period, the Committee shall determine whether the objective performance goals established for that Performance Period have been met, with respect to the respective Corporate Officers. If the objective performance goals and any other material terms established by the Committee have been met by a Corporate Officer, the Committee shall so certify in writing with respect to such Corporate Officer before the applicable Bonus is paid pursuant to Section 4.5. For all Participants who are not Corporate Officers, the senior Human Resources executive or his or her designee shall determine whether objective performance goals established for the Performance Period have been met by the respective Participants (and shall be bound by any determinations made by the Committee with respect to performance goals that apply both to Corporate Officers and to other Participants) and document such determination in accordance with the Company's policies and procedures, as may be established from time to time.
- 4.4 **Bonus.** If the Committee or the senior Human Resources executive, as applicable, has made the written certification under Section 4.3 for a Performance Period, each Participant to whom the certification applies shall be eligible for a Bonus for the Performance Period. The amount of the Bonus paid to each Corporate Officer shall be determined by the Committee and the amount of the Bonus paid to every other Participant shall be determined by the senior Human Resources executive or his or her designee. The Bonus for each such Participant shall not exceed 250% of the Participant's annualized base salary in effect on the

December 1st (or such other date as may be established by the Committee) that occurs during the Performance Period. For any Performance Period, however, the Committee shall have sole and absolute discretion to (i) reduce the amount of, or eliminate entirely, the Bonus to one or more of the Participants based upon the Committee's review of the objective performance goals for each Participant pursuant to Section 4.3 and the individual performance of such Participant, or (ii) increase the amount of any Bonus payable to a Participant whose compensation, at no time during the Performance Period, is subject to Code Section 162(m), based upon the Committee's review of the objective performance goals for each Participant pursuant to Section 4.3 and the individual performance of such Participant. In no event shall a Bonus be paid to any Participant under the Plan which exceeds \$4,000,000 for any Performance Period.

4.5 **Payment or Deferral of the Bonus.**

(a) Subject to Section 4.5(b), the Company shall pay the Bonus to the Participant after the Committee's or the senior Human Resources executive's determination under Section 4.4 but within the two and one-half month period following the end of the Performance Period. The Company shall have the right to deduct from any Bonus, any applicable income and employment taxes, and any other amounts that the Company is otherwise required or permitted to deduct.

(b) Subject to Section 7.11 (regarding Section 409A) and subject to the Committee's approval and applicable law, Participants may request that payments of a Bonus be deferred under a deferred compensation arrangement maintained by the Company by making a deferral election prior to or, as permitted, during the Performance Period pursuant to such rules and procedures as the Committee may establish from time to time with respect to such arrangement.

4.6 **Eligibility for Payments.**

(a) Except as otherwise provided in this Section 4.6, a Participant shall be eligible to receive a Bonus for a Performance Period only if such Participant is employed by the Company continuously from the beginning of the Performance Period through the last day of the Performance Period.

(b) Under Section 4.6(a), a leave of absence that lasts less than three months and that is approved in accordance with applicable Company policies (including without limitation, Company policies regarding treatment of vacation and short term leave and disability) is not a break in continuous employment. In the case of a leave of absence of three months or longer, the senior Human Resources executive (or in the case of a Corporate Officer, the Committee) shall determine whether the leave of absence constitutes a break in continuous employment.

(c) The senior Human Resources executive (or in the case of a Corporate Officer, the Committee) may determine, in its sole discretion, that (1) a Bonus will be payable pro-rata for a Participant who either becomes eligible to participate during the Performance Period or terminates his employment with the Company during the Performance Period due to his death, Retirement or Disability, and (2) a Bonus will be adjusted to reflect a Participant's increase or decrease in annualized salary during the Performance Period in both cases, with respect to a Participant whose compensation is subject to Code Section 162(m), only to the extent permissible under Code Section 162(m).



- 4.7 **Change in Control.** Upon the effective date of any Change in Control of the Company, all potential Bonuses payable hereunder attributable to a Performance Period in which the Change in Control occurs will vest and be paid on a pro-rata basis based on the target level of such potential Bonus. Such payment will be made as soon as practicable (and no more than 2½ months) following the Change in Control, without regard to whether such payments would be deductible under Code Section 162(m). A “Change in Control” will have the same meaning given to such term in the Company’s 2009 Long-Term Stock Incentive Plan, as amended.

## ARTICLE 5

### Administration

- 5.1 **General Administration.** This Plan shall be administered by the Committee, subject to such requirements for review and approval by the Board as the Board may establish. Subject to the terms and conditions of this Plan and Section 162(m), the Committee is authorized and empowered in its sole discretion to select or approve Participants and to award potential Bonuses in such amounts and upon such terms and conditions as it shall determine.
- Except to the extent provided in the following sentence, the Committee may delegate to the senior Human Resources executive (or his or her designee) any of the Committee’s duties and authority under the Plan with respect to Bonuses that may be payable to Participants who are not Corporate Officers, including but not limited to such duties and authority as are set forth in Articles 3 and 4. With respect to Bonuses that may be payable to Participants who are Corporate Officers during the Performance Period, the Committee may delegate any of the Committee’s duties and authority to the extent the Committee determines that such delegation would not cause a Bonus intended to be performance-based compensation under Section 162(m) to fail to qualify as such.
- 5.2 **Administrative Rules.** The Committee shall have full power and authority to adopt, amend and rescind administrative guidelines, rules and regulations pertaining to this Plan and to interpret this Plan and rule on any questions respecting any of its provisions, terms and conditions.
- 5.3 **Committee Members Not Eligible.** No member of the Committee shall be eligible to participate in this Plan.
- 5.4 **Committee Members Not Liable.** The Committee and each of its members shall be entitled to rely upon certificates of appropriate officers of the Company with respect to financial and statistical data in order to determine if the objective performance goals for a Performance Period have been met. Neither the Committee nor any member shall be liable for any action or determination made in good faith with respect to this Plan or any Bonus made hereunder.
- 5.5 **Decisions Binding.** All decisions, actions and interpretations of the Committee concerning this Plan shall be final and binding on Lear Corporation and its Subsidiaries and their respective boards of directors, and on all Participants and other persons claiming rights under this Plan.
- 5.6 **Application of Section 162(m).** Bonuses payable under this Plan are intended to satisfy the applicable requirements for the performance-based compensation exception for any Participant’s whose compensation is subject to Section 162(m). It is intended that the Plan

be administered, interpreted and construed so that Bonus payments remain tax deductible to the Company.

## ARTICLE 6

### Amendments; Termination

This Plan may be amended or terminated by the Board or the Committee. All amendments to this Plan, including an amendment to terminate this Plan, shall be in writing. An amendment to this Plan shall not be effective without the prior approval of the stockholders of Lear Corporation if such approval is necessary: (i) to continue to qualify Bonuses as performance-based compensation under Section 162(m); or (ii) to comply with Department of the Treasury or SEC regulations, the rules of the New York Stock Exchange or any other applicable exchange or any other applicable law or regulations. Unless otherwise expressly provided by the Board or the Committee, no amendment to this Plan shall apply to potential Bonuses with respect to a Performance Period that began before the effective date of such amendment.

## ARTICLE 7

### Other Provisions

- 7.1 **Duration of the Plan.** This Plan is effective as of the Effective Date. This Plan shall remain in effect until all Bonuses made under this Plan have been paid or forfeited under the terms of this Plan, and all Performance Periods related to Bonuses made under this Plan have expired. No Bonuses may be paid under this Plan for any Performance Period that would end after the first meeting of Company shareholders that occurs in the fifth year following the calendar year which includes the Effective Date, unless the Board (subject to any shareholder approval that may then be required to continue to qualify this Plan as a performance-based plan under Section 162(m)) extends this Plan.
- 7.2 **Bonuses Not Assignable.** No Bonus or any right thereto shall be assignable or transferable by a Participant except by will or by the laws of descent and distribution. Any other attempted assignment or alienation shall be void and of no force or effect.
- 7.3 **Participant's Rights.** The right of any Participant to receive any payments under a Bonus granted to such Participant and approved by the Committee pursuant to the provisions of this Plan shall be an unsecured claim against the general assets of the Company. This Plan shall not create, nor be construed in any manner as having created, any right by a Participant to any Bonus for a Performance Period because of a Participant's participation in this Plan for any prior Performance Period, or because the Committee or the senior Human Resources executive has made a written certification under Section 4.3 for the Performance Period. The application of the Plan to one Participant shall not create, nor be construed in any manner as having created, any right by another Participant to similar or uniform treatment under the Plan. Solely with respect to a Participant who is party to an unexpired employment or severance agreement with the Company, the provisions of this Plan are in all respects subject to the terms and conditions of such agreement as if they were set forth fully herein.
- 7.4 **Termination of Employment.** The Company retains the right to terminate the employment of any Participant or other employee at any time for any reason or no reason, and a Bonus is not, and shall not be construed in any manner to be, a waiver of such right.

- 7.5 **Exclusion from Benefits.** Bonuses under this Plan shall not constitute compensation for the purpose of determining participation or benefits under any other plan of the Company unless specifically included as compensation in such plan.
- 7.6 **Successors.** Any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of Lear Corporation's business or assets, shall assume Lear Corporation's liabilities under this Plan and perform any duties and responsibilities in the same manner and to the same extent that Lear Corporation would be required to perform if no such succession had taken place.
- 7.7 **Law Governing Construction.** The construction and administration of this Plan and all questions pertaining thereto shall be governed by the laws of the State of Michigan without giving effect to principles of conflicts of law, except to the extent that such law is preempted by Federal law.
- 7.8 **Headings Not a Part Hereto.** Any headings preceding the text of the several Articles, Sections, subsections, or paragraphs hereof are inserted solely for convenience of reference and shall not constitute a part of this Plan, nor shall they affect its meaning, construction or effect.
- 7.9 **Severability of Provisions.** If any provision of this Plan is determined to be void by any court of competent jurisdiction, this Plan shall continue to operate and, for the purposes of the jurisdiction of the court only, shall be deemed not to include the provision determined to be void.
- 7.10 **Offsets.** To the extent permitted by law, the Company shall have the right to offset from any Bonus payable hereunder any amount that the Participant owes to the Company or any Subsidiary without the consent of the Participant (or his beneficiary, in the event of the Participant's death).
- 7.11 **Section 409A.** This Plan is intended to comply with Section 409A and the interpretative guidance thereunder, including the exemption for short-term deferrals, and shall be administered accordingly. The Plan shall be construed and interpreted with such intent. The Company makes no representations that the Plan, the administration of the Plan, or the amounts hereunder comply with, or are exempt from, Section 409A. If an operational failure occurs with respect to Section 409A, any affected Participant shall fully cooperate with the Company to correct the failure, to the extent possible, in accordance with any correction procedure established by the Secretary of the Treasury.

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**Lear Contact:**  
**Mel Stephens**  
**(248) 447-1624**

**LEAR COMPLETES FINANCIAL REORGANIZATION AND NEW  
COMMON SHARES WILL BEGIN TRADING ON THE NYSE**

**Company Emerges from Chapter 11 with a Strong and  
Flexible Capital Structure, Including over \$1 Billion in Cash**

**Positive Operating Earnings and Free Cash Flow in Third Quarter**

**Diversified Sales Backlog of New Business Totals \$1.4 Billion**

**Well Positioned to Benefit from Industry Recovery with Competitive Cost  
Structure, Focus on Quality, and Commitment to Customer Satisfaction**

SOUTHFIELD, Mich., November 9, 2009 – Lear Corporation, a leading global supplier of automotive seating systems, electrical distribution systems and electronic products, announced today that it has successfully emerged from its court-supervised financial reorganization with a strong and flexible balance sheet, positive operating results in the Third Quarter, a growing sales backlog and a robust competitive profile.

The Company also announced that its new common stock will be listed on the New York Stock Exchange under its historical NYSE stock symbol “LEA” and will begin trading on a “when issued” basis (LEA WI) today. The Company expects its common shares to begin “regular way” trading within several days thereafter.

“We have moved through the financial restructuring process without missing a beat operationally. We have continued to win new business globally, strengthened our industry-leading global capabilities and the spirit of the Lear team has never been more positive,” said Bob Rossiter, Lear’s Chairman, Chief Executive Officer and President. “Our customer relationships remain the best in the industry, allowing us to continue winning new business in every region of the world.”

Lear said its present net sales backlog totals \$1.4 billion for 2010 to 2012, which is approximately 25% higher than the prior status, despite lower industry production levels. The new backlog also represents continued diversification of Lear’s sales, with 40% in its Seating business and 60% in its growing Electrical and Electronic business. Moreover, more than half of Lear’s new business comes from outside North America.

As a result of the financial reorganization, Lear has reduced its debt obligations by approximately \$2.8 billion and emerged with a strong and flexible balance sheet. With over \$1 billion in cash, Lear has available liquidity to support its global operating needs and growth plans. Upon exit, Lear has less than \$1 billion of debt at competitive interest rates and no near-term maturities.

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“Moving forward, we are committed to maintaining a disciplined financial profile and an investment grade focus that will enable us to continue investing in new products and technologies globally, as well as growth in emerging markets,” Mr. Rossiter said.

“As a result of our multi-year business transformation, we have streamlined our global cost footprint and improved our operating efficiency in every region of the world. Going forward, we have a focused overall plan to drive further sales growth and improved margins.”

Mr. Rossiter concluded, “Thanks to the hard work and dedication of our employees, we moved through our financial restructuring expeditiously and without compromising the fundamentals that make Lear a global industry leader – our unrelenting focus on quality, our unwavering commitment to customer satisfaction, and the most talented team in the business. When you add to that our strong balance sheet, competitive cost structure, and focused growth strategy, we are ideally positioned to continue our business momentum and to benefit from an industry recovery.”

### **Investor Conference Call**

Lear will webcast a conference call to review the Company’s third-quarter 2009 financial results and related matters on Wednesday, November 11, 2009, at 1:00 p.m. eastern time through the Investor Relations link at <http://www.lear.com>. In addition, the conference call can be accessed by dialing 1-800-789-4751 (domestic) or 1-973-200-3975 (international). Audio replays will be available two hours following the call at 1-800-642-1687 (domestic) or 1-706-645-9291 (international) and will be available until November 25, 2009, with a Conference I.D. of 38924117.

### **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated financial results and liquidity. Actual results may differ materially from anticipated results as a result of certain risks and uncertainties, including but not limited to: the potential adverse impacts of the filing of the chapter 11 bankruptcy proceedings on the Company’s business, financial condition or results of operations that could continue or arise following the effective date of the plan of reorganization; the anticipated future performance of the reorganized Company, including, without limitation, the Company’s ability to maintain or increase revenue or gross margins, control future operating expenses or make necessary capital expenditures; general economic conditions in the markets in which the Company operates, including changes in interest rates or currency exchange rates, the financial condition and restructuring actions of the Company’s customers and suppliers; changes in actual industry vehicle production levels from the Company’s current estimates; fluctuations in the production of vehicles for which the Company is a supplier; the loss of business with respect to, or the lack of commercial success of, a vehicle model for which the Company is a significant supplier, including further declines in sales of full-size pickup trucks and large sport utility vehicles; disruptions in the relationships with the Company’s suppliers; labor disputes involving the Company or its significant customers or suppliers or that otherwise affect the Company; the Company’s ability to achieve cost reductions that offset or exceed customer-mandated selling price reductions; the outcome of customer negotiations; the impact and timing of program launch costs; the costs, timing and success of

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restructuring actions; increases in the Company's warranty or product liability costs; risks associated with conducting business in foreign countries; competitive conditions impacting the Company's key customers and suppliers; the cost and availability of raw materials and energy; the Company's ability to mitigate increases in raw material, energy and commodity costs; the outcome of legal or regulatory proceedings to which the Company is or may become a party; unanticipated changes in cash flow, including the Company's ability to align its vendor payment terms with those of its customers; further impairment charges initiated by adverse industry or market developments; the impact and duration of domestic and foreign government initiatives designed to assist the automotive industry; and other risks described from time to time in the Company's Securities and Exchange Commission filings. Future operating results will be based on various factors, including actual industry production volumes, commodity prices and the Company's success in implementing its operating strategy.

This press release also contains information on the Company's sales backlog. The Company's incremental sales backlog reflects anticipated net sales from formally awarded new programs and open replacement programs, less phased-out and cancelled programs. The calculation of backlog does not reflect customer price reductions on existing or newly awarded programs. The backlog may be impacted by various assumptions embedded in the calculation, including vehicle production levels on new and replacement programs, foreign exchange rates and the timing of major program launches. Lear's 2010 to 2012 consolidated sales backlog is based on an exchange rate of \$1.40/per Euro and current forecasted industry production assumptions by major market provided by CSM Worldwide.

The forward-looking statements in this press release are made as of the date hereof, and the Company does not assume any obligation to update, amend or clarify them to reflect events, new information or circumstances occurring after the date hereof.

Lear Corporation is one of the world's leading suppliers of automotive seating systems, electrical distribution systems and electronic products. The Company's world-class products are designed, engineered and manufactured by a diverse team of approximately 75,000 employees at 205 facilities in 36 countries. Lear's headquarters are in Southfield, Michigan, and Lear's new common shares will be traded on the New York Stock Exchange under the symbol [LEA]. Further information about Lear is available on the Internet at <http://www.Lear.com>.

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