
**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 14, 2007

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 5 — Corporate Governance and Management

Item 5.02 — Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) On November 14, 2007, the Compensation Committee (the “Compensation Committee”) of the Board of Directors of Lear Corporation (“Lear,” or the “Company”) approved awards consisting of restricted stock units (“RSUs”), stock-settled stock appreciation rights (“SARs”) and cash-settled performance units (“Performance Units”) under the Company’s Long-Term Stock Incentive Plan to certain officers and key employees. These awards were generally structured such that recipients received 35% of the total award value in the form of RSUs, 35% in SARs and the remaining 30% in Performance Units.

Robert E. Rossiter, the Company’s Chairman, Chief Executive Officer and President, received 29,874 RSUs, 89,625 SARs and a target Performance Unit award of \$768,210, Daniel A. Ninivaggi, Executive Vice President, General Counsel, Chief Administrative Officer and Corporate Secretary received 12,088 RSUs, 36,264 SARs and a target Performance Unit award of \$310,830, Matthew J. Simoncini, Senior Vice President and Chief Financial Officer, received 10,188 RSUs, 30,561 SARs and a target Performance Unit award of \$261,960, and James H. Vandenberghe, Vice Chairman, received 15,250 RSUs. In addition, Raymond E. Scott, Senior Vice President and President — North American Seating Systems, Louis R. Salvatore, Senior Vice President and President — Global Asian Operations/Customers, and James M. Brackenbury, Senior Vice President and President — European Operations, each received 9,076 RSUs, 27,225 SARs and a target Performance Unit award of \$233,370. One-half of the RSUs vest after two years, and one-half after four years (except for Mr. Vandenberghe’s grant, which vests in its entirety after two years or his earlier retirement, in accordance with standard RSU terms and conditions); the SARs have a term of seven years and vest on the third anniversary of the grant date. Payment of each Performance Unit award is contingent on Lear attaining certain levels of the two equally-weighted performance measures of earnings growth (5%, 10% and 15% per year average growth for threshold, target and superior payouts, respectively) and improvement on return on invested capital (3%, 5% and 7% per year average improvement for threshold, target and superior payouts, respectively) during the 2008 to 2010 performance period. Otherwise, the terms of the Performance Unit awards are materially consistent with the terms of the performance unit awards for the 2007 to 2009 period. The foregoing summary of the terms of the Performance Unit awards is qualified in its entirety by reference to the full text of the form of Performance Unit award agreement, which is attached hereto as Exhibit 10.1 and incorporated by reference herein. The terms of the RSU and SARs awards are materially consistent with the terms of prior awards previously disclosed by the Company.

On November 14, 2007, the Compensation Committee approved performance share awards (“Performance Shares”) to certain members of Lear’s management for the 2007 to 2009 performance period. Mr. Rossiter received an award of 18,556 Performance Shares, Mr. Vandenberghe received 7,801 Performance Shares, Mr. Ninivaggi received 5,904 Performance Shares, Mr. Simoncini received 3,373 Performance Shares, Mr. Scott and Mr. Brackenbury each received 4,217 Performance Shares, and Mr. Salvatore received 3,879 Performance Shares. The number of Performance Shares actually earned will depend on the attainment of certain levels (threshold, target or superior) of the two equally-weighted performance measures of improvement on return on invested capital and relative return to shareholders compared to companies within the S&P 500 Index. The specific threshold, target and superior levels of these performance measures are identical to, and the remainder of the terms of the Performance Share awards are materially consistent with, those of the performance share awards for the 2006-2008 that were previously disclosed by Lear.

On November 14, 2007, the Compensation Committee also approved an increase of Mr. Simoncini's annual base salary from \$500,000 to \$575,000, effective November 15, 2007, and his annual incentive compensation target from 60% to 70% of his base salary, based on his recent promotion to the position of chief financial officer.

On November 15, 2007, Lear entered into a new employment agreement (the "Employment Agreement") with Mr. Rossiter. The terms of the Employment Agreement are generally consistent with the terms of his prior employment agreement except as described in this summary. The Employment Agreement has a fixed term from November 15, 2007 to December 31, 2010. The term of the Employment Agreement may be extended by one year by Lear before the end of the second year of the Employment Agreement. Mr. Rossiter's base salary has been increased to \$1,250,000 with a target bonus of no less than 150% of his base salary under Lear's annual incentive compensation plan. The termination provisions of the Employment Agreement are materially consistent with the terms of Mr. Rossiter's prior agreement, except that his severance benefit is reduced to one year's salary and bonus in the third year of the Agreement. The Agreement also modifies and extends Mr. Rossiter's non-competition obligations and contemplates that Mr. Rossiter will enter into a one-year consulting agreement with Lear upon the termination of the Agreement. The foregoing summary is qualified in its entirety by reference to the full text of the Employment Agreement, which is attached hereto as Exhibit 10.2 and incorporated by reference herein.

On November 15, 2007, Lear entered into a consulting agreement (the "Consulting Agreement") with Mr. Vandenberghe, effective upon his expected retirement from Lear on May 31, 2008. Under the terms of the Consulting Agreement, Mr. Vandenberghe will receive cash compensation of \$700,000 during the one-year term of the Consulting Agreement and will provide transition, consulting and other related services to Lear. The restrictive covenants in his existing employment agreement will continue to apply until two years after the end of the consulting period. The foregoing summary is qualified by reference to the full text of the Consulting Agreement, which is attached hereto as Exhibit 10.3 and incorporated by reference herein.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

(a) On November 14, 2007, the Board of Directors of the Company amended Article V of the By-Laws of the Company (the "By-Laws"), effective immediately, to authorize the issuance of uncertificated shares and set forth the rights of holders of uncertificated shares of stock of the Company and the procedures for the transfer of such uncertificated shares. The Company approved this amendment in connection with its compliance with the New York Stock Exchange rule requiring that securities listed on the exchange be eligible for a direct registration system by January 2008.

The foregoing description of the amendment of the By-Laws is qualified in its entirety by reference to the full text of the By-Laws (as amended as of November 14, 2007) attached hereto as Exhibit 3.1 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	By-Laws, as amended, of Lear Corporation.
10.1	Form of Cash-Settled Performance Unit Agreement for the three year period ending December 31, 2010
10.2	Employment Agreement, dated as of November 15, 2007, between Lear Corporation and Robert E. Rossiter
10.3	Consulting Agreement, dated as of November 15, 2007, between Lear Corporation and James H. Vandenberghe

SIGNATURE

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

LEAR CORPORATION,
a Delaware corporation

Date: November 16 , 2007

By: /s/ Daniel A. Ninivaggi
Name: Daniel A. Ninivaggi
Title: Executive Vice President, General Counsel, Chief
Administrative Officer and Corporate Secretary

EXHIBIT INDEX

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**BY-LAWS
OF
LEAR CORPORATION
("Hereinafter called the "Corporation")
Amended as of November 14, 2007**

**ARTICLE I
OFFICES**

Section 1.1. Registered Office. The registered office of the Corporation shall be in the City of Wilmington, County of New Castle, State of Delaware.

Section 1.2. Other Offices. The Corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine.

**ARTICLE II
MEETINGS OF STOCKHOLDERS**

Section 2.1. Place of Meetings; Postponement. Meetings of the stockholders for the election of directors or for any other purpose shall be held at such time and place, either within or without the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof. Any previously scheduled annual or special meeting of stockholders may be postponed, and any previously scheduled annual or special meeting of the stockholders may be cancelled, by resolution of the Board of Directors upon public notice given prior to the date previously scheduled for such meeting of stockholders.

Section 2.2. Annual Meetings. The Annual Meetings of stockholders shall be held on such date and at such time as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting, at which meetings the stockholders shall elect by a plurality vote those members of the Board of Directors to be elected in such year, and transact such other business as may properly be brought before the meeting. Written notice of the Annual Meeting stating the place, date and hour of the meeting shall be given to each stockholder entitled to vote at such meeting not less than 10 nor more than 60 days before the date of the meeting.

Section 2.3. Nominating Directors. Only persons who are nominated in accordance with the following procedures shall be eligible to serve as directors. Nominations of persons for election to the Board of Directors at a meeting of stockholders may be made (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the Corporation entitled to vote for the election of directors at the meeting who complies with the notice procedures set forth in this Article II, Section 2.3. Such nominations, other than those made by or at the direction of the Board of Directors, shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to, or mailed and received by, the Secretary of the Corporation at the principal executive offices of the Corporation not less than 60 or more than 90 days prior to the meeting; provided, however, that if the Corporation has not "publicly disclosed" (in the manner provided in the last sentence of this Article II, Section 2.3) the date of the meeting at least 70 days prior to the meeting date, notice may be timely made by a stockholder under this Article II, Section 2.3 if

received by the Secretary of the Corporation not later than the close of business on the tenth day following the day on which the Corporation publicly disclosed the meeting date. Such stockholder's notice shall set forth (i) as to each person whom the stockholder proposes to nominate for election or re-election as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (including such person's written consent to being named in the proxy statement as a nominee and to serving as director if elected); and (ii) as to the stockholder giving notice and the beneficial owner, if any, on whose behalf notice is given (A) the name and address of such stockholder as they appear on the Corporation's books and of any such beneficial owner, (B) the class and number of shares of capital stock of the Corporation which are owned beneficially and of record by such stockholder and any such beneficial owner, (C) a description of all arrangements or understandings between such stockholder and any such beneficial owner and any other person or persons (including their names) regarding the nomination, (D) a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice, and (E) a description of any other information relating to such stockholder and any such beneficial owner that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies pursuant to Regulation 14A under the Exchange Act. At the request of the Board of Directors any person nominated by the Board of Directors for election as a director shall furnish to the Secretary of the Corporation that information required to be set forth in a stockholder's notice of nomination which pertains to the nominee. No person shall be eligible to serve as a director of the Corporation unless nominated in accordance with the procedures set forth herein. The presiding officer shall, if the facts so warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by the By-Laws, and the defective nomination shall be disregarded. For purposes of these By-Laws, "publicly disclosed" or "public disclosure" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press, or a comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission.

Section 2.4. **Notice of Business.** At an Annual Meeting of the stockholders, only such business shall be conducted as shall have been brought before the meeting (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the Corporation who complies with the notice procedures set forth in this Article II, Section 2.4. For business to be properly brought before an Annual Meeting by a stockholder, the stockholder must deliver written notice to, or mail such written notice so that it is received by, the Secretary of the Corporation, at the principal executive offices of the Corporation, not less than 120 or more than 150 days prior to the first anniversary of the date of the Corporation's consent solicitation or proxy statement released to stockholders in connection with the previous year's election of directors or meeting of stockholders, except that if no Annual Meeting of stockholders or election by consent was held in the previous year or if the date of the Annual Meeting has been changed by more than 30 days from the date of the previous year's meeting, a proposal shall be received by the Corporation within 10 days after the Corporation has "publicly disclosed" the date of the meeting in the manner provided in Article II, Section 2.3. above. The stockholder's notice to the Secretary shall set forth (A) as to each matter the stockholder proposes to bring before the Annual Meeting a brief description of the business desired to be brought before the Annual Meeting and the reasons for conducting such business at the Annual Meeting, (B) the name and address of the stockholder proposing such business as they appear on the Corporation's books and of any beneficial owner on whose behalf the business is proposed, (C) the class and number of shares of the Corporation which are owned beneficially and of record by the stockholder and any such beneficial owner, (D) a description of all arrangements or understandings between such stockholder and any such beneficial owner and any other person or persons (including their names) in connection with the proposal of such business by such stockholder and any other material interest of such stockholder or beneficial owner in such business, (E) a representation that such stockholder intends to appear in person or by proxy at the Annual Meeting to bring such business before the meeting and (F) any other information relating to such stockholder and any such beneficial owner that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies relating to such business pursuant to Regulation 14A under the Exchange Act. At an Annual Meeting, the presiding officer shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Article II, Section 2.4., and such business not properly brought before the meeting shall not be

transacted. Whether or not the foregoing procedures are followed, no matter which is not a proper matter for stockholder consideration shall be brought before the meeting.

Section 2.5. Special Meetings. Unless otherwise prescribed by law or by the Certificate of Incorporation, Special Meetings of stockholders, for any purpose or purposes, may be called only by (i) the Chief Executive Officer, (ii) the President, or (iii) the Secretary of the Corporation, and shall be called by any such officer at the request in writing of a majority of the Board of Directors. The business transacted at any Special Meeting of the stockholders shall be limited to the purposes stated in the notice for the meeting transmitted to stockholders. Written notice of a Special Meeting stating the place, date and hour of the meeting and the purpose or purposes for which the meeting is called shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting.

Section 2.6. Waiver of Notice. Notice of the time, place and purpose or purposes of any meeting of stockholders may be waived by a written waiver thereof, signed by the person entitled to notice. Such waiver, 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.

Section 2.7. Record Date. Except as provided by Section 2.16 of this Article II, in order that the Corporation may determine the stockholders entitled to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or 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 shall not precede the date upon which the resolution fixing the record date is adopted, and which shall be (i) not more than 60 nor less than 10 days before the date of a meeting, and (ii) not more than 60 days prior to the other action. 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 any adjourned meeting.

Section 2.8. List of Stockholders Entitled to Vote. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, 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, during ordinary business hours, for a period of at least 10 days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present.

Section 2.9. Stock Ledger. The stock ledger of the Corporation shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by Section 2.8. of this Article II or the books and records of the Corporation, or to vote in person or by proxy at a meeting of stockholders.

Section 2.10. Quorum; Adjournment. Except as otherwise provided by law or by the Certificate of Incorporation, the holders of a majority of the capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business. The presiding officer of the meeting shall have power to adjourn the meeting from time to time, whether or not there is such a quorum, (i) without notice other than announcement at the meeting and (ii) with or without the consent of a majority of the capital stock present (in person or by proxy) at the meeting. A majority of the capital stock present (in person or by proxy) at a meeting, whether or not there is a quorum, shall have the power to adjourn the meeting with the consent of the presiding officer. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. If the meeting is adjourned in a single adjournment for more than 30 days or in multiple adjournments for more than 120 days, or if after an adjournment a new

record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder entitled to vote at the adjourned meeting consistent with the new record date. Once a share of capital stock is represented for any purpose of a meeting, it shall be present for quorum purposes for the remainder of the meeting and for any adjournment thereof unless a new record date is set for the adjourned meeting.

Section 2.11. Voting. When a quorum is present at any meeting, the affirmative vote of the holders of a majority of the stock represented and entitled to vote thereat shall decide any question brought before such meeting, unless the question is one upon which by express provision of applicable law, the Certificate of Incorporation or these By-Laws, a different vote is required in which case such express provision shall govern and control the decision of such question.

Section 2.12. Proxy. Unless otherwise provided in the Certificate of Incorporation, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock having voting power held by such stockholder, but no proxy shall be voted on after three years from its date, unless the proxy provides for a longer period. At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to this paragraph may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used; provided that, such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission. All voting, excepting where otherwise required by law, the Certificate of Incorporation, the Board of Directors or the presiding officer at the meeting may be by a voice vote.

Section 2.13. Chairman of Meeting. The Chairman of the Board of Directors shall preside at all meetings of the stockholders. In the absence or inability to act of the Chairman, the Vice Chairman, the Chief Executive Officer, the President or a Vice President (in that order) shall preside, and in their absence or inability to act another person designated by one of them shall preside. The Secretary of the Corporation shall act as secretary of each meeting of the stockholders. In the event of his absence or inability to act, the chairman of the meeting shall appoint a person who need not be a stockholder to act as secretary of the meeting.

Section 2.14. Conduct of Meetings; Opening and Closing the Polls. Meetings of stockholders shall be presided over by the presiding officer, whose rulings on procedural matters shall be final. 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 presiding officer shall have the exclusive right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such presiding officer, 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 presiding officer, 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 of record of the Corporation, their duly authorized and constituted proxies or such other persons as the presiding officer 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. Unless and to the extent determined by the Board of Directors or the presiding officer, 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 presiding officer and announced at the meeting.

Section 2.15. Inspectors of Election. The Board of Directors may, and shall if required by 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 Board of Directors 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. No person who is a candidate for an office at an election may serve as an inspector at such election.

Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her 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 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. The results of any election at which inspectors are appointed shall not be deemed final and effective until the receipt and approval by the Board of Directors of the inspectors' certification and report.

2.16 Procedures for Action by Written Consent

2.16.1 Requested for Record Date. (a) The record date for determining stockholders entitled to express consent to corporate action in writing without a meeting shall be as fixed by the Board of Directors or as otherwise established under this Section 2.16. Any person seeking to have the stockholders authorize or take corporate action by written consent without a meeting shall, by written notice addressed to the Secretary and delivered to the Corporation and signed by a stockholder of record, request that a record date be fixed for such purpose. The written notice shall contain at a minimum the information set forth in Section 2.16.1(b). Following receipt of the notice, the Board of Directors shall have 10 days to determine the validity of the request for a record date. Following the determination of the validity of the request, the Board of Directors may fix a record date for such purpose which shall be no more than 10 days after the date upon which the resolution fixing the record date is adopted by the Board of Directors and shall not precede the date such resolution is adopted. If the Board of Directors fails within 20 days after the Corporation receives such notice to fix a record date for such purpose, the record date shall be the day on which the first written consent is delivered to the Corporation in the manner described in Section 2.16 below unless prior action by the Board of Directors is required under the General Corporation Law of Delaware, in which event the record date shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(b) Any stockholder's notice required by this Section 2.16.1 shall describe the action that the stockholder proposes to take by consent. For each such proposal, the notice shall set forth (i) the text of the proposal (including the text of any resolutions to be effected by consent and/or the language of any proposed amendment to the bylaws of the corporation), (ii) the reasons for conducting such business by consent, (iii) any material interest in the proposal held by such stockholder and the beneficial owner, if any, on whose behalf the action is to be taken, and (iv) any other information relating to the stockholder, the beneficial owner, or the proposal that would be required to be disclosed in filings in connection with the solicitation of proxies or consents pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. To the extent the proposed action by consent involves the election of directors, the notice shall set forth as to each person whom the stockholder proposes to elect as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation and employment of the person, (iii) the class or series and number of shares of capital stock of the Corporation which owned beneficially or of record by the person and (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies or consents for the election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. In addition to the foregoing, the notice shall set forth as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the notice is given (i) the name and address of such stockholder, as they appear on the Corporation's books and of such beneficial owner, (ii) the class 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 all arrangements or understandings

between such stockholder and such beneficial owner and any other person or persons regarding the proposed action by consent, (iv) a representation whether the stockholder or the beneficial owner intends or is part of a group which intends to (1) deliver a proxy statement and/or consent solicitation statement to holders of at least the percentage of the Corporation's outstanding capital stock required to effect the action by consent either to solicit consents or to solicit proxies to execute consents, and/or (2) otherwise solicit proxies or consents from stockholders in support of the action to be taken by consent, and (v) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies or consents relating to the proposed action by consent pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. The Corporation may require the stockholder or record and/or beneficial owner requesting a record date for proposed stockholder action by consent to furnish such other information as it may reasonably require to determine the validity of the request for a record date.

2.16.2 Form of Consent. Every written consent purporting to take or authorize the taking of corporate action and/or related revocations (each such written consent and related revocation is referred to in this Section 2.16 as a "Consent") shall bear the date of signature of each stockholder who signs the Consent, and no Consent shall be effective to take the corporate action referred to therein unless, within 60 days of the earliest dated Consent delivered in the manner required by this Section 2.16.2, Consents signed by a sufficient number of stockholders to take such action are so delivered to the Corporation.

2.16.3 Delivery of Consent. A Consent shall be delivered to the Corporation by delivery to its registered office in the State of Delaware or its principal place of business. Delivery to the Corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested.

In the event of the delivery to the Corporation of a Consent, the Secretary of the Corporation shall provide for the safe-keeping of such Consent and shall promptly conduct such ministerial review of the sufficiency of the Consents and of the validity of the action to be taken by shareholder consent as the Secretary deems necessary or appropriate, including, without limitation, whether the holders of a number of shares having the requisite voting power to authorize or take the action specified in the Consent have given consent; provided, however, that if the corporate action to which the Consent relates is the removal or replacement of one or more members of the Board of Directors, the Secretary of the Corporation shall promptly designate two persons, who shall not be members of the Board of Directors, to serve as Inspectors with respect to such Consent and such Inspectors shall discharge the functions of the Secretary of the Corporation under this Section 2.16. If after such investigation the Secretary or the Inspectors (as the case may be) shall determine that the Consent is valid and that the action therein specified has been validly authorized, that fact shall forthwith be certified on the records of the corporation kept for the purpose of recording the proceedings of meetings of stockholders, and the Consent shall be filed in such records, at which time the Consent shall become effective as stockholder action. In conducting the investigation required by this Section 2.16, the Secretary or the Inspectors (as the case may be) may, at the expense of the corporation, retain special legal counsel and any other necessary or appropriate professional advisors, and such other personnel as they may deem necessary or appropriate to assist them, and shall be fully protected in relying in good faith upon the opinion of such counsel or advisors.

ARTICLE III

DIRECTORS

Section 3.1. Duties and Number of Directors. The business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors consisting of not less than one (1) nor more than fourteen (14) directors. The exact number shall be determined from time to time by resolution adopted by the affirmative vote of a majority of the directors in office at the time of adoption of such resolution.

Section 3.2. Resignation, Removal and Vacancies. Each director shall hold office until his successor is elected and qualified, subject, however, to his or her prior death, resignation, retirement or removal from office. Any director may

resign at any time upon written notice to the Corporation directed to the Board of Directors or the Secretary of the Corporation. 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. Prior to the 2010 annual meeting of stockholders, any director or the entire Board of Directors may be removed, for Cause, by the vote of the holders of at least a majority of shares of capital stock then entitled to vote at an election of directors. From and after the 2010 annual meeting of stockholders, any director or the entire Board of Directors may be removed, with or without Cause, by the vote of the holders of at least a majority of shares of capital stock then entitled to vote at an election of directors. Whenever the holders of shares of any class or series of capital stock are entitled to elect one or more directors by the provisions of the Certificate of Incorporation, the provisions of the preceding two sentences shall apply, in respect to the removal without Cause of a director or directors so elected, to the vote of the holders of the outstanding shares of that class or series of capital stock and not to the vote of the holders of the outstanding shares of capital stock as a whole. Unless otherwise provided by the Certificate of Incorporation, vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled only by the vote of a majority of the directors then in office provided that a quorum is present, and any other vacancy occurring in the Board of Directors may be filled by a majority of the directors then in office, even if less than a quorum, unless otherwise provided in the Certificate of Incorporation. Prior to the 2010 annual meeting of stockholders, any director elected to fill a vacancy resulting from an increase in the size of a class of directors shall hold office for a term that shall coincide with the remaining term of that class. Commencing with the 2010 annual meeting of stockholders, any director elected to fill a vacancy resulting from an increase in the number of directors shall hold office for a term expiring at the annual meeting of stockholders next following his or her election. Any director elected to fill a vacancy not resulting from an increase in the number of directors shall have the same remaining term as that of his or her predecessor. For the purposes of this Section 3.2, "Cause" is defined as the willful and continuous failure substantially to perform one's duties to the Corporation or the willful engaging in gross misconduct materially and demonstrably injurious to the Corporation.

Section 3.3. Special Voting Rights of Stockholders. Notwithstanding the foregoing, whenever the holders of any one or more classes or series of preferred stock issued by the Corporation in accordance with the Corporation's Certificate of Incorporation shall have the right, voting separately by class or series, to elect directors at an Annual or Special Meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorship shall be governed by the resolutions of the Board of Directors applicable to such series of preferred stock.

Section 3.4. Interested Directors. No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose if (i) the material facts as to his or their relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (ii) the material facts as to his or their relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee thereof or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

MEETINGS OF THE BOARD OF DIRECTORS

Section 3.5. General. The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Delaware. Members of the Board of Directors may participate in any such meeting by

means of conference telephone or similar communications equipment through which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

Section 3.6. First Meeting. The first meeting of each newly elected Board of Directors may be held immediately following the adjournment of the Annual Meeting of the stockholders at the same place as such Annual Meeting and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present. In the event such meeting is not held at such time and place, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for Special Meetings of the Board of Directors, or as shall be specified in a written waiver signed by all of the directors.

Section 3.7. Notice. Written notice of each meeting of the Board of Directors shall be given which shall state the date, time and place of the meeting. The written notice of any meeting shall be given at least 24 hours in advance of the meeting to each director. Notice may be given by letter, telegram, telex or facsimile and shall be deemed to have been given when deposited in the United States mail, delivered to the telegraph company or transmitted by telex or facsimile, as the case may be. Notice of any meeting of the Board of Directors for which a notice is required may be waived in writing signed by the person or persons entitled to such notice, whether before or after the time of such meeting, and such waiver shall be equivalent to the giving of such notice. Attendance of a director at any such meeting shall constitute a waiver of notice thereof, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because such meeting is not lawfully convened. Neither the business to be transacted at nor the purpose of any meeting of the Board of Directors for which a notice is required need be specified in the notice, or waiver of notice, of such meeting.

Section 3.8. Special Meetings. Special Meetings of the Board of Directors may be called by the Chairman of the Board of Directors or the President either personally, or by courier, telephone, telefax, mail or telegram. Special Meetings shall be called by the Chairman or President in like manner and on like notice at the written request of a majority of the directors comprising the Board of Directors stating the purpose or purposes for which such meeting is requested.

Section 3.9. Quorum. At all meetings of the Board of Directors a majority of the then duly elected directors shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 3.10. Action Without a Meeting. Unless otherwise provided by the Certificate of Incorporation, any action required or permitted to be taken at any meeting of the Board of Directors or any committee designated by the Board of Directors may be taken without a meeting if all members of the Board of Directors or of such committee consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or such committee.

Section 3.11. Chairman of the Meeting. Meetings of the Board of Directors shall be presided over by the Chairman, if any, or in his absence by the Vice Chairman, if any, or in his absence by the President, or in their absence by a chairman chosen 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.

COMMITTEES OF DIRECTORS

Section 3.12. General. 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 a committee, and in the absence of a designation by the

Board of Directors of an alternate member to replace the absent or disqualified member, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent allowed by law and provided in the resolution of the Board of Directors establishing such committee, 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.

Section 3.13. Meeting. Each committee shall keep regular minutes of its meetings and shall file such minutes and all written consents executed by its members with the Secretary of the Corporation. Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or required by law. Adequate provision shall be made for notice to members of all meetings; a majority of the members shall constitute a quorum unless the committee shall consist of one or two members, in which event one member shall constitute a quorum; and all matters shall be determined by a majority vote of the members present. Action may be taken by any committee without a meeting if all members thereof consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of such committee. Members of any committee of the Board of Directors may participate in any meeting of such committee by means of conference telephone or similar communications equipment by means of which all persons participating may hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

COMPENSATION OF DIRECTORS

Section 3.14. 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 therefore. Members of special or standing committees may be allowed like compensation for serving on or attending committee meetings.

Section 3.15. Mandatory Retirement. The mandatory retirement age for directors is 70 years, except for those directors completing a current term of office. No person that has attained the age of 70 years before the first day of the proposed term of office may become a nominee for election as a director or an appointee as director to fill any vacancy on the Board of Directors whether such vacancy is created by death, retirement or expansion of the Board of Directors.

ARTICLE IV

OFFICERS

Section 4.1. General. The officers of the Corporation shall be chosen by the Board of Directors and shall be a Chief Executive Officer, a President, a Secretary and a Treasurer. The Board of Directors, in its discretion, may also choose a Chairman of the Board of Directors (who must be a director) and one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers. Any number of offices may be held by the same person, unless otherwise prohibited by law, the Certificate of Incorporation or these By-Laws. The officers of the Corporation need not be stockholders of the Corporation nor, except in the case of the Chairman of the Board of Directors, need such officers be directors 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 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, 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.

Section 4.3. Voting Securities Owned by the Corporation. Notwithstanding anything to the contrary contained herein, powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the President or any Vice President and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and powers incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

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 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, 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 By-Laws 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 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 and the Chairman of the Board of Directors, 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 By-Laws 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 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 By-Laws, the Board of Directors or the President. In the absence or disability of the Chairman of the Board of Directors, if there be one, and the Chief Executive Officer, the President shall preside at all meetings of the stockholders and the Board of Directors. 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 By-Laws 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 Vice President, the Board of Directors shall designate the officer 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 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, resignation, retirement 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 By-Laws, 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, resignation, retirement 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.

ARTICLE V

STOCK

Section 5.1. Form of Certificates. Shares of stock of the Corporation may, but shall not be required to be, issued in certificated form. Every holder of shares of stock in the Corporation shall be entitled to have a certificate signed, in the name of the Corporation (i) by the Chairman of the Board of Directors, the Chief Executive Officer, the President or a Vice President and (ii) by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him in the Corporation. If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate, if any, which the Corporation may issue to represent such class or series of stock; provided that, except as otherwise provided in Section 202 of the General Corporation Law of the State of Delaware, in lieu of the foregoing requirements, there may be set forth on the face or back of such certificate, if any, which the Corporation may issue to represent such class or series of stock, a statement that the Corporation will furnish without charge to each stockholder who so requests the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

Section 5.2. Uncertificated Shares. Except as otherwise provided by law, the rights and obligations of any holder of uncertificated shares of stock in the Corporation shall be identical to the rights and obligations of any holder of certificated shares of stock in the Corporation.

Section 5.3. Signatures. Where a certificate is countersigned by (i) a transfer agent other than the Corporation or its employee, or (ii) a registrar other than the Corporation or its employee, any other signature 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 he were such officer, transfer agent or registrar at the date of issue.

Section 5.4. Lost Certificates. The Board of Directors may direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 5.5. Transfers. Stock of the Corporation shall be transferable in the manner prescribed by law and in these By-Laws. Transfers of stock shall be made on the books of the Corporation only by the person named in the certificate 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 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.

Section 5.6. Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

ARTICLE VI

NOTICES

Section 6.1. Notices. Whenever written notice is required by law, the Certificate of Incorporation or these By-Laws to be given to any director, member of a committee or stockholder, such notice may be given by mail, addressed to such director, member of a committee or stockholder at his address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Written notice may also be given personally or by courier, facsimile, telegram, telex or cable.

Section 6.2. Waivers of Notice. Whenever any notice is required by law, the Certificate of incorporation or these By-Laws to be given to any director, member of a committee or stockholder, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE VII

GENERAL PROVISIONS

Section 7.1. Dividends. Dividends upon the capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or Special Meeting, and may be paid in cash, in property, or in shares of the capital stock or rights to acquire the same. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, deems proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for any proper purpose, and the Board of Directors may modify or abolish any such reserve.

Section 7.2. Disbursements. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 7.3. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 7.4. Corporate Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE VIII

INDEMNIFICATION

Section 8.1. Power to Indemnify in Actions, Suits or Proceedings Other Than Those by or in the Right of the Corporation. Subject to Section 8.3 of this Article VIII, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceedings, had reasonable cause to believe that his conduct was unlawful.

Section 8.2. Power to Indemnify in Actions, Suits or Proceedings by or in the Right of the Corporation. Subject to Section 8.3 of this Article VIII, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Section 8.3. Authorization of Indemnification. Any indemnification under this Article VIII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 8.1 or Section 8.2 of this Article VIII, as the case may be. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (ii) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (iii) by the stockholders. To the extent, however, that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith, without the necessity of authorization in the specific case.

Section 8.4. Good Faith Defined. For purposes of any determination under this Article VIII, a person shall be deemed to have acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe his conduct was unlawful, if his action is based on the records or books of account of the Corporation or another enterprise, or on information supplied to him by the officers of the Corporation or another enterprise in the course of their duties, or on the advice of legal counsel for the Corporation or another enterprise or on information or records given or reports made to the Corporation or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Corporation or another enterprise. The term "another enterprise" as used in this

Section 8.4 shall mean any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the Corporation as a director, officer, employee or agent. The provisions of this Section 8.4 shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in Sections 8.1 or 8.2 of this Article VIII, as the case may be.

Section 8.5. Indemnification by a Court. Notwithstanding any contrary determination in the specific case under Section 8.3 of this Article VIII, and notwithstanding the absence of any determination thereunder, any director, officer, employee or agent may apply to any court of competent jurisdiction in the State of Delaware for indemnification to the extent otherwise permissible under Sections 8.1 and 8.2 of this Article VIII. The basis of such indemnification by a court shall be a determination by such court that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standards of conduct set forth in Section 8.1 or 8.2 of this Article VIII, as the case may be. Neither a contrary determination in the specific case under Section 8.3 of this Article VIII nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the director, officer, employee or agent seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 8.5 shall be given to the Corporation promptly upon the filing of such application. If successful, in whole or in part, the director, officer, employee or agent seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

Section 8.6. Expenses Payable in Advance. Expenses incurred by a director or officer in defending or investigating a threatened or pending action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director, officer, employee or agent to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this Article VIII.

Section 8.7. Nonexclusivity of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by or granted pursuant to this Article VIII shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any By-Law, agreement, contract, vote of stockholders or disinterested directors or pursuant to the direction (howsoever embodied) of any court of competent jurisdiction or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, it being the policy of the Corporation that indemnification of the persons specified in Section 8.1 and 8.2 of this Article VIII shall be made to the fullest extent permitted by law. The provisions of this Article VIII shall not be deemed to preclude the indemnification of any person who is not specified in Section 8.1 or 8.2 of this Article VIII but whom the Corporation has the power or obligation to indemnify under the provisions of the General Corporation Law of the State of Delaware, or otherwise.

Section 8.8. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation, or is or was a director, officer, employee or agent of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power or the obligation to indemnify him against such liability under the provisions of this Article VIII.

Section 8.9. Certain Definitions. For purposes of this Article VIII, references to “the Corporation” shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director or officer of such constituent corporation or is or was a director, officer, employee or agent of such constituent corporation serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its

separate existence had continued. For purposes of this Article VIII, references to “fines” shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to “serving at the request of the Corporation” shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Corporation” as referred to in this Article VIII.

Section 8.10. Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 8.11. Limitation on Indemnification. Notwithstanding anything contained in this Article VIII to the contrary, except for proceedings to enforce rights to indemnification or to seek determination of the right to indemnification by a court, which shall be governed by Section 8.5 hereof, the Corporation shall not be obligated to indemnify any director, officer, employee or agent in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

Section 8.12. Indemnification of Employees and Agents. The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation similar to those conferred in this Article VIII to directors and officers of the Corporation.

Section 8.13. No amendment to or repeal of this Article VIII shall apply to or have any effect on the rights of any person for or with respect to acts or omissions of such person occurring prior to such amendment or repeal.

ARTICLE IX AMENDMENTS

Section 9.1. These By-Laws may be altered, amended or repealed, in whole or in part, or new By-Laws may be adopted by the stockholders or by the Board of Directors, provided, however, that notice of such alteration, amendment, repeal or adoption of new By-Laws be contained in the notice of such meeting of stockholders or Board of Directors as the case may be. All such amendments must be approved by either the holders of a majority of the outstanding capital stock entitled to vote thereon (except that any such amendment to Sections 2.5, 3.1, 3.2 or 9.1 of these Bylaws must be approved by the holders of 66 2/3% of the outstanding capital stock entitled to vote thereon) or by a majority of the entire Board of Directors then in office.

Section 9.2. Entire Board of Directors. As used in this Article IX and in these By-Laws generally, the term “entire Board of Directors” means the total number of directors which the Corporation would have if there were no vacancies.

LEAR CORPORATION
LONG-TERM STOCK INCENTIVE PLAN

FORM OF PERFORMANCE UNIT AWARD AGREEMENT

PERFORMANCE UNIT AWARD AGREEMENT (the "Agreement") dated as of ____, between Lear Corporation (the "Company") and the individual whose name appears on the signature page hereof (the "Participant"), who is a key employee of the Company or an Affiliate. Any term capitalized herein, but not defined, shall have the meaning set forth in the Lear Corporation Long-Term Stock Incentive Plan (the "Plan").

1. GRANT. In accordance with the terms of the Plan, the Company hereby grants to the Participant a Performance Unit Award subject to the terms and conditions set forth herein. Each Performance Unit shall have a notional value of \$30.00, provided, however, that no amounts will be paid or payable hereunder unless the Participant earns Performance Units pursuant to Section 5 hereof.

2. PERFORMANCE PERIOD. The Performance Period for this Award shall be the three-year period commencing on January 1, 2008 and ending on December 31, 2010.

3. PERFORMANCE MEASURE. There shall be two performance measures, Earnings Growth and Return on Invested Capital, as both are defined below.

a. "Earnings Growth" shall mean the compounded annual growth rate of the Company's annual operating income during the 3-year Performance Period. Operating income shall mean the Company's pretax income excluding the North American Interior business, interest expense, impairments, restructurings and other special items such as, among others: 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; acquisitions, divestitures, or financing activities; recapitalizations, including stock splits and dividends; expenses for restructuring or productivity initiatives; and other non-operating items.

b. Return on Invested Capital: This performance measure is the compounded improvement on the Company's return on invested capital as reported to its shareholders for 2008, 2009, 2010 fiscal years or as otherwise approved by the Compensation Committee.

4. PERFORMANCE GOALS.

- a. Earnings Growth:
 - i. Threshold: 5% per year average growth
 - ii. Target: 10% per year average growth
-

- iii. Superior: 15% per year average growth
- b. Return on Invested Capital:
 - i. Threshold: 3% per year average improvement
 - ii. Target: 5% per year average improvement
 - iii. Superior: 7% per year average improvement

5. PERFORMANCE UNITS.

a. The number of Performance Units earned by a Participant with respect to the performance measure during the Performance Period shall be determined under the following chart:

Performance At	Number of Performance Units	
	Earnings Growth	Return on Invested Capital
Threshold		
Target		
Superior		

b. In the event that the Company's actual performance does not meet threshold for that performance measure, Performance Units shall not be earned with respect to that performance measure.

c. If the Company's actual performance for a performance measure is between "threshold" and "target," the Performance Units earned shall equal the Performance Units for threshold plus the number of Performance Units determined under the following formula:

$$(TAS - TS) \times \frac{AP - TP}{TAP - TP}$$

TAS = The Performance Units for target.

TS = The Performance Units for threshold.

AP = The Company's actual performance.

TP = The threshold performance goal.

TAP = The target performance goal.

d. If the Company's actual performance for a performance measure is between "target" and "superior," the Performance Units earned shall equal the Performance Units for target plus the number of Performance Units determined under the following formula:

$$(SS - TAS) \times \frac{AP - TAP}{SP - TAP}$$

SS = The Performance Units for superior.

TAS = The Performance Units for target.

AP = The Company's actual performance.

TAP = The target performance goal.

SP = The superior performance goal.

e. If the Company's actual performance for performance measure exceeds "superior," the Performance Units earned shall equal the Performance Units for superior.

6. **TIMING AND FORM OF PAYOUT.** Except as hereinafter provided, after the end of the Performance Period, the Participant shall be entitled to receive a dollar amount equal to the product of (i) the value per Performance Unit of \$30 multiplied by (ii) his or her total number of Performance Units determined under Section 5. Payment of such amount shall be made as soon as administratively feasible after the Committee certifies the actual performance of the Company during the Performance Period. Notwithstanding anything herein to the contrary, the Committee may, in compliance with and to the extent permissible under Code Section 409A, defer payment of any amount hereunder to the Participant under this Section if the payment of such amount would constitute compensation to the Participant that is not deductible by the Company or an Affiliate due to the application of Code Section 162(m); provided, that such amount deferred pursuant to this sentence shall be delivered to the Participant on or before the January 15 of the first year in which the Participant is no longer a "covered employee" of the Company (within the meaning of Code Section 162(m)) following the end of the Performance Period.

7. **TERMINATION OF EMPLOYMENT DUE TO DEATH, RETIREMENT, OR DISABILITY.** If a Participant ceases to be an employee prior to the end of the Performance Period by reason of death, an End of Service Date or disability, the Participant (or in the case of the Participant's death, the Participant's beneficiary) shall be entitled to receive a cash amount equal the product of (i) the value per Performance Unit of \$30 multiplied by (ii) the number of Performance Units the Participant would have been entitled to under Section 6 if he or she had remained employed until the last day of the Performance Period multiplied by a fraction, the numerator of which shall be the number of full calendar months during the period of

January 1, 2007 through the date of the Participant's employment terminated and the denominator of which shall be thirty-six. The payment of such amount shall be made as soon as administratively feasible after the end of the Performance Period. The Participant's "End of Service Date" is the date of his or her retirement after attaining age 55 and completing ten years of service (as defined in the Lear Corporation Pension Plan, regardless of whether the Participant participates in such plan).

Any distribution made with respect to a Participant who has died shall be paid to the beneficiary designated by the Participant pursuant to Article 11 of the Plan to receive amounts payable under this Award. If the Participant's beneficiary predeceases the Participant or no beneficiary has been properly designated, distribution of any amounts payable to the Participant under this Award shall be made to the Participant's surviving spouse and if none, to the Participant's estate.

8. **TERMINATION OF EMPLOYMENT FOR ANY OTHER REASON.** Except as provided in Section 7, the Participant must be an employee of the Company and/or an Affiliate continuously from the date of this Award until the last day of the Performance Period to be entitled to receive any amounts with respect to any Performance Units he or she may have earned hereunder.

9. **ASSIGNMENT AND TRANSFERS.** The rights and interests of the Participant under this Award may not be assigned, encumbered or transferred except, in the event of the death of the Participant, by will or the laws of descent and distribution.

10. **WITHHOLDING TAX.** The Company and any Affiliate shall have the right to retain any amounts that are distributable to the Participant hereunder to the extent necessary to satisfy the minimum required withholding taxes, whether federal, state or local, triggered by the payment of any amounts under this Award.

11. **NO LIMITATION ON RIGHTS OF THE COMPANY.** The grant of this Award shall 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.

12. **PLAN AND AGREEMENT NOT A CONTRACT OF EMPLOYMENT.** Neither the Plan nor this Agreement is a contract of employment, and no terms of employment of the Participant shall be affected in any way by the Plan, this Agreement or related instruments except as specifically provided therein. Neither the establishment of the Plan nor this Agreement shall be construed as conferring any legal rights upon the Participant for a continuation of employment, nor shall it interfere with the right of the Company or any Affiliate to discharge the Participant and to treat him or her without regard to the effect that such treatment might have upon him or her as a Participant.

13. **NOTICE.** Any notice or other communication required or permitted hereunder shall be in writing and shall be delivered personally, or sent by certified, registered or express mail, postage prepaid. Any such notice shall 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, 48034, Attention: General Counsel and, in the case of the Participant, to its address set forth on the signature page hereto or, in each case, to such other address as may be designated in a notice given in accordance with this Section.

14. **GOVERNING LAW.** This Agreement shall 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.

15. **PLAN DOCUMENT CONTROLS.** The rights herein granted are in all respects subject to the provisions set forth in the Plan to the same extent and with the same effect as if set forth fully herein. In the event that the terms of this Agreement conflict with the terms of the Plan document, the Plan document shall control.

[signature page follows]

IN WITNESS WHEREOF, the Company and the Participant have duly executed this Agreement as of the date first written above.

LEAR CORPORATION

By:

Roger A. Jackson

Its: Senior Vice President, Human Resources

[Participant's Signature]

Participant's Name and Address for notices hereunder



November 15, 2007

Mr. Robert E. Rossiter
[home address]

Dear Bob:

Lear Corporation (the "Company") considers it essential to its best interest and the best interests of its stockholders to foster the continued employment of key management personnel.

The Board of Directors of the Company (the "Board") has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of members of the Company's management, including yourself, to their assigned duties. The Board recognizes that, as is the case with many publicly-held companies, the possibility of a Change in Control (as that term is hereafter defined) exists. The Company wishes to assure itself of both present and future continuity of management in the event of any Change in Control. In order to induce you to remain in the employ of the Company, and in consideration of your agreement to the termination of any existing employment contract you may have with the Company or any predecessor, the Company agrees that you shall receive, upon the terms and conditions set forth herein, the compensation and benefits set forth in this letter agreement ("Agreement") during the Term hereof.

1. Term of Agreement and Consulting Agreement.

(a) This Agreement shall commence as of November 15, 2007 ("Effective Date"). The term of this Agreement (the "Term") shall be from the Effective Date until December 31, 2010, unless extended by the Company pursuant to a written notice (a "Notice of Renewal") provided to you on or before December 31, 2009. A Notice of Renewal will extend the Term for a period of one year; the Company may provide subsequent Notices of Renewal, at least one year prior to the scheduled expiration of the Term, each of which would extend the Term for an additional period of one year. This Agreement replaces the prior letter agreement ("Prior Agreement") between the Company and you, dated March 15, 2005. The Prior Agreement shall terminate upon execution of this Agreement. In consideration of the termination of the Prior

Agreement, the Company is continuing your employment on the terms set forth in this Agreement and is providing you other good and valid consideration by entering into this Agreement, the receipt and sufficiency of which consideration you hereby acknowledge by executing this Agreement.

(b) Upon the earlier of the expiration of the Term or your Date of Termination, as defined in Section 4(f), so long as your employment has not been terminated as described in any of Section 5(a) through Section 5(c), you and the Company agree to enter into a consulting agreement that will have a term of one year (the "Consulting Period"). During the Consulting Period, you shall not be expected to provide more than an average of forty (40) hours per month of consulting services. The consulting agreement will contain such other terms as are customary and mutually agreeable.

2. Terms of Employment. During the Term, you agree to be a full-time employee of the Company serving in the position of Chairman of the Board and Chief Executive Officer of the Company. You agree to devote substantially all of your working time and attention to the business and affairs of the Company, to discharge the responsibilities associated with your position with the Company, and to use your best efforts to perform faithfully and efficiently such responsibilities. Nothing herein shall prohibit you from devoting your time to civic and community activities, serving as a member of the Board of Directors of other corporations that do not compete with the Company, or managing personal investments, as long as the foregoing do not interfere with the performance of your duties hereunder or violate the terms of the Company's Code of Business Ethics and Conduct, the Company's Corporate Governance Guidelines, or other policies applicable to the Company's executives generally, as those policies may be amended from time to time by the Company.

3. Compensation.

(a) As compensation for your services under this Agreement, you shall be entitled during the Term to receive an initial base salary the annualized amount of which shall be \$1,250,000, to be paid in accordance with existing payroll practices for executives of the Company. Increases in your base salary, if any, shall be as approved by the Compensation Committee of the Board. In addition, you shall be eligible to receive an annual incentive compensation bonus ("Bonus") to be approved from time to time by the Compensation Committee of the Board. For purposes of your Bonus, the target amount shall not be less than 150% of your base salary, as in effect at the beginning of the calendar year in which such Bonus is earned.

(b) As compensation for your services under the consulting agreement, you will become entitled to receive a total amount equal to one-half of your base salary at the rate in effect at the expiration of the Term (or, if greater, at the rate in effect at any time within 90 days prior to the expiration of the Term). Such amount will be paid to you in semi-monthly installments during the Consulting Period.

(c) During the Term, you shall be eligible for participation in the welfare, retirement, perquisite and fringe benefit, and other benefit plans, practices, policies and programs, as may be in effect from time to time, for senior executives of the Company generally. During the Consulting Period, you and your spouse shall continue to be eligible to participate in the Company's group health plan (medical and dental) on the terms and conditions applicable to salaried employees of the Company. To the extent your and your spouse's continued participation in the group health plan is not permissible during the Consulting Period, the Company will pay to you an amount equal to the premium for substantially equivalent coverage available outside of the Company plan.

(d) During the Term and the Consulting Period, you shall be eligible for prompt reimbursement for business expenses reasonably incurred by you in accordance with the Company's policies, as may be in effect from time to time, for its senior executives generally.

4. Termination of Employment.

(a) **Notice.** The employment relationship may be terminated by the Company with or without Cause, by the Company for Incapacity, or by you with or without Good Reason, all as defined below, by giving a Notice of Termination. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon, if any, and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated. All notices under this Section 4(a) shall be given in accordance with the requirements of Section 9.

(b) **Incapacity.** If the Company reasonably determines that you are unable at any time to perform the duties of your position because of a serious illness, injury, impairment, or physical or mental condition and you are not eligible for or have exhausted all leave to which you may be entitled under the Family and Medical Leave Act ("FMLA") or, if more generous, other applicable state or local law, the Company may terminate your employment for "Incapacity". In addition, at any time that you are on a leave of absence, the Company may temporarily reassign the duties of your position to one or more other executives without creating a basis for your Good Reason resignation, provided that the Company restores such duties to you upon your return to work.

(c) **Cause.** Termination of your employment for "Cause" shall mean termination upon:

(i) an act of fraud, embezzlement or theft by you in connection with your duties or in the course of your employment with the Company;

(ii) your material breach of any provision of this Agreement, provided that in those instances in which your material breach is capable of being cured, you have failed to cure within a thirty (30) day period after notice from the Company;

(iii) an act or omission, which is (x) willful or grossly negligent, (y) contrary to established policies or practices of the Company, and (z) materially harmful to the business or reputation of the Company, or to the business of the Company's customers or suppliers as such relate to the Company; or

(iv) a plea of nolo contendere to, or conviction for, a felony.

Notwithstanding the foregoing, you shall not be deemed to have been terminated for "Cause" hereunder unless and until there shall have been delivered to you a copy of a resolution duly adopted by the affirmative vote of a majority of the Directors then in office at a meeting of the Directors called and held for such purpose (after a reasonable notice to you and an opportunity for you, together with your counsel, to be heard before the Directors), finding that, in the good faith opinion of the Directors, you have committed an act set forth above in this Section 4(c) and specifying the particulars thereof.

(d) Good Reason. For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following circumstances or events:

(i) any reduction by the Company in your base salary or adverse change in the manner of computing your Bonus, as in effect from time to time, except for across-the-board salary reductions or changes to the manner of computing bonuses similarly affecting all executive officers of the Company subject to Section 16(b) of the Securities Exchange Act of 1934, as determined by the Board ("executive officers");

(ii) the failure by the Company to pay or provide to you any amounts of base salary or Bonus or any benefits which are due, owing and payable to you pursuant to the terms hereof, except pursuant to an across-the-board compensation deferral similarly affecting all executive officers, or to pay to you any portion of an installment of deferred compensation due under any deferred compensation program of the Company;

(iii) except in the case of across-the-board reductions, deferrals, eliminations, or plan modifications similarly affecting all executive officers, the failure by the Company to continue to provide you with benefits substantially similar in the aggregate to the Company's life insurance, medical, dental, health, accident or disability plans in which you are participating at the date of this Agreement;

(iv) except on a temporary basis as described in Section 4(b), a material adverse change in your responsibilities, position, reporting relationships, authority or duties; or

(v) without limiting the generality or effect of the foregoing, any material breach of this Agreement by the Company.

However, the language in Sections 4(d)(i) through (iii) concerning reductions, changes, deferrals, eliminations, or plan modifications similarly affecting all executive officers of the Company

shall not be applicable to circumstances or events occurring in anticipation of, or within one year after, a Change in Control, as defined in Section 4(e). In addition, upon a Change in Control, you shall have the right to resign for Good Reason if your principal place of employment is transferred to a location fifty (50) or more miles from its location immediately preceding the transfer.

Notwithstanding anything else herein, Good Reason shall not exist if, with regard to the circumstances or events relied upon in your Notice of Termination: (x) you failed to provide a Notice of Termination to the Company within ninety (90) days of the date you knew or should have known of such circumstances or events, (y) the circumstances or events are fully corrected by the Company prior to the Date of Termination, or (z) you give your express written consent to the circumstances or events.

(e) **Change in Control.** For purposes of this Agreement, a "Change in Control" of the Company shall be deemed to have occurred as of the first day any one or more of the following paragraphs is satisfied:

(i) any Person as that term is used in Section 13(d)(3) or Section 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act") (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, as that term is defined in Rule 13d-3 of the General Rules and Regulations under the Exchange Act, 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.

(ii) 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.

(iii) the shareholders of the Company approve: (A) a plan of complete liquidation or dissolution of the Company; or (B) an agreement for the sale or disposition of all or substantially all the Company's assets; or (C) a merger, consolidation or reorganization of the Company with or involving any other corporation, other than a merger, consolidation or reorganization that would result 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 eighty 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.

(f) **Date of Termination.** "Date of Termination" shall mean

- (i) if your employment is terminated by reason of your death, the date of your death;
- (ii) if your employment is terminated by the Company for any reason other than because of your death, the date specified in the Notice of Termination (which shall not be prior to the date of the notice);
- (iii) if your employment is terminated by you for any reason, the Date of Termination shall be not less than thirty (30) nor more than sixty (60) days from the date such Notice of Termination is given, or such earlier date after the date such Notice of Termination is given as may be identified by the Company.

Unless the Company instructs you not to do so, you shall continue to perform services as provided in this Agreement through the Date of Termination.

(g) **Employee Benefits.** A termination by the Company pursuant to Section 4(c) hereof or by you pursuant to Section 4(d) hereof shall not affect any rights which you may have pursuant to any other agreement, policy, plan, program or arrangement of the Company providing employee benefits, which rights shall be governed by the terms thereof and by Section 5; provided, however, that if you shall have received or shall be receiving benefits under Section 5(a), (c), or (d) hereof and, if applicable, Section 6 hereof, you shall not be entitled to receive benefits under any other policy, plan, program or arrangement of the Company providing severance compensation to which you would otherwise be entitled.

5. **Compensation Upon Termination.** Upon your termination of employment, you shall receive the amounts described in the applicable subsection of this Section 5. For purposes of this Agreement, if the Date of Termination is prior to the last calendar year of the Term (after consideration of any Notice of Renewal), the Severance Period shall be equal to two (2) years; if the Date of Termination is during the last calendar year of the Term (after consideration of any Notice of Renewal), the Severance Period shall be equal to one (1) year.

(a) If your employment shall be terminated by the Company for Incapacity, (i) for the period from the Date of Termination until the end of the calendar year in which such termination occurs, you shall receive all compensation payable to you under the Company's disability and medical plans and programs, as in effect on the Date of Termination, plus an additional payment from the Company (if necessary) such that the aggregate amount received by you from all sources equals your base salary, at the rate in effect on the Date of Termination, plus any Bonus and all other amounts to which you would have been entitled under any compensation or benefit plans of the Company had your employment continued until the end of the calendar year, (ii) during the Severance Period, which shall begin at the end of the calendar year in which such termination occurs, you shall receive all compensation payable to you under the Company's

disability and medical plans and programs, as in effect on the Date of Termination, plus an additional payment from the Company (if necessary) such that the aggregate amount received by you from all sources equals your base salary at the rate in effect on the Date of Termination, and (iii) for purposes of outstanding awards and amounts owing or accrued as described in Section 5(d)(iii) of this Agreement, your employment shall be deemed to have been terminated due to your Disability (as that term is defined in the plans, programs, or arrangements described in Section 5(d)(iii) of this Agreement). After the end of the Severance Period, your benefits shall be determined under the Company's retirement, insurance and other compensation programs then in effect in accordance with the terms of such programs. The additional payments by the Company described in this Section 5(a) shall be conditioned upon the execution by you or a representative with legal authority to act on your behalf of a general release relating to your employment in form and substance reasonably acceptable to the Company.

(b) If your employment shall be terminated (i) by the Company for Cause, or (ii) by you other than for Good Reason, the Company shall pay you your base salary through the Date of Termination, at the rate in effect at the time Notice of Termination is given, plus all other amounts to which you are fully vested and irrevocably entitled under any compensation or benefit plans of the Company as of the Date of Termination, and the Company shall have no further obligations in any respect whatsoever for payment of compensation or benefits to you under this Agreement. Provided, however, that if your employment is terminated by you other than for Good Reason, you shall be compensated under this Section 5(b) only to the extent that you actively performed your assigned responsibilities through the Date of Termination. In addition, you acknowledge that a termination of employment described in this Section 5(b) shall not be considered an End of Service Date for any and all outstanding awards under the Lear Corporation Long-Term Stock Incentive Plan ("LTSIP") to which you are a party, except to the extent it would otherwise qualify as a Retirement thereunder.

(c) If your employment shall be terminated by reason of your death, the Company shall pay your estate or designated beneficiary (as designated by you by written notice to the Company, which designation shall remain in effect for the remainder of the Term and any extensions thereof until revoked or a new beneficiary is designated, in either case by written notice to the Company) your base salary through the Date of Termination, plus a Bonus prorated for the portion of the Bonus measurement period occurring prior to the date of your death, plus all other amounts to which you are entitled under any compensation or benefit plans of the Company at the date of your death, including, but not limited to, all life insurance proceeds payable on your death to which your estate or beneficiaries are otherwise entitled in accordance with the terms thereof, and the Company shall have no further obligation to you, your beneficiaries or your estate under this Agreement.

(d) If your employment shall be terminated (a) by the Company, except for a termination by the Company for Cause or Incapacity (or due to your death), or (b) by you for Good Reason, then you shall be entitled to the benefits provided below:

(i) The Company shall pay you your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given (or, if greater, at the rate in

effect at any time within 90 days prior to the time Notice of Termination is given), plus all other amounts to which you are entitled under any compensation or benefit plans of the Company, including, without limitation, a Bonus prorated for the portion of the Bonus measurement period occurring prior to the Date of Termination, at the time such payments are due, except as otherwise provided below.

(ii) Conditioned upon your execution of a general release relating to your employment in form and substance reasonably acceptable to the Company acknowledging, among other things, your obligations under this Agreement, the Company shall pay or cause to be paid to you, in lieu of any further payments to you for the portion of the Term subsequent to the Date of Termination an amount (the "Severance Payment"), which shall be equal to the sum of:

- (A) the aggregate base salary (at the highest rate in effect at any time during the Term) which you would have received pursuant to this Agreement for the Severance Period had your employment with the Company continued for such period, and
- (B) the aggregate Bonus (based upon the highest annual Bonus that you received with respect to any calendar year during the two years immediately preceding the calendar year in which the Date of Termination occurred) which you would have received pursuant to this Agreement for the Severance Period, had your employment with the Company continued for such period.

The Severance Payment shall be paid in equal semi-monthly installments, without interest through the Severance Period. Notwithstanding the foregoing, all installments otherwise due and payable within six (6) months after the Date of Termination shall be paid in a lump sum as soon as administratively practicable after the date that is six (6) months after the Date of Termination.

(iii) All outstanding awards, and all amounts owing or accrued, on the Date of Termination under the LTSIP, the Lear Corporation Management Stock Purchase Plan ("MSPP"), the Lear Corporation Executive Supplemental Savings Plan ("ESSP") and the Lear Corporation Pension Equalization Program ("PEP"), and any other compensation or equity-based plan, program or arrangement of the Company in which you participated (including, following a Change in Control, any additional accruals provided thereunder due to a Change in Control) will be paid to you under the terms and conditions of such plans, programs and arrangements (and the award agreements and other documents thereunder), as modified by this Section 5(d)(iii). Your awards and amounts owing or accrued that vest based on the passage of time and/or continued service (and not based primarily upon the satisfaction of performance measures, as described below) will vest in full as of the Date of Termination if they would have vested during the Severance Period, had you remained employed by the Company during that period; to the extent such awards and amounts owing or accrued would not have vested by the end of your Severance Period, had you remained employed by the Company during that period, they will become vested and nonforfeitable as of the Date of Termination on a pro rata basis

determined by multiplying the unvested awards and amounts by a fraction, the numerator of which is the number of full months that elapsed from the grant date to the end of your Severance Period and the denominator of which is the number of full months in the total vesting period. Your vested stock options and stock appreciation rights shall be exercisable (A) prior to a Change in Control, for thirteen months following your Date of Termination (but not later than the date on which the stock options would otherwise expire if you remained employed by the Company), and (B) following a Change in Control, throughout their entire term. In the case of those awards and amounts owing or accrued which would otherwise have become vested and nonforfeitable primarily upon the satisfaction of performance measures set forth in the relevant award agreement, plan, program or arrangement, you shall be paid (in stock or cash, as provided under the terms of the agreement) as soon as administratively feasible after the end of the relevant performance period (or such earlier period as the other participants in such award agreement, plan, program or arrangement are eligible to be paid out), a pro rata amount (if and to the extent all relevant performance objectives are actually achieved at target levels), based on a fraction, the numerator of which is the number of full months that elapsed from the grant date to your Date of Termination and the denominator of which is the number of full months in the relevant performance period.

You and the Company acknowledge that references in this Section 5(d)(iii) to the PEP, the MSPP, the ESSP, and the LTSIP, shall be deemed to be references to such plans as amended or restated from time to time and to any similar plan of the Company that supplements or supersedes any such plans. In addition, you and the Company acknowledge that references in this Section 5 to any Section of the Code shall be deemed to be references to such Section as amended from time to time or to any successor thereto. The provisions of this Section 5(d)(iii) shall be conditioned in full upon your execution of a general release relating to your employment in form and substance reasonably acceptable to the Company acknowledging, among other things, your obligations under this Agreement.

(iv) The Company shall arrange to provide to you, your dependents, and beneficiaries, for the Severance Period, benefits provided under any "welfare benefit plan" of the Company (as the term "welfare benefit plan" is defined in Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended) ("Welfare Benefits"). If and to the extent that any such Welfare Benefits shall not or cannot be paid or provided under any policy, plan, program or arrangement of the Company (A) solely due to the fact that you are no longer an officer or employee of the Company or did not continue as an officer or employee of the Company during the remainder of the Term or (B) as a result of the amendment or termination of any plan providing for Welfare Benefits, the Company shall then itself pay or provide for the payment of such Welfare Benefits to you, your dependents and beneficiaries. Without otherwise limiting the purposes or effect of the no mitigation obligation in Section 5(h) hereof, Welfare Benefits payable to you (including your dependents and beneficiaries) pursuant to this Section 5(d)(iv) shall be reduced to the extent comparable welfare benefits are actually received by you (including

your dependents and beneficiaries) from another employer during such period, and any such benefits actually received by you shall be reported by you to the Company.

(v) Your right to acquire any shares of the Company's capital stock under any and all outstanding stock options, or other rights previously granted to you under any equity-based plans of the Company shall be governed by the express terms of such plans and the applicable agreements thereunder, except as provided in Section 5(a), 5(b), or 5(d)(iii) of this Agreement.

(e) Any Bonus that is payable to you with respect to a period that is less than a full calendar year (a "partial calendar year") shall be prorated by multiplying (i) the Bonus that would have been payable to you with respect to the entire calendar year had your employment with the Company continued until the end of such year by (ii) a fraction, the numerator of which equals the number of days in the partial calendar year and the denominator of which equals 365.

(f) Unless your Date of Termination occurs within one year after a Change in Control, the Company, if permitted by law, may set-off or counterclaim losses, fines or damages in respect of any claim, debt or obligation against any payment to or benefit for you provided for in this Agreement.

(g) Without limiting your rights at law or in equity, if the Company fails to make any payment or provide any benefit required to be made or provided hereunder within thirty (30) days of the date it is due, the Company will pay interest on the amount or value thereof at an annualized rate of interest equal to the "prime rate" as quoted from time to time during the relevant period in The Wall Street Journal, plus three percent. Such interest will be payable as it accrues on demand. Any change in such prime rate will be effective on and as of the date of such change.

(h) The Company acknowledges that its severance pay plans and policies applicable in general to its salaried employees do not provide for mitigation, offset or reduction of any severance payment received thereunder. Accordingly, the parties hereto expressly agree that the payment of the severance compensation by the Company to you in accordance with the terms of this Agreement shall be liquidated damages and that you shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise, nor shall any profits, income, earnings or other benefits from any source whatsoever create any mitigation, offset, reduction or any other obligation on the part of you hereunder or otherwise, except as expressly provided in this Section 5.

6. Certain Additional Payments by the Company.

(a) Anything in this Agreement to the contrary notwithstanding, in the event that it shall be determined (as hereafter provided) that any payment (or benefit provided) by the Company to or for your benefit, whether paid or payable pursuant to the terms of this Agreement or otherwise (a "Payment"), would be subject to the excise tax imposed by Section 4999 (or any successor thereto) of the Code, and any interest or penalties with respect to such excise tax (such

excise tax, together with any such interest and penalties, are hereafter collectively referred to as the "Excise Tax"), then you shall be entitled to receive an additional payment or payments (collectively, a "Gross Up Payment"), including without limitation any Gross-Up Payment made with respect to the Excise Tax, if any, attributable to (i) any incentive stock option, as defined by Section 422 of the Code ("ISO"), or (ii) any stock appreciation or similar right, whether or not limited, granted in tandem with any ISO. The Gross-Up Payment shall be in an amount such that, after payment by you of the Excise Tax, plus any additional taxes, penalties and interest, and any further Excise Taxes imposed upon the Gross-Up Payment, you retain, after payment of all such taxes and Excise Taxes, an amount of the Gross-Up Payment equal to the Payment that you would have received if no Excise Taxes had been imposed upon the Payment and no additional taxes, penalties, and interest or further Excise Taxes had been imposed upon the Gross-Up Payment.

(b) Subject to the provisions of Section 6(e) hereof, all determinations required to be made under this Section 6, including whether an Excise Tax is payable by you and the amount of such Excise Tax and whether a Gross-Up Payment is required and the amount of such Gross-Up Payment, shall be made by a nationally recognized firm of certified public accountants (the "Accounting Firm") selected by you in your sole discretion, other than the Company's independent auditing firm, to the extent prohibited by applicable Public Company Accounting Oversight Board rules. You shall direct the Accounting Firm to submit its determination and detailed supporting calculations to both the Company and you within 30 calendar days after the Date of Termination. If the Accounting Firm determines that any Excise Tax is payable by you, the Company shall pay the required Gross-Up Payment to you within five (5) business days after receipt of the aforesaid determination and calculations. If the Accounting Firm determines that no Excise Tax is payable by you, it shall, at the same time as it makes such determination, furnish you with an opinion that you do not owe any Excise Tax on your Federal income tax return. Any determination by the Accounting Firm as to the amount of the Gross-Up Payment to be paid by the Company within such 30 calendar day period shall be binding upon the Company and you. As a result of the uncertainty in the application of Section 4999 (or any successor thereto) of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments which will not have been made by the Company should have been made ("Underpayment"), consistent with the calculations required to be made hereunder. In the event that the Company exhausts its remedies pursuant to Section 6(e) hereof and you thereafter are required to make a payment of any Excise Tax, you shall direct the Accounting Firm to determine the amount of the Underpayment that has occurred and to submit its determination and detailed supporting calculations to both the Company and you as promptly as possible. Any such Underpayment shall be promptly paid by the Company to or for your benefit within three calendar days after receipt of such determination and calculations.

(c) The Company and you shall each cooperate with the Accounting Firm in connection with the preparation and issuance of the determination provided for in Section 6(b) hereof. Such cooperation shall include without limitation providing the Accounting Firm access to and copies of any books, records and documents in the possession of the Company or you, as the case may be, that are reasonably requested by the Accounting Firm.

(d) The fees and expenses of the Accounting Firm for its services in connection with the determinations and calculations provided for in Section 6(b) hereof shall initially be paid by you. The Company shall reimburse you for your payment of such costs and expenses within five (5) business days after receipt from you of a statement therefor and evidence of your payment thereof.

(e) You shall notify the Company in writing, of any claim by the Internal Revenue Service (the "IRS") that, if successful, would require the payment by the Company of a Gross-Up Payment. Such notification shall be given as soon as practicable but no later than 10 business days after you receive notice of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. You shall not pay such claim prior to the earlier of (x) the expiration of the 30 calendar day period following the date on which you give such notice to the Company or (y) the date that any payment of taxes with respect to such claim is due. If the Company notifies you in writing prior to the expiration of such period that it desires to contest such claim, you shall:

(i) give the Company any information reasonably requested by the Company relating, to such claim;

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing, from time to time, including without limitation accepting legal representation with respect to such claim by an attorney reasonably selected by the Company;

(iii) cooperate with the Company in good faith in order effectively to contest such claim; and

(iv) permit the Company to participate in any proceedings relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold you harmless, on an after-tax basis, for any Excise Tax or income tax, including interest and penalties with respect thereto, imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this Section 6(e), the Company shall, provided that such control does not have a material adverse affect on your individual income tax with respect to matters unrelated to the contest of the Excise Tax, control all proceedings taken in connection with such contest and, at its sole option, may, provided that such pursuit or foregoing does not have a material adverse affect on your individual income tax with respect to matters unrelated to the contest of the Excise Tax, pursue or forego any and all administrative appeals, proceedings, hearings and conference with the IRS in respect of such claim (but, you may participate therein at your own cost and expense) and may, at its sole option, provided that such payment, suit, contest or prosecution does not have a material adverse affect on your individual income tax with respect to matters unrelated to the contest of the Excise Tax, either direct you to pay the tax claimed and sue for a refund or contest

the claim in any permissible manner, and you agree to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that if the Company directs you to pay the tax claimed and sue for a refund, the Company shall advance the amount of such payment to you on an interest-free basis and shall indemnify and hold you harmless, on an after-tax basis, from any Excise Tax or income tax, including interest or penalties with respect thereto, imposed with respect to such advance or with respect to any imputed income with respect to such advance; and further provided that any extension of the statute of limitations relating to payment of taxes for your taxable year with respect to which the contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of such contest shall be limited to issues with respect to which a Gross Up Payment would be payable hereunder, and you shall be entitled to settle or contest, as the case may be, any other issue raised by the IRS.

(f) If, after the receipt by you of an amount advanced by the Company pursuant to Section 6(e) hereof, you receive any refund with respect to such claim, you shall (subject to the Company's complying with the requirements of Section 6(e) hereof) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after any taxes applicable thereto). If, after the receipt by you of an amount advanced by the Company pursuant to Section 6(e) hereof, a determination is made that you shall not be entitled to any refund with respect to such claim and the Company does not notify you in writing of its intent to contest such denial or refund prior to the expiration of 30 calendar days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

7. **Travel.** You shall be required to travel to the extent necessary for the performance of your responsibilities under this Agreement.

8. **Successors; Binding Agreement.** The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all the business and/or assets of the Company, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place, and will assign its rights and obligations hereunder to such successor. Failure of the Company to make such an assignment and to obtain such assumption and agreement prior to the effectiveness of any such succession, unless you agree otherwise in writing with the Company or the successor, shall entitle you to compensation from the Company in the same amount and on the same terms as you would be entitled to hereunder if you terminate your employment for Good Reason and the date on which any such succession becomes effective shall be deemed your Date of Termination. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise. This Agreement shall inure to the benefit of and be enforceable by your personal or legal representatives, executors, administrators, successors, heirs, distributees and/or legatees. This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign, transfer or delegate this Agreement or any

rights or obligations hereunder except as expressly provided in this Section 8. Without limiting the generality of the foregoing, your right to receive payments hereunder shall not be assignable or transferable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by your will or by the laws of descent and distribution and, in the event of any attempted assignment or transfer contrary to this Section 8, the Company shall have no liability to pay to the purported assignee or transferee any amount so attempted to be assigned or transferred. The Company and you recognize that each party will have no adequate remedy at law for any material breach by the other of any of the agreements contained herein and, in the event of any such breach, the Company and you hereby agree and consent that the other shall be entitled to a decree of specific performance, mandamus or other appropriate remedy to enforce performance of this Agreement.

9. **Notices.** For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing, and shall be deemed to have been duly given when delivered by hand, or mailed by United States certified mail, return receipt requested, postage prepaid, or sent by Federal Express or similar overnight courier service, addressed to the respective addresses set forth on the first page of this Agreement, or sent by facsimile with confirmation of receipt to the respective facsimile numbers set forth on the first page of this Agreement, provided that all notices to the Company shall be directed to the attention of the Secretary of the Company (or, if you are the Secretary at the time such notice is to be given, to the Chairman of the Company's Board of Directors), or to such other address or facsimile number as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address or facsimile number shall be effective only upon receipt.

10. Noncompetition.

(a) Until the Date of Termination, you agree not to engage in any Competitive Activity. For purposes of this Agreement, the term "Competitive Activity" shall mean your participation as an employee or consultant, without the written consent of the Board or any authorized committee thereof in the management of any business enterprise anywhere in the world if such enterprise is a "Significant Customer" of any product or service of the Company or engages in competition with any product or service of the Company (including without limitation any enterprise that is a supplier to an original equipment automotive vehicle manufacturer) or is planning to engage in such competition. For purposes of this Agreement, the term "Significant Customer" shall mean any customer who represents in excess of 5% of the Company's sales in any of the three calendar years prior to the date of determination. "Competitive Activity" shall not include the mere ownership of, and exercise of rights appurtenant to, securities of a publicly-traded company representing 5% or less of the total voting power and 5% or less of the total value of such an enterprise. You agree that the Company is a global business and that it is appropriate for this Section 10 to apply to Competitive Activity conducted anywhere in the world.

(b) You agree not to engage directly or indirectly in any Competitive Activity until two (2) years after the Date of Termination or, if later, until two (2) years after the end of the Consulting Period.

(c) You shall not directly or indirectly, either on your own account or with or for anyone else, solicit or attempt to solicit any of the Company's customers, solicit or attempt to solicit for any business endeavor or hire or attempt to hire any employee of the Company, or otherwise divert or attempt to divert from the Company any business whatsoever or interfere with any business relationship between the Company and any other person, until two (2) years after the Date of Termination or, if later, until two (2) years after the end of the Consulting Period.

(d) You acknowledge and agree that damages in the event of a breach or threatened breach of the covenants in this Section 10 will be difficult to determine and will not afford a full and adequate remedy, and therefore agree that the Company, in addition to seeking actual damages pursuant to Section 10 hereof, may seek specific enforcement of the covenant not to compete in any court of competent jurisdiction, including, without limitation, by the issuance of a temporary or permanent injunction, without the necessity of a bond. You and the Company agree that the provisions of this covenant not to compete are reasonable. However, should any court or arbitrator determine that any provision of this covenant not to compete is unreasonable, either in period of time, geographical area, or otherwise, the parties agree that this covenant not to compete should be interpreted and enforced to the maximum extent which such court or arbitrator deems reasonable.

11. Confidentiality and Cooperation.

(a) You shall not knowingly use, disclose or reveal to any unauthorized person, during or after the Term, any trade secret or other confidential information relating to the Company or any of its affiliates, or any of their respective businesses or principals, such as, without limitation, dealers' or distributor's lists, information regarding personnel and manufacturing processes, marketing and sales plans, pricing or cost information, and all other such information; and you confirm that such information is the exclusive property of the Company and its affiliates. Upon termination of your employment, you agree to return to the Company on demand by the Company all memoranda, books, papers, letters and other data, and all copies thereof or therefrom, in any way relating to the business of the Company and its affiliates, whether made by you or otherwise in your possession.

(b) Any design, engineering methods, techniques, discoveries, inventions (whether patentable or not), formulae, formulations, technical and product specifications, bill of materials, equipment descriptions, plans, layouts, drawings, computer programs, assembly, quality control, installation and operating procedures, operating manuals, strategic, technical or marketing information, designs, data, secret knowledge, know-how and all other information of a confidential nature prepared or produced during the period of your employment and which ideas, processes, and other materials or information relate to any of the businesses of the Company, shall be owned by the Company and its affiliates whether or not you should in fact execute an

assignment thereof or other instrument or document which may be reasonably necessary to protect and secure such rights to the Company.

(c) Following the termination of your employment, you agree to make yourself reasonably available to the Company to respond to periodic requests for information relating to the Company or your employment which may be within your knowledge. You further agree to cooperate fully with the Company in connection with any and all existing or future depositions, litigation, or investigations brought by or against the Company, any entity related to the Company, or any of its (their) agents, officers, directors or employees, whether administrative, civil or criminal in nature, in which and to the extent the Company deems your cooperation necessary. In the event that you are subpoenaed in connection with any litigation or investigation, you will immediately notify the Company. You shall not receive any additional compensation, other than reimbursement for reasonable costs and expenses incurred by you, in complying with the terms of this Section 11(c).

12. Arbitration.

(a) Except as contemplated by Section 10(d) or Section 12 (c) hereof, any dispute or controversy arising under or in connection with this Agreement that cannot be mutually resolved by the parties to this Agreement and their respective advisors and representatives shall be settled exclusively by arbitration in Southfield, Michigan, before one arbitrator of exemplary qualifications and stature, who shall be selected jointly by an individual to be designated by the Company and an individual to be selected by you, or if such two individuals cannot agree on the selection of the arbitrator, who shall be selected pursuant to the procedures of the American Arbitration Association.

(b) The parties agree to use their best efforts to cause (i) the two individuals set forth in the preceding Section 12(a), or, if applicable, the American Arbitration Association, to appoint the arbitrator within 30 days of the date that a party hereto notifies the other party that a dispute or controversy exists that necessitates the appointment of an arbitrator, and (ii) any arbitration hearing to be held within 30 days of the date of selection of the arbitrator, and, as a condition to his or her selection, such arbitrator must consent to be available for a hearing, at such time.

(c) Judgment may be entered on the arbitrator's award in any court having jurisdiction, provided that you shall be entitled to seek specific performance of your right to be paid and to participate in benefit programs during the pendency of any dispute or controversy arising under or in connection with this Agreement. The Company and you hereby agree that the arbitrator shall be empowered to enter an equitable decree mandating specific performance of the terms of this Agreement. If any dispute under this Section 12 shall be pending, you shall continue to receive at a minimum the base salary which you were receiving immediately prior to the act or omission which forms the basis for the dispute. At the close of the arbitration, such continued base salary payments may be offset against any damages awarded to you or may be recovered from you if its determined that you were not entitled to the continued payment of base salary under the other provisions of this Agreement.

13. **Modifications.** No provision of this Agreement may be modified, amended, waived or discharged unless such modification, amendment, waiver or discharge is agreed to in writing and signed by both you and such officer of the Company as may be specifically designated by the Board.

14. **No Implied Waivers.** Failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect the full right to require such performance at any time thereafter. Waiver by either party of a breach of any obligation hereunder shall not constitute a waiver of any succeeding breach of the same obligation. Failure of either party to exercise any of its rights provided herein shall not constitute a waiver of such right.

15. **Governing Law.** The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Michigan without giving effect to any conflicts of laws rules.

16. **Payments Net of Taxes.** Except as otherwise provided in Section 6 herein, any payments provided for herein which are subject to Federal, State local or other governmental tax or other withholding requirements or obligations, shall have such amounts withheld prior to payment, and the Company shall be considered to have fully satisfied its obligation hereunder by making such payments to you net of and after deduction for all applicable withholding obligations.

17. **Capacity of Parties.** The parties hereto warrant that they have the capacity and authority to execute this Agreement.

18. **Validity.** The invalidity or unenforceability of any provision of this Agreement shall not, at the option of the party for whose benefit such provision was intended, affect the validity or enforceability of any other provision of the Agreement, which shall remain in full force and effect.

19. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

20. **Entire Agreement.** This Agreement contains the entire agreement by the parties with respect to the matters covered herein and supersede any prior agreement (including, but not limited to, the Prior Agreement and any other prior employment agreement(s)), condition, practice, custom, usage and obligation with respect to such matters insofar as any such prior agreement, condition, practice, custom, usage or obligation might have given rise to any enforceable right. No agreements, understandings or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

21. **Legal Fees and Expenses.** It is the intent of the Company that you not be required to incur the expenses associated with the enforcement of your rights under this Agreement by litigation or other legal action because the cost and expense thereof would substantially detract from the benefits intended to be extended to you hereunder. Accordingly, the Company shall pay or cause to be paid and be solely responsible for any and all reasonable attorneys' and related fees and expenses incurred by you (i) as a result of the Company's failure to perform this Agreement or any provision hereof or (ii) as a result of the Company unreasonably or maliciously contesting the validity or enforceability of this Agreement or any provision hereof as aforesaid.

22. **Code Section 409A.** Notwithstanding any provision in this Agreement to the contrary, if your employment is terminated as described in Section 5(d) and Section 409A(a)(2)(B)(i) of the Code applies to all or any portion of your Severance Payment and you are a "specified employee" thereunder, then the Company shall pay the portion of your Severance Payment that is subject to such Section of the Code no earlier than six (6) months after your Date of Termination or such other date as would be permissible under the Code. If your employment is terminated as described in Section 5(d) and Section 409A(a)(2)(B)(i) of the Code does not apply to any portion of your Severance Payment or you are not a "specified employee" thereunder, then the Company shall pay your Severance Payment as described in Section 5(d).

If this letter sets forth our agreement on the subject matter hereof, kindly sign and return to the Company the enclosed copy of this letter which will then constitute our agreement on this subject, effective on November 15, 2007.

Sincerely,

LEAR CORPORATION

By: /s/ Roger A. Jackson
Roger A. Jackson

Agreed to this 15th day of November, 2007

/s/ Robert E. Rossiter
Robert E. Rossiter



November 15, 2007

Mr. James H. Vandenberghe
[home address]

Dear Jim:

The purpose of this letter is to confirm the terms by which you will be engaged by Lear Corporation (the "Company") as a consultant following your retirement as its Vice Chairman. The key terms of your engagement are as follows:

1. **Term and Termination.** Your retirement as Vice Chairman and consulting engagement under this letter agreement shall become effective on May 31, 2008, unless your employment is terminated at any time before such date as described in Section 5(a), (b) or (c) of your employment agreement with the Company dated March 15, 2005 (the "Employment Agreement").

The term of your engagement hereunder (the "Consulting Period") shall be equal to one (1) year. Notwithstanding the foregoing, the Company may terminate the Consulting Period at any time for Cause. For purposes of this letter agreement, "Cause" will have the same meaning as set forth in the Employment Agreement.

2. **Services.** You agree to provide transition, consulting and other related services to the Company, as may be requested from time to time by the Company's Chief Executive Officer ("CEO"). In this regard, you agree to provide consulting advice and services related to your extensive industry experience, your unique knowledge of the Company and its contacts and such other services as may be mutually agreed upon by you and the CEO and which are consistent with your position as former Chief Financial Officer ("CFO") and Vice Chairman. You further agree to assist in providing an effective transition of your executive responsibilities. You agree to make yourself reasonably available as requested by the Company's CEO and to develop a mutually acceptable work schedule during the term of your consulting engagement. You shall diligently and competently perform the services requested hereunder and use reasonable efforts in connection with the performance of such services. During the Consulting Period, you shall not be expected to provide more than an average of forty (40) hours per month of consulting services.

3. **Compensation.**

a. As compensation for your consulting services, the Company will pay you an amount equal to \$700,000, payable in twenty-four equal semi-monthly installments without interest through the Consulting Period.

b. The Company will reimburse you for reasonable and necessary business expenses incurred in the course of performing services hereunder, subject to approval of such expenses by an executive officer of the Company. Any reimbursement payable pursuant to this Paragraph 3 shall be paid as soon as administratively feasible upon your request, but in all cases, such reimbursement shall be paid no later than March 15 of the year following the year in which the expense is incurred.

c. During the Consulting Period, you and your spouse shall continue to be eligible to participate in the Company's group health plan (medical and dental) on the terms and conditions applicable to salaried employees of the Company. To the extent your and your spouse's continued participation in the group health plan is not permissible during the Consulting Period, the Company will pay to you an amount equal to the premium for substantially equivalent coverage available outside of the Company plan.

4. **Administrative Support.** The Company agrees that it will provide you with appropriate office space and administrative support while you are performing services for the Company at the Company's location. During the Consulting Period, the Company agrees to provide you with reasonable technical support and the Company's help desk shall be available to provide technical assistance to you as reasonably requested with respect to the computers referred to above. The Company further agrees to maintain your Company e-mail address during the Consulting Period.

5. **Protective Covenant.** You shall continue to be bound by the restrictive covenants set forth in your Employment Agreement during the Consulting Period; provided that the restrictions set forth in Sections 10, 11 and 12 of the Employment Agreement shall continue to apply until two (2) years after the end of the Consulting Period.

6. **Relationship.** It is the intention of the parties to this letter agreement that, during the Consulting Period, you are to be an independent contractor and not an employee of the Company and nothing in this letter shall be construed to create an employment relationship between you and the Company following your retirement as Vice Chairman. As an independent contractor, you shall not, except as otherwise provided in Paragraph 3 hereof, participate in any employee benefit plan or program or be subject to any employment rules, regulations or policies of the Company. You shall have exclusive control of the method of performance of your duties hereunder and shall independently manage and control your activities subject only to the terms of this letter agreement. You recognize, acknowledge and agree that, as an independent contractor, all income paid to you under this letter agreement shall constitute income from self-employment and you shall be required to pay self-employment taxes pursuant to Section 1401 of the Code. You recognize, acknowledge and agree that because of your status as an independent contractor, the Company, its officers, directors, and employees shall have no obligation or liability whatsoever to you, your heirs, administrators, assigns, or creditors for workers' compensation, federal and state payroll taxes, unemployment compensation, minimum wages, Social Security assessments or similar charges, taxes or liabilities applicable to an employment relationship.

7. **Future Cooperation.** In connection with any and all claims, disputes, negotiations, investigations, lawsuits or administrative proceedings involving the Company, you

agree to make yourself available, upon reasonable notice from the Company, and without the necessity of subpoena, to provide information or documents, provide declarations or statements to the Company, meet with attorneys or other representatives of the Company, prepare for and give depositions or testimony, and/or otherwise cooperate in the investigation, defense or prosecution of any or all such matters. Any reimbursement payable pursuant to this Paragraph 7 shall be paid as soon as administratively feasible upon your request, but in all cases, such reimbursement shall be paid no later than March 15 of the year following the year in which the expense is incurred. Notwithstanding anything in this agreement to the contrary, you and the Company agree that the obligations imposed upon you under this Paragraph 7 shall survive the termination of your consultancy.

8. **Other Understandings.** This letter, together with the Employment Agreement, set forth our entire agreement and understanding and supersede any and all other agreements, either oral or in writing, between the Company, any of its shareholders, members, and/or principals and you related to the subject matter addressed herein. No change to this letter will be valid unless in writing and signed by the Company and you.

9. **Governing Law.** This letter agreement will be governed by and construed in accordance with the laws of the State of Michigan.

Please confirm your acceptance of our offer by signing on the space provided below and returning this letter to the Company by _____, 2007.

LEAR CORPORATION

By: /s/ Roger A. Jackson
Roger A. Jackson

Accepted this 15th day of November, 2007

/s/ James H. Vandenberghe
James H. Vandenberghe